



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Craffu ar Waith y Prif Weinidog **The Committee for the Scrutiny of the First Minister**

Dydd Iau, 26 Mehefin 2014
Thursday, 26 June 2014

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir
trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In
addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

David Melding

Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor)

Welsh Conservatives (Committee Chair)

Jocelyn Davies	Plaid Cymru The Party of Wales
Paul Davies	Ceidwadwyr Cymreig Welsh Conservatives
Ann Jones	Llafur Labour
William Powell	Democratiaid Rhyddfrydol Cymru (yn dirprwyo ar ran Eluned Parrott) Welsh Liberal Democrats (substitute for Eluned Parrott)

**Eraill yn bresennol
Others in attendance**

Rhodri Asby	Dirprwy Cyfarwyddwr Gwrthsefyll a Gweithredu Hinsawdd, Llywodraeth Cymru Deputy Director, Climate Change and Natural Resource Policy, Welsh Government
Lucy Corfield	Pennaeth Gwrthsefyll a Gweithredu Hinsawdd, Llywodraeth Cymru Head of Climate Action and Resilience, Welsh Government
Carwyn Jones	Aelod Cynulliad, Llafur (Prif Weinidog Cymru) Assembly Member, Labour (The First Minister of Wales)

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance**

Chloe Corbyn	Y Gwasanaeth Ymchwil Research Service
Stephen George	Clerc Clerk
Kathryn Thomas	Dirprwy Glerc Deputy Clerk

*Dechreuodd y cyfarfod am 14:01.
The meeting began at 14:01.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions**

[1] **David Melding:** Good afternoon, everyone, and welcome to this meeting of the Committee for the Scrutiny of the First Minister. Today we will be looking at the Welsh Government's climate change strategy and I am delighted to welcome the First Minister and his officials. May I just make a couple of housekeeping announcements? These proceedings will be conducted in Welsh and English, and, when Welsh is spoken, there will be a translation on channel 1. Should you need amplification, you can get that on channel 0. Will you switch off all mobile phones or put them on 'silent' as they will interfere with our broadcasting equipment? We do not expect a routine fire drill, so if we hear the alarm, please follow the instructions of the ushers.

[2] I am delighted to note that Jocelyn Davies has been elected to the committee in place of Elin Jones. So, welcome Jocelyn. Ann Jones is here for the first time as an elected member; I think that you have subbed before, Ann.

[3] **Ann Jones:** Yes, I have.

[4] **David Melding:** So, we are delighted to have you here as a permanent member. I have apologies from Eluned Parrott, but I am delighted to welcome Bill Powell as her substitute this afternoon.

14:02

**Craffu ar Waith y Gweinidog—Strategaeth 2010 Llywodraeth Cymru ar y
Newid yn yr Hinsawdd
Ministerial Scrutiny Session—The Welsh Government’s 2010 Climate Change
Strategy for Wales**

[5] **David Melding:** First Minister, would you like to introduce your officials before I explain how we will proceed?

[6] **The First Minister (Carwyn Jones):** Yes, to my left I have Rhodri Asby and to my right is Lucy Corfield.

[7] **David Melding:** As you will probably be aware, we are going to go around the table and each take a policy area within this general subject. We intend to look at the ‘Climate Change Strategy for Wales’ and progress to date. Is the Welsh Government doing enough to tackle climate change? We will take those two areas as the first block of questioning and then we will look at the residential sector, then behavioural change and education, in which we will look at people’s transport decisions, and then, finally, the business sector and renewable energy and the opportunities there.

[8] I think that it is appropriate, however, if we start with a couple of questions from the public because you may recall, First Minister, that we do invite the public to contribute their questions. I will put a few questions to you during the course of this afternoon’s meeting. So, I will ask the first two questions; there is one from Graham Price and another from Gary Griffiths. The first is: how do you convince the public of the importance of climate change when its immediate concerns are around health and education? The other question is: how do you respond to the view that environmental policies are add-ons and not core activities that are subject to stringent audit? There are a couple of interesting perceptions there; you may disagree, First Minister, but we welcome your response.

[9] **The First Minister:** I think that it is true to say that people tend to focus more on environmental issues when they feel comfortable economically. When they feel that their jobs or incomes are at risk and when they feel that they do not have as much equity in their houses, they tend to focus more on those issues and less on the environment. That does not mean, of course, that the environment is less important. We have seen some very unusual weather patterns across Wales in the past few years, no less so than in January when we saw the damage that was caused to many of our coastal towns. So, as far as the Government is concerned, we know that the environment remains exceptionally important. It should not be a choice of priorities. We can be focused on health and education and on the environment; it does not have to be a choice between one and two and three—all of these things can be taken forward by Government.

[10] **David Melding:** Thank you; I will ask Paul Davies to take us through the first set of questions.

[11] **Jocelyn Davies:** May I ask a supplementary question?

[12] **David Melding:** That is getting off the mark quickly, Jocelyn, but of course you may.

[13] **Jocelyn Davies:** I know that recycling is important, but I think that it is the easiest thing to do, to ask people to recycle. Do you think perhaps that there is too much focus on recycling—because it is the easiest thing to ask people to do—when there are other things that would create more of an impact in terms of climate change?

[14] **The First Minister:** I think that the greatest impact comes in terms of what you do with houses and what you do in terms of the carbon footprint of industry, and in terms of transport. Individuals acting together can make a difference and the most obvious way that they can do that is through recycling. We have seen in the past 14 years or so an increase of 4% up to beyond 50% in terms of recycling. Yes, individuals can have an impact in terms of the way they choose to travel. The Active Travel (Wales) Act 2013 is designed to promote alternatives to car use. In terms of the major impacts, clearly that is in areas like manufacturing and residential; that is where the impact can be most felt.

[15] **Jocelyn Davies:** Well, really, my question—

[16] **David Melding:** You will have a chance to come back.

[17] **Jocelyn Davies:** Fine.

[18] **David Melding:** I call Paul Davies.

[19] **Paul Davies:** Diolch yn fawr iawn, Gadeirydd. Brif Weinidog, fe gyhoeddech chi 'Strategaeth Cymru ar y Newid yn yr Hinsawdd' yn ôl yn Hydref 2010, ac un o'ch targedau chi oedd sicrhau lleihad sy'n o leiaf 40% yng nghyfanswm yr allyriadau nwyon tŷ gwydr yng Nghymru erbyn 2020, yn unol â llinell sylfaen 1990. Ond, mae'r data diweddar yn dangos bod y duedd gyfredol yn llai na'r gostyngiad a ragwelwyd ac sy'n ofynnol i gyrraedd y targed o 40%. Pam ydych yn credu felly bod y strategaeth yn methu?

Paul Davies: Thank you very much, Chair. First Minister, you published the 'Climate Change Strategy for Wales' back in October 2010, and one of your targets was to ensure a decrease that is at least 40% in the total of greenhouse gas emissions in Wales by 2020, in accordance with the baseline of 1990. However, the latest data show that the current trend is less than the decrease that was forecast and which is required to reach that target of 40%. Why do you think, therefore, that the strategy is failing?

[20] **Y Prif Weinidog:** Yn gyntaf, nid wyf yn credu bod y strategaeth wedi methu, o achos y ffaith bod lleihad o dros 20% wedi cymryd lle yn yr amser yna. Mae yn her, wrth gwrs, i gyrraedd y targed o 40% erbyn diwedd y degawd hwn, ond bydd adnewyddiad o'r strategaeth yn ystod y misoedd nesaf, a bydd y Gweinidog yn gwneud datganiad i'r Cynulliad yn ystod y mis nesaf ynglŷn â pha gyfeiriad y bydd y strategaeth yn ei gymryd nesaf.

The First Minister: First, I do not think that the strategy has failed, because a reduction of more than 20% has happened in that period. It is a challenge, of course, to reach the target of 40% by the end of this decade, but there will be a refresh of the strategy during the next few months, and the Minister will be making a statement to the Assembly during the next month on what direction the strategy will take next.

[21] **Paul Davies:** Ond, a yw'r adnewyddiad yna yn cymryd lle oherwydd nid yw'r strategaeth sydd mewn lle ar hyn o bryd yn gweithio?

Paul Davies: But, is that refresh taking place because the strategy in place at present is not working?

[22] **Y Prif Weinidog:** Mae'n wir i ddweud y bydd yn her i gyrraedd y targed erbyn 2020. Felly, mae'n synhwyrol i ailystyried y strategaeth ar hyn o bryd er mwyn gweld ym mha ffordd y gallwn gyflymu tuag at y targed hwnnw.

[23] **Paul Davies:** Rwy'n deall nad yw'r targedau hyn yn dargedau statudol yma yng Nghymru, a taw Cymru yw'r unig wlad o fewn y Deyrnas Unedig sydd heb dargedau statudol. A yw hyn yn rhywbeth y byddwch yn ei ystyried yn yr adnewyddiad yma?

[24] **Y Prif Weinidog:** Nid yw hynny yn ffeithiol gywir. Nid oes targedau yng Ngogledd Iwerddon; mae rhai yn yr Alban, ond nid oes rhai yn Lloegr chwaith. Felly, nid yw'n wir i ddweud mai dim ond yng Nghymru does dim targedau. Wrth ddweud hynny, mae'n rhaid i ni ystyried pa bwerau sydd gyda ni fel Llywodraeth o gymharu â Lloegr, yr Alban a Gogledd Iwerddon. Mae'n wir i ddweud o ran ynni adnewyddadwy nad yw'r bwerau gyda ni yn yr un ffordd a'r llywodraethau eraill. Felly, byddai'n rhaid i ni gael yr un chwarae teg o ran bwerau cyn ystyried unrhyw dargedau statudol.

[25] **Paul Davies:** O ran yr adnewyddiad yma—rydym yn mynd i gael datganiad gan y Gweinidog ar 15 Gorffennaf rwy'n credu—a allwch roi rhyw fraslun neu flas i ni o'r datganiad hwnnw? Ydy'r ffocws yn mynd i newid o gwbl?

[26] **Y Prif Weinidog:** Nid ydym yn ystyried newid y targed ar hyn o bryd. Mae'n bwysig ein bod yn dal i fod yn uchelgeisiol, ond mae'r Gweinidog ar hyn o bryd yn ystyried ym mha ffyrdd y gallai'r strategaeth gael ei chryfhau er mwyn sicrhau ein bod ni yn cyrraedd y targedau hynny erbyn diwedd y degawd hwn.

[27] **Paul Davies:** Roeddech yn ateb cwestiwn y Cadeirydd yn gynharach o ran blaenoriaethau. Yn eich adroddiad cynnydd blynyddol, rydych yn dweud, ac rwy'n dyfynnu 'nawr:

[28] 'Mae fy mlaenoriaethau'n gwbl glir o hyd: twf a swyddi; cyrhaeddiad addysgol; cynorthwyo cymunedau difreintiedig a phlant

The First Minister: It is true to say that it is going to be a challenge to reach the target by 2020. So, it is sensible to reconsider the strategy at present in order to see in what way we can accelerate towards that target.

Paul Davies: I understand that these targets are not statutory targets here in Wales, and that Wales is the only country within the United Kingdom that does not have statutory targets. Is this something that you will consider in this refresh?

The First Minister: That is not factually correct. There are no targets in Northern Ireland; there are some in Scotland, but there are none in England either. So, it is not true to say that it is only in Wales that there are no targets. In saying that, we have to consider what powers we have as a Government compared with England, Scotland and Northern Ireland. It is true to say in terms of renewable energy that the powers are not here as they are in the other governments. So, we would have to have the same fair play in terms of powers before considering any statutory targets.

Paul Davies: In terms of this refresh—and I think that we are going to have a statement from the Minister on 15 July—can you give us an outline or a taste of what that statement is going to contain? Is the focus going to change at all?

The First Minister: We are not considering changing the target at present. It is important that we continue to be ambitious, but the Minister is currently considering in what ways the strategy could be bolstered in order to ensure that we reach those targets by the end of this decade.

Paul Davies: You responded to an earlier question from the Chair in terms of priorities. In your annual progress report, you state, and I am quoting now:

'My priorities remain absolutely clear: growth and jobs; educational attainment; supporting children, families and deprived

a theuluoedd; a gwella iechyd a lles ein holl ddinasyddion.’

[29] Roeddech yn sôn yn gynharach nad yw pobl, yn gyffredinol, yn canolbwyntio ar yr hinsawdd, ond eu bod yn canolbwyntio ar bethau fel iechyd a swyddi. Ai'r realiti yw nad ydych chi fel Llywodraeth yn blaenoriaethu newid yn yr hinsawdd chwaith?

[30] **Y Prif Weinidog:** Mae'r amgylchedd wedi cael ei wau drwy waith y Llywodraeth. Er enghraifft, gyda swyddi, mae'n wir i ddweud bod gennym strategaeth ynglŷn â thŵf gwyrdd, a bydd honno'n creu swyddi. Gwyddom fod potensial mawr ynglŷn ag ynni adnewyddadwy—nid dim ond o ran gwynt ond hefyd ynni o'r môr—i greu swyddi yn y dyfodol, a bydd hynny'n rhan o dŵf economaidd. Gwyddom hefyd bod eco-sgolion wedi bod yn llwyddiannus dros ben o ran sicrhau bod pobl ifanc yn deall beth yw pwysigrwydd yr amgylchedd. Mae hynny'n dal i fod yn rhan o addysg. Rydym hefyd yn gwybod, o ran trafniadaeth a thai, ei bod yn bwysig dros ben ein bod yn ystyried newid yn yr hinsawdd wrth greu polisiau yn y dyfodol. Felly, nid wyf yn dweud bod yr amgylchedd wedi cael ei anghofio, ond bod yr amgylchedd yn ganolog i waith y Llywodraeth.

[31] **Paul Davies:** Felly, bydd yn fwy o flaenoriaeth ichi yn y dyfodol.

[32] **Y Prif Weinidog:** Mae wastad wedi bod yn flaenoriaeth inni. Mae'n rhaid inni gofio hefyd y bydd Bil yn dod o flaen y Cynulliad, sef y Bil amgylchedd, ac mae'r amgylchedd yn chwarae rhan ym Mil cenedlaethau'r dyfodol. Felly, nid yw'r momentwm wedi cael ei gollu.

[33] **Paul Davies:** Rwyf wedi clywed beirmiadaeth gan bobl sy'n teimlo bod diffyg cyd-gysylltu o fewn Llywodraeth Cymru ar y mater hwn. Mae rhai wedi awgrymu mai chi, fel pennaeth y Llywodraeth, fel Prif Weinidog, a ddylai fod yn gyfrifol am bolisi newid yn yr hinsawdd. Pam nad ydych chi, fel Prif Weinidog, yn gyfrifol am y polisi, oherwydd rydych chi, wrth gwrs, yn gallu cyd-gysylltu â phob Gweinidog yn eich Llywodraeth?

communities; and improving health and well-being for all of our citizens.’

You mentioned earlier that people generally do not focus on issues relating to the climate, but they do concentrate on things such as health and jobs. Is the reality that you, as a Government, are also not prioritising climate change?

The First Minister: The environment is woven through the work of the Government. For example, with regard to jobs, it is right to say that we have a strategy for green growth, and that that will create jobs. We know that there is great potential with regard to renewable energy—not only in terms of wind energy, but tidal energy—which will create jobs in the future and will play a part in economic growth. We also know that eco-schools have been very successful in terms of ensuring that young people understand the importance of the environment. That continues to be a part of education. We also know, with regard to transport and housing, that it is very important that we take climate change into account in developing policies in the future. Therefore, I would not say that the environment has been forgotten, but that the environment is central to the work of the Government.

Paul Davies: So, it will be more of a priority for you in future.

The First Minister: It always has been a priority for us. We also have to remember that there is a Bill that will come before the Assembly, the environment Bill, and that the environment also plays a role in the future generations Bill. Therefore, the momentum has not been lost.

Paul Davies: I have heard criticism from people who feel that there is a lack of co-ordination within Welsh Government on this matter. Some have suggested that you, as the head of the Government, as the First Minister, should be responsible for climate change policy. Why are you not, as the First Minister, responsible for the policy, because you are able, of course, to co-ordinate with all the Ministers in your Government?

[34] **Y Prif Weinidog:** Mae *limit* i'r hyn y gallaf ei wneud fel Prif Weinidog heb gymryd gormod oddi ar Weinidogion. Mae'r Llywodraeth gyfan—hynny yw, pob Gweinidog—yn chwarae rhan o ran sicrhau ein bod yn symud ymlaen gyda phethau sy'n torri ar draws y portffolios. Er enghraifft, mae mynd i'r afael â thlodi yn bwnc pwysig dros ben sy'n torri ar draws portffolios, ond mae Gweinidog sydd â chyfrifoldeb am y maes yn arwain ar hynny. Felly, rwy'n hapus ar hyn o bryd gyda'r sefyllfa sydd gennym, gyda Gweinidog yn arwain ar newid yn yr hinsawdd, gan gofio bod newid hinsawdd a'r amgylchedd yn rhan sylfaenol o waith pob Gweinidog.

[35] **Paul Davies:** Fodd bynnag, rwy'n iawn i ddweud, wrth gwrs, mai chi sy'n gyfrifol am bolisi ynni'r Llywodraeth, felly pam nad ydych yn gyfrifol am bolisi newid yn yr hinsawdd?

[36] **Y Prif Weinidog:** Bydd ynni yn rhoi llawer iawn o gyfleoedd i ni yn y dyfodol i greu swyddi a dylanwadu ar newid yn yr hinsawdd. Roedd yn bwysig dros ben ar y pryd i mi arwain ar hynny. Mae wastad angen sicrhau cydbwysedd rhwng rôl Gweinidog portffolio a'r Prif Weinidog, ac rwy'n hapus gyda'r cydbwysedd hwnnw ar hyn o bryd.

[37] **Paul Davies:** Mae Comisiwn Cymru ar Newid yn yr Hinsawdd wedi tynnu sylw at yr angen i unioni'r broses o wneud penderfyniadau ar lefel uwch, yn arbennig yn y Llywodraeth. Sut ydych yn ymateb i'r sylw y mae'r comisiwn wedi ei wneud?

[38] **Y Prif Weinidog:** Mae'n anodd mynegi barn heb wybod beth sydd wrth wraidd hynny, yn enwedig o ran yr enghreifftiau lle nad yw hynny'n digwydd ar hyn o bryd. Byddwn yn dadlau ei fod yn digwydd a bod dealltwriaeth o bwysigrwydd yr amgylchedd a newid yn yr hinsawdd ym mhob rhan o'r Llywodraeth.

[39] **Paul Davies:** Credaf mai'r hyn roedd yn ceisio ei ddweud yw nad oes cysondeb ar draws y Llywodraeth. Rydych yn dweud bod cysondeb llwyr ar draws pob adran yn y Llywodraeth ac nad oes dim byd y gellir ei wella yn y Llywodraeth o ran y ffordd rydych

The First Minister: There is a limit to what I can do as the First Minister without taking too much away from Ministers. The entire Government—that is, every Minister—plays a part in ensuring that we move forward with those matters that cut across portfolios. For example, tackling poverty is a very important subject that cuts across portfolios, but there is a Minister with responsibility for that who leads on that work. Therefore, I am happy at present with the situation we have, where we have a Minister who leads on work to tackle climate change, bearing in mind that climate change and the environment are a fundamental part of the work of every Minister.

Paul Davies: However, I am right to say, of course, that you are responsible for the Government's energy policy, so why are you not responsible for climate change policy?

The First Minister: Energy will provide us with many opportunities in the future to create jobs and influence climate change. It was very important at the time for me to take the lead. It is always necessary to ensure a balance between the role of a portfolio Minister and that of the First Minister, and I am happy with that balance at present.

Paul Davies: The Climate Change Commission for Wales has drawn attention to the need to align senior level decision making, particularly with regard to the Government. How would you respond to the commission's comment?

The First Minister: It is difficult to express an opinion without knowing the root of that sentence, especially in terms of examples of where that is not happening at present. I would argue that it is happening and that there is an understanding of the importance of the environment and climate change across Government.

Paul Davies: I think that what it was trying to say was that there is no consistency across Government. You say that there is total consistency across every department in the Government and that there is nothing that can be improved in the Government with regard

yn gweithio.

to the way you work.

14:15

[40] **Y Prif Weinidog:** Nid wyf yn dadlau bod y Llywodraeth yn berffaith. Rwy'n deall bod wastad lle i wella, fel sydd ym mhob rhan o fywyd, ond heb wybod pa enghreifftiau oedd gan y comisiwn ynglŷn â lle nad yw pethau'n gweithio, mae'n anodd dros ben i fynegi barn. Felly, yn fy marn i, byddwn yn dweud bod newid yn yr hinsawdd, yn arbennig, yn rhan bwysig o waith pob adran yn y Llywodraeth.

The First Minister: I am not saying that the Government is perfect. I understand that there is room for improvement, as in every part of life, but, without knowing what examples the commission had in mind of where things are not working, it is very difficult to express an opinion. So, in my opinion, I would say that climate change, in particular, is an important part of the work of every department within Government.

[41] **Paul Davies:** A ydych yn hapus gydag ymwybyddiaeth sefydliadau yn y sector cyhoeddus am newid yn yr hinsawdd? Beth allwch chi fel Llywodraeth ei wneud i sicrhau bod y sector cyhoeddus yn sicrhau ei fod yn gweithredu eich polisiau chi? Beth ydych chi'n ei wneud i sicrhau hynny?

Paul Davies: Are you content with the awareness of public sector institutions when it comes to climate change? What can you as a Government do to ensure that the public sector ensures that it operates according to your policies? What are you doing to ensure that?

[42] **Y Prif Weinidog:** Mae wedi ymateb yn dda. Mae gostyngiad sylweddol wedi bod o 18.7% yn *emissions* y sector cyhoeddus, felly mae wedi cymryd hwn o ddifrif. Sut mae'n gwneud hynny? Mae'n sicrhau, wrth godi adeiladau newydd, eu bod o'r safon uchaf, gan sicrhau bod y sefyllfa gyda charbon yn cael ei hystyried mewn ffordd ddifrifol a sicrhau eu bod yn defnyddio llai o ynni a dŵr. Mae sawl enghraifft dros Gymru gyfan lle mae hynny wedi digwydd. Ymwelais ag ysgol yn eich etholaeth chi, yn Spittal, tua thair blynedd yn ôl a oedd yn enghraifft dda o hynny. Felly, mae hwn yn rhywbeth sydd yn cael ei normaleiddio, i ddefnyddio'r gair o'r wythnos diwethaf, yng ngwaith y sector cyhoeddus, nid dim ond mewn cyrff mae'r Llywodraeth yn eu hariannu yn uniongyrchol, ond hefyd mewn ysgolion ac ysbytai. Mae hwn yn rhywbeth hollol greiddiol pan fo adeiladau newydd yn cael eu codi.

The First Minister: It has responded well. There has been a significant reduction of 18.7% in public sector emissions, so it has taken this seriously. In what ways is it doing that? It is ensuring that, when new buildings are constructed, they are of the highest quality, ensuring that the situation with carbon is considered in a serious way and ensuring that they use less energy and water. There are many examples across all of Wales of where that has happened. I went to a school in your constituency, in Spittal, some three years ago that was a good example of that. So, this is something that is now normalised, to use the word from last week, throughout the work of the public sector, not only in bodies that the Government funds directly, but also in schools and hospitals. This is something that is central when it new buildings are constructed.

[43] **Paul Davies:** Fodd bynnag, rwy'n siŵr bod mwy o waith i'w wneud i godi ymwybyddiaeth o fewn y sector cyhoeddus. A ydych yn gwneud rhywbeth penodol yn awr ar hynny?

Paul Davies: However, I am sure that there is more work to do to raise awareness within the public sector. Are you doing anything specific now on that?

[44] **Y Prif Weinidog:** Mae wedi derbyn y neges. Mae'n siŵr y bydd hyn yn rhan o'r hyn y bydd y Gweinidog yn ei ystyried yn

The First Minister: It has received the message. I am sure that this will be part of the Minister's considerations during the

ystod yr adnewyddu drwy broses y datganiad newydd. Fodd bynnag, mae'n amlwg bod ymateb y sector cyhoeddus wedi bod yn gryf iawn yn y ffigurau dros y blynyddoedd diwethaf.

refresh through the process of the new statement. However, it is evident that the response from the public sector has been very strong from figures over the last few years.

[45] **Paul Davies:** Rwy'n deall bod gennych dîm craidd ar newid yn yr hinsawdd yn eich Llywodraeth. A ydych yn credu bod ganddo ddigon o adnoddau i wneud ei waith?

Paul Davies: I understand that you have a core team on climate change in your Government. Do you believe that it has sufficient resources to do its work?

[46] **Y Prif Weinidog:** Mae yna demtasiwn i ofyn iddo, ond wna i ddim o hynny. Byddwn yn dweud bod digon o adnoddau ganddo, a hefyd mae digon o allu ganddo. Mae hynny'n cael ei ddangos yn y ffaith bod cymaint o ostyniad wedi bod mewn *emissions* carbon dros y blynyddoedd diwethaf.

The First Minister: It is tempting to ask it, but I will not do that. I would say that it has enough resources, and it has enough ability as well. That is shown by the fact that there has been such a reduction in carbon emissions over the last few years

[47] **Paul Davies:** A allwch esbonio i ni pa fath o adnoddau mae'n eu cael? Beth mae'r tîm hwn yn ei gynnwys?

Paul Davies: Can you explain to us what kind of resources it receives? What does this team comprise?

[48] **Y Prif Weinidog:** Trof at Rhodri ynglŷn â'r niferoedd.

The First Minister: I will turn to Rhodri on the numbers.

[49] **Mr Asby:** Mae gennym dîm polisi canolog ac mae hefyd gennym bobl sy'n gweithio ar y wyddoniaeth. Mae'r adnoddau eraill i'w cael lle mae'r polisiau a'r prosiectau yn cael eu delifro. Felly, mae'n dibynnu ar y prosiect.

Mr Asby: We have a central policy team and we also have people who work on the science. The other resources are where the policies and projects are delivered. So, it depends on the project.

[50] **Paul Davies:** Rydych wedi sôn y bydd adnewyddiad mewn rhai wythnosau. Nid wyf yn glir o hyd ar beth y byddwch yn ei wneud yn wahanol fel Llywodraeth, yn enwedig i geisio cyrraedd y targed hwn erbyn 2020.

Paul Davies: You have mentioned that there will be a refresh within a few weeks. I am still not clear on what you are going to do differently as a Government, particularly to try to reach this target by 2020.

[51] **Y Prif Weinidog:** Dyna pam y bydd datganiad fis nesaf. Nid wyf yn mo'yn dweud unrhyw beth cyn bod y datganiad cyflawn yn cael ei wneud.

The First Minister: That is why there will be a statement next month. I do not want to pre-empt the statement that will be made.

[52] **David Melding:** Jocelyn, I think that you want to follow up on some of these areas.

[53] **Jocelyn Davies:** There were just one or two things, because you mentioned earlier that the environment is at the root of the work of the Government, and I know that you made a comparison between you and the other administrations in the UK, although I have to say that I do not think that they have sustainable development as their core, single, organising principle, as this Government says it does. There are many, of course, who say that that is not being mainstreamed—that is certainly something that we hear. So, in terms of, say, for example, carbon budgeting, if there is going to be a new project—I know that you said that

the public sector takes carbon use seriously; I think that that is how you describe it—such as a new motorway, as it could be, or any big project, when that is planned, how do you factor in the production of that new project in relation to the target to reduce emissions? Can you then explain how you would factor in the emissions generated by actually constructing a new project? Do you do that carbon budgeting?

[54] **The First Minister:** Clearly, the emissions that will be created through construction are an important factor, but when looking at a road project—I am not mentioning one in particular—there would be the question also of ensuring that traffic flows more easily, because we know that where traffic sits in a traffic jam for a long time, emissions are higher. Removing that problem is part of the overall examination of whether a road project is something that should be proceeded with or not.

[55] **Jocelyn Davies:** So, is this carbon budgeting part of the process? I understand that, if traffic is moving instead of sitting still, there could be, you know—. Is an exercise done for carbon budgeting in terms of big new projects, and their actual construction?

[56] **The First Minister:** The issue of the carbon footprint of a project is always considered as part of the overall examination of whether a project should go ahead.

[57] **Jocelyn Davies:** So, you would say that carbon budgeting is mainstreamed and that the criticism is not correct.

[58] In terms of the public sector, what environmental standard do you attach to conditions of grant?

[59] **The First Minister:** We would aim for BREEAM ‘excellent’. In terms of conditions of grant, that would vary, but we would expect from the public sector, and new schools particularly, that they would reach that standard and would be exemplars for others. In fact, they do reach it, and we know that, with the newer schools, their running costs are far lower than those of the older schools. So, BREEAM ‘excellent’ would be the aim.

[60] **Jocelyn Davies:** So, in terms of condition for grant, you would expect that as standard, rather than just the building regulations.

[61] **David Melding:** Before we go on, are there any other questions in this general area? I have a couple, but perhaps other Members do, too.

[62] May I just go back to this issue of whether we—well, you accept that we do not have statutory targets. I actually thought, as did Paul Davies, that they were present in the other home nations, but we will verify that. So, if there is an error, we will correct it.

[63] Why do you not take the future generations Bill as an opportunity to establish some statutory targets and then drive policy that way? You could actually lead the field—I think that you hinted that it was done in Scotland but nowhere else. Why will you not take that approach?

[64] **The First Minister:** Those targets would be meaningless without the means to deliver effectively against them. There are two areas where there would need to be a transfer of responsibility. The first is energy. We are energy exporters. The more energy is generated, the greater then is the likelihood that our emissions will increase. In order to enable there to be a greater shift away from fossil fuels and towards renewable energy, we need the powers to do that. When it comes to marine energy in particular, our powers are exceptionally limited. The other issue is transport, and the railways in particular, which are not devolved. We do not hold the budget for the rail network. Being able to hold that budget and have responsibility for

it would also enable us to be more effective in terms of creating the shift towards use of the railways. Yes, we have, of course, paid in the past for the opening of the Vale line, and the Ebbw valley line, but the railways per se are not devolved. If those two areas were to be devolved, I think that the case for targets then becomes stronger.

[65] **David Melding:** However, you already have targets, so how can you have targets that are not statutory if it is impossible to construct targets because these issues are so intermeshed, either with UK Government decisions or certain externalities that are beyond your control? Is it just impossible to have targets in this area? When the EU sets its targets, are they just for the birds?

[66] **The First Minister:** You can have targets and you can meet them. We did that, for example, with recycling. If you have statutory targets, the next question is, ‘What happens if they’re not met?’, ‘What is the penalty?’ If they are statutory, there must be a penalty. It is difficult to see what that penalty would be and against whom it would lie. So, I think that targets are important but statutory targets—. What is the—

[67] **David Melding:** I am just hopelessly confused now because you started off saying that it was impossible to construct coherent targets because of the overlap in this policy area and now you are saying that you can have targets but that you do not want them to be statutory. I can understand why you might not want them to be statutory, but it seems to me that you are on very different ground now—.

[68] **The First Minister:** It would be much easier to reach the targets that exist if the full suite of policy tools was available to us. Moving a step further to statutory targets without those policy tools, putting levels of government in a position where they might be penalised, seems to me to be a very difficult position for me to accept, given the fact that—

[69] **David Melding:** Okay. However, it appears to be what is happening in Scotland—

[70] **The First Minister:** Energy and railways are devolved in Scotland—

[71] **David Melding:** There are more devolved powers there, okay. That I understand.

[72] **Jocelyn Davies:** Why do you not just have targets for what is devolved? So, instead of having targets for the whole of Wales for things that are devolved and non-devolved, why do you not just set yourself statutory targets—. Of course, if you set a statutory target, I think that you have to accept that, if you do not meet it, the sanction, I suppose, is that the Government has failed. So, nobody—

[73] **The First Minister:** However, the two biggest sources of carbon emissions are going to be manufacturing and energy. When it comes to energy, we have no proper statutory control over that sector. We cannot effect the shift as effectively as we would want towards renewable energy, and that is where the major impact would be. When it comes to manufacturing, there are difficult choices to be made. For example, one of the reasons why there has been an increase in emissions recently is because of the opening of a new blast furnace at Port Talbot, which is something that we would obviously not want to prevent happening. However, in the short term, that does create a spike in terms of emissions from that one plant.

[74] **Jocelyn Davies:** I do not think that anybody would hold you responsible for things you are not responsible for. You have not answered my question of why you do not have targets for things that are devolved.

[75] **The First Minister:** Well, let us look at housing. We have the building regulations

and what they have delivered. The environment Bill will deal with issues that are devolved, but the reality is that the biggest emitters are in areas that are not devolved. So, in fact, it would be a paper exercise that would not lead to very much in terms of having any meaning because those undertakings that emit the most are not, in reality, devolved.

[76] **David Melding:** We will shortly be looking at the residential sector in particular. Coming back to what could be in the future generations Bill, a system for carbon budgeting and assessment could be in it, could not? At the minute, it is not a standard procedure in policy development that these assessments are made. It may happen occasionally. It may happen for some of the larger infrastructure projects, but why is this not mainstreamed across decision making? All sorts of things will affect potential carbon consumption. Would this not be a chance really to show how serious you are right across the piece?

[77] **The First Minister:** There are lots of possibilities as far as the future generations Bill is concerned. The Bill itself is bound to deal with environmental aspects, but it is not simply confined to that, and nor is it simply confined to sustainable development, even though it is an important part of the direction of the Bill. Of course, as we know from the legislative processes here, there are many areas that will be explored as the Bill goes through its passage through the Assembly.

[78] **David Melding:** One thing I did agree with that you said earlier in response to my initial question on the statutory targets was, ‘Let’s look at delivery, that’s what’s really essential’. I think that we would all accept that that is the case. However, delivery planning still remains weak overall, I would say. Is that something that you are going to address in the climate change policy refresh—how you actually progress to these targets? Where is the planning that we can monitor rather than having to wait and evaluate whether you have reached the target or not, by which time there is not much chance of improving performance if it has not been adequate?

[79] **The First Minister:** Well, we have the climate change strategy and the climate change annual report, so it is possible to monitor what progress the Government is making. The last report was produced in December. I do not think that it would be right to say that there is no way of understanding what the Government is doing, or indeed of measuring progress, given what we are producing.

14:30

[80] **David Melding:** Okay. So, do you think that that is an adequate delivery plan at the moment?

[81] **The First Minister:** Well, the fact that the strategy is being refreshed shows that we are looking to strengthen that strategy. So, work will be done to make sure that that is the case in the future.

[82] **David Melding:** William is next.

[83] **William Powell:** Diolch, Gadeirydd. First Minister, you have quite rightly stated that the future generations Bill will be pretty central to our future climate change mitigation strategy, among its other aims. Do you have any sympathy for the view that the future generations commissioner should be appointed by the National Assembly for Wales, rather than by Welsh Government, in terms of the message that that would send out about our seriousness in these terms, and also in terms of mitigating the danger that, in the future, there might come a Government that is less committed to climate change mitigation than your own?

[84] **The First Minister:** There are two points that I would make. As Members will know, with commissioners, even though they are Government appointments, there is a mechanism for ensuring that Members of all parties are part of the appointments process, and rightly so. Once a commissioner is appointed, there is no influence that the Government can exert. The whole point is that the commissioner is in place. It is the same as a judge. The person is in place, and they then are in a position to be independent in that regard. The same would apply whoever appointed them. It is suggested, of course, that, because the Government appoints the commissioner, the Government may therefore have undue influence over the work of the commissioner. However, the same would apply if the Assembly did it. The reality is that someone has to appoint the commissioner. What is important is that, once that person is appointed, they feel able to act independently, and there should be no undue pressure on them from any source.

[85] **William Powell:** I have one further question on that topic, if I may, Chair. What do you see the relationship being between the future generations commissioner and the Auditor General for Wales in terms of the joined-up approach to delivering this area of policy?

[86] **The First Minister:** I would be reluctant for the auditor general to become involved in areas such as environmental auditing. I do not think that that is what the auditor general does. I think that the auditor general has a very strong role in terms of financial auditing. I think that the future generations commissioner has a stronger argument for being the person to look at how the Bill, or the Act, as it will become, rather, is progressed, and would have the expertise to look at those issues.

[87] **David Melding:** I have a final question, before we move on to the next section, which I realise that we need to do. I am still a bit disappointed, really, to hear your response to whether you should be the Government's climate change champion. It does seem to me, in what can sometimes be quite a fragmented field, or at least a field that affects everyone and needs to be brought together, and we are dealing with medium and long-term targets and all of those factors coming together and many things that require all sorts of interaction, all sorts of sectors, the UK Government, and internationally as well—. Why are you not the climate change champion? You, surely, are the only person in Wales that has the wherewithal to bring those resources and skills together? Why is it not you? I still think that you are missing an opportunity.

[88] **The First Minister:** It is very kind of you to say that, Chair, but I do have faith in my Minister to deliver when it comes to climate change. The reality is that, in Government, there are many areas that are potentially cross-cutting, but the First Minister cannot do it all. If you are in a position where you are the head of Government you cannot get too involved in any number of issues that other Ministers need to be able to deal with themselves. There are some areas, of course, that I have taken on: energy—or energy generation, to be more precise—is one of them; the Welsh language is another, although relatively recently. Coal and steel is another area; traditionally, for some reason, the First Minister has always done that. My predecessor did so as well. However, there are issues that, even though they are cross-cutting, have to be led by portfolio Ministers, and that is where we are with climate change.

[89] **David Melding:** Okay. Perhaps we will be able to persuade you to reconsider that. However, we need to progress. We will now move on to the residential sector. Jocelyn Davies will take us through these questions.

[90] **Jocelyn Davies:** Thank you very much, Chair. You have mentioned the residential sector a number of times already this afternoon. Would you like to just briefly tell us what steps are being taken to reduce the emissions from that sector?

[91] **The First Minister:** Yes. The changes to Part L of the building regulations do

provide the regulatory backing for emissions reductions, which, at the moment, are sought through technical advice note 22 as well. So, using planning guidance, together with building regulations, is the effective way of reducing emissions in the future.

[92] **Jocelyn Davies:** I am glad you mentioned building regulations. I guess that you probably thought that we might ask you about that this afternoon, but perhaps you could tell you us the reasons behind your decision to change the target for the reduction in carbon emissions from new houses through the building regulations from those that were consulted upon, which were 40% or 25%, and why you have decided to plump for 8%.

[93] **The First Minister:** It is because fewer houses would have been built. We have to be careful with the housing market as it is. Pre 2007, 25% would have been wholly reasonable, arguably 40% as well. That is not the case at the moment. The building market is still fragile. We have to make the judgment call between looking to reduce emissions without reducing the number of houses being built. In time, things will change. It is not a change of direction, but it is a change of pace. That much, I accept.

[94] **Jocelyn Davies:** Well, it is coming to a halt, because that is what they were building to anyway. So, it means that there has been no change.

[95] **The First Minister:** We have a need to build more houses and to have gone to 25% or higher would have prevented many of those houses from being built. That was our judgment.

[96] **Jocelyn Davies:** Okay. That is your reason. I would disagree with you, actually, on that. However, does this mean that if you decided, 'Right, we will not change things here', because we know that the sector is building to that standard anyway, so, it means no change there, and, of course, your target is a reduction target—. So, if that is 'no change', then it does not matter how many houses are built, it will not add up to any reductions. Have you taken action elsewhere to offset that and, if so, where? If you decide that you are not going to take action there, because that is affecting the construction sector, but you have this target and some of that was going to meet this target, are you doing something extra somewhere else in the portfolio in order to offset that?

[97] **The First Minister:** No, because the 8% reduction is there. We decided not to pursue the 25% or indeed the 40%, because everybody in the public and private housing sector made the point to us that it would be very difficult to build if we were at 40%. There will come a time when we will move towards it. Let me make that clear. This is not a change of direction, but a change of pace.

[98] **Jocelyn Davies:** You are aware, however, that that 8% was what they were building to anyway, so, it is not making any difference to what they were building.

[99] **The First Minister:** No. This is an 8% reduction that will be in the building regulations that was not there before.

[100] **Jocelyn Davies:** Yes, it will be in the regulations, but they were already building to the standard that will meet your 8%, so it makes no difference to what they are doing.

[101] **The First Minister:** We would hope that they would go beyond 8% in any event. They will know that, if they reduce energy consumption in houses that they build, those houses will become more attractive to people to buy.

[102] **Jocelyn Davies:** Okay. So, you say that this is short term. How long is 'short term'?

[103] **The First Minister:** It is until the housing market is in a position where we feel that it has improved to the point where we can move forward with introducing targets that are more ambitious. I should add that there is, of course, a 20% target in terms of energy performance for non-domestic buildings. That is likely to require greater use of renewable energy technologies, which will help to support the green economy. So, that target is there. I do not want to predict these things, but I suspect that we are years away from being in a position—maybe two or three years, it is difficult to predict these things—from being able to move further forward. However, the concern, certainly that I had, and which was shared by the Minister, was that if we introduce targets that were just too ambitious at this stage, given the current state of the housing market, we would be in a position of not enough houses being built to put a roof over people's heads.

[104] **Jocelyn Davies:** So, when did the consultation take place?

[105] **The First Minister:** The consultation took place after the 2008 crash. As you rightly said, it took place on the 25% or 40% figures, but the housing market has not recovered. Therefore, it would not be sensible, in my view, to have those figures while the housing market is still fragile.

[106] **Jocelyn Davies:** Could you just outline to us then—. You said that you think it might be in two or three years' time. How will you recognise that?

[107] **The First Minister:** When we see a sustained growth in the housing market, when we see house prices continuing to improve and also when we take into account any potential changes in the interest rate, which, it is said, will occur next year. It is difficult to assess the effect that that will have, even if it is a 0.25% increase, because people now, of course, are used to and are still, I suspect, borrowing to the hilt. So, we will have to assess what the situation is with regard to any interest rate rise to see what effect that has on the housing market.

[108] **Jocelyn Davies:** Okay, thank you. I think Ann wanted to come in on this.

[109] **Ann Jones:** It is interesting that the whole of the construction industry feels that it is not able to meet a higher target of between 25% and 40%. I am somebody who has been accused of single-handedly stopping the building of all housing in Wales because I am 'this daft woman who wants these daft sprinklers'. May I, to set the record straight, say to you that part of the issue around the sprinkler systems is that there is less contaminated water and therefore less damage to the environment? If you have a fire engine turn up at your house, it is likely to pump 3,000 gallons of water on a fire, as opposed to something like 209 gallons if the whole sprinkler system goes. So, there is a contamination issue there. It is interesting that the construction industry is now looking at ways in which to attract people to buy. Before, it used to be that if you had double glazing, if you had a fitted kitchen, if you had a fitted bathroom, then more people would look at it. Now, it is more likely to be about being more cost-effective and whether you have proper smoke alarms and a sprinkler system fitted. Does the construction industry need to come back to the table and sit down and be honest about the fact that it does not really want to put in these energy efficiency things, because once it has built the house, it does not care? Or, is it that we should be working with the industry and encouraging it? Is it to do with education? Should we educate it about the fact that if it spends all that money building a house, surely it would not want to see it going up in flames?

[110] **The First Minister:** That is true; we want to work with the construction industry anyway. Part L is being reviewed in 2016, so there will be a need to work with it over the course of the next two years to assess the state of the housing market at that point and then to see how quickly we progress to, first of all, the 25% and then beyond. As you know, Ann, I have never been one of those who believed that sprinklers were an unnecessary burden on the

construction industry. It is difficult to argue that something that potentially saves lives is a bad thing.

[111] **Ann Jones:** Some people do it quite nicely.

[112] **The First Minister:** I have read that this is done elsewhere. I also think that it is right to say that there are different viewpoints within the construction industry, in different building businesses, in terms of what the effect on building regulations will be. We have seen it publicly in what has been said about sprinklers. I strongly believe that the housing market is still fragile. We have to be careful to balance the need to reduce emissions against the need to ensure that houses are built. If the market continues to strengthen, in 2016 we have the opportunity to review Part L and then to see where we go next in terms of the targets.

[113] **Ann Jones:** Based on where Joyce was coming from, is the house building market going to be more fragile if people think that they are not going to have energy efficiency up to a BREEAM standard or up to an energy efficiency standard? There is a chance, when you buy, especially on the border in north-east or south-east Wales, that you could go over the border and get a house built that is energy efficient, as opposed to the fact that we are not being ambitious on this side of Offa's Dyke.

[114] **The First Minister:** I do not think that we are less ambitious than England. We start off from the basis that we do believe that climate change is effected by human behaviour, which is not the case in the Department for Environment, Food and Rural Affairs. So, we start from a fundamentally different position of principle. There is attractiveness for buyers if they believe that the house they are going to buy is going to cost them less to run. That is an opportunity for building businesses to ensure that they seek to do that in the future. The reality is, when people buy houses these days, they will take notice of what the energy performance certificate says. They will look to see how much a house costs to run. That, for them, is an important factor. I do not think that it would be right to say, as I have heard some say, that this is not important for people. It is important for people. If you buy a car, you look at what the consumption per gallon is going to be and the insurance cost. It is the same for houses. There is a market incentive for businesses to look to improve energy efficiency in any event, on top of what we might do as Government.

[115] **David Melding:** Paul, did you have a question is this area?

14:45

[116] **Paul Davies:** Yes. You have obviously made it clear, First Minister, that you have reduced this target to 8% in order to enable more homes to be built. So, how many more homes do you forecast will be built, given that you have reduced this target? Surely, you have calculated this and have some sort of forecast, given that you have reduced the target in the first place.

[117] **The First Minister:** If we had gone to 25% or 40% at this moment in time, I have no doubt that fewer homes would have been built in Wales. We were hearing that from the building industry, which is what you might expect it to say. It is, nevertheless, the reality that, if you add substantially to costs at this moment in time, it will create issues in terms of the affordability of houses and issues in terms of those houses being built. We have heard one builder, in particular, saying that it is difficult for that firm to build houses north of the M4, even though others are doing it. We took the view that we did not want to see a situation where Wales was seen as somewhere where it was difficult to build houses because of what was done through Part L. In 2016, it will be different. In terms of the housing market, things might be different then.

[118] **Paul Davies:** Of course, you have made it clear as well that you will only amend the target when the state of the housing market will recover. What will that look like then? What are you going to base that on?

[119] **The First Minister:** A continuous and sustained improvement in houses that are being sold; a continuous and sustained increase—though not a bubble—in house prices; and minimal impact from an increase in the interest rate, because that is the great unknown at the moment. It is assumed, as I say, that there will be an increase—perhaps of 0.25%—next year. All of those factors will have to be examined before 2016 as we review Part L.

[120] **David Melding:** I now bring in William, before we turn to Jocelyn.

[121] **William Powell:** I think that it is widely accepted that microgeneration plays an important part in reducing the footprint of the residential sector in terms of climate change, First Minister. What lessons are to be learned from the mid-term review of the Government's Ynni'r Fro programme, which was seen in some quarters as being something of a beta minus evaluation? Although acknowledging some of the valuable work that was done, there was a lack of progress in terms of scale.

[122] **The First Minister:** That is something that is happening at the moment in terms of the mid-term review. Ynni'r Fro is due to come to an end next year, and we are now considering what alternatives might be put in place once that scheme comes to an end.

[123] **William Powell:** Linked to that, there has been some discussion, particularly in the hydro sector, about some initial difficulties that have been encountered with a lack of consistency in approach from Natural Resources Wales in evaluating the potential of certain hydro schemes in the application phase. I know that some of those have been addressed. Nevertheless, I still hear from representatives of Community Energy Wales that there is a problem there. There appears to be a lack of a facilitating approach to understanding the potential benefits. Has that message reached you, and will you give an undertaking to work with the lead Minister on this matter to ensure that we have a more consistent approach?

[124] **The First Minister:** Yes, and I think that we need to examine what role Community Energy Wales can play in the future and, in particular, how its role might become more prominent. If I remember rightly, it was set up after Ynni'r Fro. I think I am right in saying that. So, it would not have had an influence at the time that it was set up, because it did not exist. It is there now. It is important for us to understand what else it can do to influence the Government, and how it is structured to influence the Government, in order to have in place a successor to Ynni'r Fro that moves further on from the beta minus that you mentioned that it has had so far.

[125] **David Melding:** There is clearly an overlap, but we will look at energy specifically as well, if there are other issues there. Jocelyn, would you like to follow up on flooding?

[126] **Jocelyn Davies:** Yes, and I have another point to make before I move on to flooding. First Minister, you are probably too young to remember, but I can assure you that the industry used to argue that it would be a folly to insist on inside toilets and bathrooms and central heating, because it would be unaffordable and because the sun would not come up in the morning. So, sometimes, you just have to insist on things and bear them out. In relation to flooding, can you tell us a little bit about the action that has been taken because, as you know, there are over 200,000 properties at risk? So, do you want to say a little bit about that? Or perhaps the industry thinks that it is, you know—[*Laughter.*]

[127] **The First Minister:** No, I introduced TAN 15, and I remember at the time being accused of being too extreme when it was introduced. It was a 1 in 1,000 flood-event scenario

that we used. I remember the arguments around the fact that some areas were now in floodplains when previously they had not been—no-one makes that argument now. TAN 15 is important to control future developments. Indeed, planning permission has been refused in certain circumstances because of TAN 15 and of building on a floodplain. The difficulty that we have is that we have a large number of properties that are already on a floodplain and have been there for many centuries. The key then is to understand how we look to protect those communities.

[128] We are investing £245 million in flood defences. What was significant in January was that there was very little flooding beyond the coast; the flood defences held. We have had instances, as we saw in St Asaph, where the most incredibly powerful flash flood occurred within hours and then disappeared within hours. It is difficult to plan for incidents such as that. We saw the same with the River Leri in Talybont, which is a tiny river—there was a very strong flash flood in a very short space of time, when the flood defences were overtopped in effect. I was told at the time that the caravans that were under water would have been in the sea if it were not for the fact that the flood defences were there.

[129] What is important is that we continue to invest in flood defences, and we are doing that, and that we continue to adapt the model when it comes to flooding, because it is clear that there are some communities that were not previously thought to be particularly at risk that now are. We saw that in St Athan and around the Dyfi. There are some parts of Wales where engineering a solution to flooding is more difficult. For example, on the River Conwy, if I remember rightly, the way that it was done there was that parts of the flood defences, which protected agricultural land, were deliberately breached, because one of the things I did notice when I visited the area was that the settlements were not protected but the fields were. The reality is that the sheep were dry, but the people were not. Due to the nature of the geology around the Conwy, the only way to control flooding is to reduce the flood defences where there are no people in order to allow the land to flood as nature intended. Significantly, for example, with the Conwy, which has flooded on a regular basis for the past few years, we did not see that happening this time around. That is because of the work that has been done on the defences there.

[130] **Ann Jones:** You mentioned St Asaph and, within 12 months and a day of the St Asaph incident, we had the Rhyl East flooding, which started off the flooding in December. For all of the bad weather in January, only the Rhyl East single-pensioner properties were evacuated; some families as well but the majority were single elderly pensioners. The problem is that many of them are still not back in their homes. We are almost into July. While you say that £245 million is going into flood defences—and I have paid tribute to you and to the Minister responsible, Alun Davies, for what you have done—there still is some concern about the insurance companies and the fact that these people in St Asaph and in Rhyl will now find it very difficult to insure their properties.

[131] There is also some angst about what happens as we start to return to some bad weather. We can blame the one-in-however-many flash floods, which did happen in St Asaph, and in Rhyl East—because there was a 3m surge on the tide on top of an already 30-metre tide, so that is not typical—but this is about what we are going to do in the future in terms of shoring up the defences when the shoreline management plans for that bit of north Wales say, ‘Do nothing’. They reckon that the defences are okay and they do not advocate doing anything different to what is already there. Yet we have a substation that is below sea level in Rhyl East, which took out the whole of Rhyl East. Even though only 150 houses were flooded—I say only 150 houses, but significantly more people had to be evacuated because of the power situation. How do the people who are responsible for the shoreline management plan for north Wales and the north-west talk to Natural Resources Wales, to local authorities and to Government about what we do, and are we absolutely sure that by shoring it up with a flood defence for the River Clwyd, which is in the west of where the flooding was, we are not

putting more pressure on the flooding further east along the north Wales coast? Those are the questions that the people who have been flooded want answers to. They are doing their homes up and they want to go back in, but they are worried that there is going to be no real shoring up with flood defences. Those are the big issues. It is about how we all bring it together; it is all right for the Government to do its little bit and somebody else to do theirs, but if it is not brought together, there is going to be a breach somewhere because somebody will not have shored up the whole of the coastline to the same standard.

[132] **The First Minister:** It is important, when looking at flood-risk management, that we do not see a focus on one particular area and on one particular river, given the fact that there may be an effect further on down the line. We know, for example, that the flood defences on the Conwy did have an effect on Llanrwst because of the way in which they have been constructed over the years. There is bound to be an effect where you have pinch points on the river and there is flooding. Every local authority has agreed to produce a flood-risk management plan by the end of next year. Those plans will show the flood-risk areas; they will explain how the risks are being managed and how the measures to manage those risks will be implemented. As part of those plans, I would expect local authorities to look at their water catchments as a whole to make sure that a flood risk that is managed in one part does not create a worse flood risk somewhere else. So, that is where it starts, namely getting the flood-risk management plans in place and approved, and then to understand where resources need to be directed.

[133] The reality is that until the last few years, it was reasonably easy to predict where those areas of greatest risk were. That is not the case now. We have seen areas—. I saw St Asaph myself where there was a large flood barrier, and yet that was overtopped. I went there the following day and the river was normal. No-one would have thought that it would have been possible in a short space of time to see what were significantly high bunds being overtopped by water. That means that there needs to be a process of constant review to ensure that areas that were once thought to be reasonably secure are reassessed on a fairly regular basis to make sure that that is still the case.

[134] **David Melding:** William is next on flooding.

[135] **William Powell:** Thank you, Chair, for your indulgence. I just want to follow on from the question that my colleague Ann Jones has pursued. Do you think that there is scope for taking greater account of the potential benefits of sustainable drainage projects? I am thinking particularly in terms of the progress that has been made with the Welsh Government working hand in hand with Dŵr Cymru in Llanelli on the RainScape project, which has already shown some benefit, and I think could be usefully applied elsewhere.

[136] **The First Minister:** Yes, I do. As part of the local flood-risk management strategies that local authorities are preparing, the issue of groundwater and run-off are important parts of that strategy. For example, we know that, over the years, housing estates have been built and roads have been paved—okay; there will be some drainage there with the drains—and drives have been put in that are not porous. That has created problems with the run-off into the drains and flooding further on down the line. Increasingly now, we would look to materials being used that were porous. It is something, if I remember rightly, that was being looked at as part of one of the TAN reviews, to make sure that water is able to escape into the ground rather than run off non-porous surfaces into the drains and rivers and create problems from there.

[137] **William Powell:** Finally, what do you think is the role for an enhanced level of civil defence and flood wardens and drawing on local knowledge in informing these flood defence strategies going forward?

15:00

[138] **The First Minister:** I would expect NRW to consider very carefully how it warns people of flooding and whether there are ways of improving the system. I think that the system works reasonably well, even in situations where the flooding is relatively sudden. We have seen fatalities; we saw one in St Asaph. Given the ferocity of some of the flooding that we have had, though, if there had not been an adequate warning system in place, we could have expected worse. So, the warning system is there. Again, the difficulty is, I suspect, if I had spoken to—. Well, I spoke to people in St Asaph, but no-one really had any inkling that such a thing was possible. The flooding would not really have been captured by local knowledge because it was so unique. So, yes, local knowledge is important; there is no doubt about that. In many ways it is invaluable. However, we are facing an era, because of climate change, where the previous patterns of flooding are no longer what we expect in the future; we are seeing things now that have not been seen before.

[139] **David Melding:** We now move to the section dealing with behaviour change and education. I will put another question to you; this comes from the voluntary sector, from Clare Sain-ley-Berry of the Wales Council for Voluntary Action. Is the Welsh Government going to continue to invest in behaviour change projects helping to change people's daily work, life and home habits in responding to climate change?

[140] **The First Minister:** 'Yes' is the answer, and perhaps I could give some examples. I mentioned eco-schools earlier on and the fact that 90% of Welsh schools are now registered as eco-schools; the green flag award is widely recognised. What we have found is that as children learn things in schools, and as they understand the importance of the environment and recycling, so they educate their parents. For them, recycling is a normal part of life in a way that it is not quite for those who grew up with a system of throwing things in a black bag that is then thrown in a landfill site, which was the case until quite recently in Wales. So, children educating their parents has been an important part of making sure that the message is transmitted, not by the traditional way from parents to children, but the other way around.

[141] We also have the education for sustainable development and global citizenship policy, which is well developed, I would argue. There is a range of published supporting documentation and guidance in addition to teacher-developed materials, and that is aimed at developing people's skills to take action that improves the quality of life of future generations.

[142] As well as building on what I mentioned there in terms of education, it is important to make sure that people understand that what they do can have an effect, and we have seen that through what has happened with recycling. It is right to say that there are different methods of recycling across Wales, but the intention of allowing that to happen is to see what works best; some authorities collect in different ways to others, but we know that, collectively, because the rate of recycling has increased to well beyond 50% now, that that is working.

[143] **Ann Jones:** On recycling, there is an issue that is cropping up, and that is the fact that we will very shortly no longer be able to co-mingle, so we will have to stop co-mingling for collection of recycling. For a lot of authorities, that is going to be a big problem. My own local authority has good recycling rates, and I think that that is because everybody throws all the recyclable stuff in one bin and then it is sorted somewhere else. If that is going to have to stop because of a directive, how is that going to affect recycling for those people who live in smaller houses or flats, where they do not have the capacity to store six different receptacles or bins for recycling? How does that help to educate the public that recycling works?

[144] **The First Minister:** If you do not mingle material together, that material is worth more in terms of its market value. I live in an authority where we have four receptacles: one

for food, one for plastics and cans, one for paper and one for cardboard and bottles. When the system started, it took some getting used to; now it is something quite normal.

[145] **Ann Jones:** If you live in a flat, where do you store those four receptacles as opposed to one that you can put everything in? For a lot of areas—I come back to my own—if you are looking at the areas of Rhyl that have small family houses, they have gardens but they do not have large gardens. If you have to have four recycling receptacles of some nature, it takes space—and there may even be five, because putting bottles and cardboard together is co-mingling, to a degree, is it not?

[146] **The First Minister:** It is co-mingling, but, of course, with bottles and cardboard, one does not contaminate the other. That is the issue. It is a problem where paper, particularly, is not usable because of what has happened to it in the meantime. Much of the practice depends on what the recipient facility is like. There are some parts of Wales—I have seen this and it happens in, for example, Crymlyn Burrows in Swansea—where people sort by hand the recyclables from the non-recyclables. That was the model that was adopted at the time. People do get used to things very quickly. However, the point that you made about space is an important one. That is a tricky issue. If I was to put, from side to side, the four different receptacles in Bridgend, it would stretch from the end of the table to about three-quarters of the way across it. It does not mean that they necessarily have to be that size. We can be innovative in terms of encouraging local authorities to look at producing receptacles that are as small as possible but have compartments to enable people to recycle. In doing that, recycling becomes more effective. So, it is about balancing the two.

[147] **Ann Jones:** Could you—

[148] **David Melding:** We do need to get back to some strategic questions. These are important issues and we are talking about individual behaviour, and that does affect how realistic the targets are, but I will ask William Powell to take us forward.

[149] **William Powell:** First Minister, you mentioned in your previous answer the importance of education for sustainable development and global citizenship. As you are probably aware, just last week, Estyn published a review into that area of activity, which has nine recommendations. Highly ranked among the recommendations is the need to increase training both for school governors but also for the responsible teachers to refresh and keep up to date their knowledge of the latest developments in this area. Would you give an undertaking to look at those recommendations and to help to see that they are implemented and taken on board?

[150] **The First Minister:** Clearly, we will consider the recommendations that are put forward by Estyn, and we will issue a formal response in due course. However, it is always useful to know what could be done in order to improve delivery in this area and, obviously, we will give that full consideration.

[151] **William Powell:** First Minister, what would be your response to the concerns expressed recently by the Climate Change Commission for Wales about the implementation of the overall communication and engagement strategy? The battle of hearts and minds is so important in dealing with climate change.

[152] **The First Minister:** It is difficult to know without knowing, once again, what examples it gives where that is not working. Generally, it is fair to say that there has been a lessening of public awareness in terms of support for measures to deal with climate change. There has also, unfortunately, been an increase in the number of people who, despite the strong evidence of science, believe either that climate change is not happening or that it is not being influenced by human activity. There are powerful lobbies who support that. I know that

Owen Paterson is in that camp. He does not believe that climate change is influenced by human activity. Ed Davey is in a different camp; his view is quite different. However, if you begin from the former position, it is very difficult to see how committed you will be to dealing with climate change if you believe that nothing that humans do has any effect on it.

[153] **William Powell:** Yes, that is right.

[154] On 4 June, when he addressed the Intergovernmental Panel on Climate Change, your Minister for Natural Resources and Food, Alun Davies, departed a little from the script and gave an impassioned plea for the Welsh Government to be more robustly challenged on issues around climate change. He also stated that political parties in Wales in general do not take climate change seriously enough. I think that his actual word in describing this was to call it a 'tragedy'. Do you agree with him on those points?

[155] **The First Minister:** I am glad he suggested that Government should be challenged in advance of my appearance before this committee this afternoon. [*Laughter.*] I must thank him for that. There is a variety of views within political parties, and I think it is fair to say that there is a variety of views within the Conservative party. Owen Paterson's view would not necessarily be shared by all. Nevertheless, momentum has got behind those who believe that climate change is not happening or is not affected by human activity, partially driven by the fact that, at a time of economic difficulty, people will prioritise jobs before the environment. They seem to do that. Those who advocate that position, which I do not hold, have been given impetus because of those factors. The reality, however, is that the evidence is as clear to me as it possibly could be that climate change is happening and that it is influenced by human activity. However, if you do not start from that position, it is difficult to know what you can do to influence things. We do not start from that position, as we do believe that climate change is affected by human activity and we believe that it is happening. That is why we are able to take forward with seriousness issues such as the climate change strategy and all those things that we have put in place to deal with climate change.

[156] **William Powell:** You referred earlier to a difference of emphasis within political parties in Wales on this issue and on the centrality or otherwise of climate change, and I suppose that that might apply to your own party as well. In that context, what contribution do you feel the way in which you have aligned the Welsh Government portfolios in the most recent reshuffle, last year, has had in that respect? It is something that has been raised with me by some of the stakeholder groups, namely the way in which certain of the ministries have been aligned in the portfolios, particularly, for example, the responsibility for walking, cycling and active travel being controlled from one ministry while the overarching transport portfolio falls elsewhere. I believe that the latter holds the overall budget strings in that regard. Is that a valid concern?

[157] **The First Minister:** No, it is to do with the Active Travel (Wales) Bill, which sits outside of the EST department. The budget for it, however, is there, and it is available for the Bill. It is not a situation in which the budget has to be begged for in relation to what is now the Act, of course. There is never a seamless fit when it comes to ministerial portfolios; there is bound to be some overlap, and thought is always given to what fits with what. I believe that having a discrete Minister for Natural Resources and Food shows the importance of the environment and, of course, those who make their living from the land and from resources such as fisheries. That, I believe, works. There are other areas, of course, where there is bound to be a little bit of overlap, but, collectively, it is important that Government delivers across the board. We meet as a Cabinet every week, and there are issues that come before Cabinet that need a collective decision and collective buy-in, and those cross-cutting issues will get input from all Cabinet Ministers and will be agreed by Cabinet as a whole.

[158] **William Powell:** If I may, Chair, I will move to the area of public transport. What

effect do you believe recent changes in the funding regime for public transport, and notably for buses, have had on prospects for addressing climate change successfully?

[159] **The First Minister:** I have seen the stories about services being cut, but I am also aware of the fact that most of the services are replaced. We have seen the issue in Brynmawr—we saw the issue earlier on, in fact, in Ceredigion—and, to the best of my knowledge, most of those services have been replaced or are in the process of being replaced by other providers. So, where one company no longer feels able to provide a service, it does seem that others will step in.

[160] **William Powell:** There was some reference earlier by my colleague Jocelyn Davies to issues concerning the environmental impact of major road projects. To what extent has the potential carbon emission impact of the current M4 proposals been taken account of, and do you have any concerns about those proposals being progressed, to a degree, in isolation from the emerging plans for the overall south Wales metro?

[161] **The First Minister:** Well, no decision has yet been taken regarding the M4—I should make that absolutely clear—and every relevant factor will be considered before coming to a final decision. I cannot go beyond that, because there are, clearly, issues that have to be fully considered, and the issues that surround any possible prejudice.

15:15

[162] **William Powell:** Okay. That concludes my area of questioning.

[163] **David Melding:** Your policy on the M4, though, will be taken as a pretty good test of how you do your carbon assessments and how committed you are or not to meeting more vigorous targets. It is a key test, is it not, of this Government's resolve? Whatever approach you take, you will need to go a bit beyond saying, 'The queuing traffic won't be such a problem so that will offset any addition in the volume of cars using the M4.' It is going to be a tougher test than that to pass, do you not think?

[164] **The First Minister:** First of all, there are two Ministers who are primarily involved in the decision-making process over the M4. One is the Minister for the environment and the other is the Minister for Economy, Science and Transport. They have different and quite separate roles and any decision that is taken will be informed following decisions that they take. The problem will not go away. There is no doubt that the tunnels would remain a problem if nothing happened. We have to decide on many factors regarding the M4—the routes, of course, and what the impacts are, in the broadest definition, if any particular route is favoured above others.

[165] **David Melding:** Do you have any other questions in this area? I see that you do not. We touched on education at the start, and I was talking to a couple of young people from Funky Dragon earlier, and they said that the quality of climate change education in schools is patchy. It is often led by the geography teacher, and, however skilled that individual is, why should it always just be the geography teacher? You need more outside organisations involved, perhaps, to connect it to the wider world and give the lessons a bit of zip. Is this not an area where the curriculum review could really do something? That is going to be the generation that is going to live with a lot of these consequences and will really need to change its behaviour.

[166] **The First Minister:** That is true, and we are working with Funky Dragon. Its views on 'The Wales We Want' will be fed into the future generations Bill. That is the first thing to emphasise. On climate change, young people will be working on a project to develop a series of short films to explain climate change and what they can do about it in a way that will

resonate with other young people. They are also helping to engage specifically with difficult-to-reach groups of young people: those who are in pupil referral units, for example, those from Gypsy and Traveller communities, and children from Communities First areas. Their views will form an important part of the direction that we take the Bill towards, but also will form an important part of future policy, possibly with regard to the curriculum as well. As with many subjects, the enthusiasm of the teacher can have a profound effect on the enthusiasm of the pupils, and it is important to achieve that level of consistency in terms of environmental education or education on sustainable development across Wales. So, their views will be important, in terms of not just feeding into the future generations Bill but beyond that as well.

[167] **David Melding:** Before we move on, I have got a question now from a member of the public, who goes under the absolutely splendid moniker of Mountain Nic. What plans are there for more cycle training for children and improved design standards for cycle infrastructure? This is a very important area, not unconnected with what we have been talking about.

[168] **The First Minister:** The Active Travel (Wales) Act 2013 is the main area of legislation to take this forward. It strikes me that the way to encourage more people to cycle, if we take that as an example, is to make the routes as safe as possible. I know that there are those who will argue that cyclists should be able to go anywhere on any road, which is quite true, so they should, but the reality is that occasional cyclists are deterred from doing that. These days, most parents would want their children to be on cycle routes. The days of going down the main road with no helmet on, when you were a teenager in the 1970s, and that decade of carefree safety regulations are gone. I would count myself as one of those parents. I would not be happy if my children were on their bikes on the same roads that I was at that age. I know that sounds strange, having done it myself, but that is the way that it is. It is the same as well for many adults who are occasional cyclists and who would like to cycle more, but who do not feel comfortable being in traffic and sharing the road with cars. The Active Travel (Wales) Act looks to make sure that people feel as safe as possible when they cycle. We know in other countries that there are extensive offroad cycle networks: Austria is one example of that. You see the same in the flatter countries, such as Holland and Belgium, where people feel far more comfortable about using bikes. So, I think that one of the ways to encourage more children to cycle is to make sure that we have in future more dedicated cycle lanes—not just cycle lanes on the roads but cycle paths; the Taf Trail is one example—to make sure that those who are the most reluctant or worried about mixing with cars do not have to do it but will still cycle. There is a determined number of people who are happy on the road, but of course there are many people who would not feel comfortable if they had a lorry next to them.

[169] **David Melding:** May I ask whether the Welsh Government at Cathays park—there are, I do not know, 3,000 civil servants there or however many it is; perhaps not quite that many, but it is a lot—has a cycle strategy? Is there cycle training available and cycle maintenance training, for instance?

[170] **The First Minister:** I am not aware of—. I would have to write to you on that, Chair, if I am honest with you.

[171] **David Melding:** That is fair enough.

[172] **The First Minister:** A lot of staff do cycle. A lot of staff cycle to this building, including a significant number of my own staff in my private office who put me to shame over this issue. I do explain that I live further away than them. [*Laughter.*] Apparently this is no excuse, but there we are.

[173] **David Melding:** We would be interested because you could lead the way in terms of establishing best practice, could you not? Right, our final section is the role of the business sector. Also, we will cover renewable energy in this part of our proceedings. To lead the charge, we have Ann Jones.

[174] **Ann Jones:** Thanks, Chair. Your paper, First Minister, states that significant progress has been made through ongoing support and advice to businesses on energy efficiency and low-carbon opportunities, particularly for small and medium-sized enterprises. I wonder whether you could just tell us what that significant progress entails.

[175] **The First Minister:** Well, we have seen a reduction of 13.3% in emissions from business. We are also looking at the energy advice service and how it will be structured in future to make sure that there is definitive advice available for businesses as they move forward. What I have found is that a lot of businesses look to become more energy efficient anyway because it saves money for them. Look, for example, at Tata Steel in Port Talbot, which has a large carbon footprint and is a large emitter. Nevertheless, great strides have been made there in recapturing some of the gases it produces in order to recycle them as part of the steel-making process. For a lot of businesses, it is energy advice that is important, and that is where the energy advice service we are looking at will come in.

[176] **Ann Jones:** Okay, fine. Thanks. May I go on to renewable energy now? Again, this is going to sound very parochial, but the north Wales coast, I think, plays its fair share—or will play its fair share when all of the wind turbines are erected and up and running—in offshore wind energy production. We have a significant number there. While the granting of licences for that is still with the UK Government, the community benefit—or disbenefit, depending on which side of the fence you are on—is very much around what the Welsh Government does in terms of promoting and enhancing its communities and supporting its communities. How do you see us working together so that the communities get the best rewards from those renewable energies? One person said to me, ‘If I have to put up with all of this disruption while they’re bringing energy ashore, why can’t I have a lower tariff?’ I said, ‘Well, no, it doesn’t quite work like that’, but you can almost understand people wanting to see some benefit from having all the disruption while all the turbines are being put in place. So, how is the Welsh Government working to make sure that those communities that will be affected will not be so disadvantaged?

[177] **The First Minister:** First of all, we would expect to see any renewable energy project deliver jobs and particularly jobs that are close to the project. For example, if you look at any potential future offshore wind facility in the Bristol channel, Port Talbot is ideally placed in terms of being able to provide the base for maintenance and manufacture of the turbines, because it is a deep water port. We would expect, in those circumstances, to be able to help create jobs and an industrial base in Port Talbot that deals with the turbines. In terms of community benefit, there is a register of community benefits now in place. In fairness to the developers, they are supportive of the register. They understand that they have an obligation to provide community benefits, and there are good examples across Wales of where that has been done. In some parts of Wales, it does not change people’s opposition to onshore wind developments. In some parts of Wales it does.

[178] There is a snag when it comes to being as flexible as possible in terms of community benefits and the planning system. Section 106, which Members will be familiar with, is the mechanism by which community benefit is delivered by the planning system. However, in order to have the widest possible community benefit and in order to have the widest flexibility, the community infrastructure levy kicks in, which is not devolved. It is a profound nuisance, because it means that it puts a limit on what, creatively, we might be able to do with section 106, which we can deal with under our powers, because it comes up against the buffer of the community infrastructure levy process. One of the submissions that we have made as

part of the Silk process is to get that devolved. The argument at the time, when it was created—and it was an argument with my own party in Government—was that this was a tax. It was not to do with the planning system; it was a tax. Taxation was not devolved; however, that is no longer the case, as we know, and it will not be the case from next year. So, the case for devolving what is or is not a tax, but is nevertheless part of the planning system, is far stronger now even than it was then. We made the case then that this was something that really should not be done on an England and Wales basis, but it was.

[179] **Ann Jones:** We have just talked about offshore wind; obviously, onshore windfarms are far more problematic, I think, than offshore, although people further down the coast from me would probably disagree with that. Nevertheless, there is onshore and offshore wind, there is solar and tidal energy, and there is anaerobic digestion. So, with all of those various renewables, what can the Welsh Government do to promote those different forms and to assist those people who very often come up with a project or an idea, and how do we link those into the research, and into our universities into the research programmes, and actually put something there so that people can develop these ideas that may help us to provide the energy that is needed for everyday lives?

[180] **The First Minister:** I think that the ideas are already there. What is not there, necessarily, is the structure to develop those ideas. There are some things that we can do. For example, with marine energy, we have helped to finance tidal stream off the coast of Pembrokeshire, which is an interesting project in terms of developing the technology required for marine energy, which is not quite there yet, but will be in the very near future. In terms of the different technologies, solar energy has potential, but the payback time on solar energy is quite lengthy. Often, people have to wait many years. Individuals have solar panels on their houses, but it does take a few years for it to pay itself back. It is the same for businesses. The reality, with solar energy, is that there is now a move towards having quite large solar parks. I have seen one, again, in Pembrokeshire—I come back to Paul Davies's constituency every time; it has the world leaders in this aspect—and that works very well, because of the scale. Onshore wind is undoubtedly technically easier than offshore wind, and is less expensive than offshore wind, although there are widely publicised issues regarding visual effect. With TAN 8, we tried to regulate the areas where most of the applications would have come anyway and make sure that we did not see widespread proliferation of wind turbines, even though TAN 8 now is not relevant when it comes to the proposals that have come forward, because they come under the planning guidance that has been issued from Whitehall.

[181] Again, we have very little control over offshore wind—1 MW and above goes to London—so there is very little that we can do in terms of encouraging it. The major issue for us is the subsidy system—the renewables obligation certificates that exist at the moment. There are plans to change the system in 2017. At the moment, the subsidy system in Scotland is controlled within Scotland, and it is the same in Northern Ireland. We are part of an England and Wales system, so we have no flexibility over the subsidy system. It means, for example, that Scotland has been able to forge ahead of us in marine energy, not because the conditions are better there—they are worse—but because there is more money on the table. They are able to offer more incentives in order to develop the technology in a way that we cannot.

15:30

[182] Our long-held position has been that we should be in the same position as Scotland with regard to renewable energy, particularly, so that we are able to offer the same incentives, because the conditions that we have are better for marine energy, but at the moment, the playing field is skewed because of the amount of money that is available in Scotland. In 2017, the system is meant to change; I will hold my breath. It is said that Scotland will then become part of what will be a GB-wide system and I am not convinced that that will happen. From

Wales's position, it is absolutely crucial that we are on a level playing field compared with the rest of the UK; we are not at the moment.

[183] **Ann Jones:** May I just push you on the likelihood of further powers over energy consenting being devolved to Wales, should that be tomorrow, or should it be—

[184] **The First Minister:** We are ready for it. I know that part 2 of the Silk commission will be a matter for the next Parliament. We knew that that would be the case, in terms of the timescale. It is a matter for the political parties to make their views known in their manifestos next year, but, certainly, it is our strong position that executive powers should be devolved over energy—not nuclear, but energy, generally—as indeed, in many other areas.

[185] **David Melding:** Do any other Members have issues? William, you might want to return to one or two matters.

[186] **William Powell:** Diolch, Gadeirydd. Ann Jones has already referred to the potential contribution that anaerobic digestion has to play in securing our future energy supply. First Minister, as you know—and I think you referred to it earlier—the MTAN regime incorporates a buffer-zone approach in terms of communities and potential impacts. Do you think that there is a case, particularly in the case of anaerobic digesters of regional waste scale, to consider adopting a buffer-zone approach there as well, because of the potential negative impacts that can occur on communities in terms of transport and other emissions around smell and other factors? That could be to the detriment of the wider roll-out of AD across Wales.

[187] **The First Minister:** It is difficult to know what the negative aspects of anaerobic digestion would be to justify the creation of a buffer zone. There is a buffer zone for opencast coal, because the disbenefits are well known, particularly in terms of dust. That is far from clear when it comes to anaerobic digestion. My experience over the years has taught me that any energy project creates opposition of some kind. In my own constituency, there was opposition to a proposed offshore windfarm; two miles down the road, there was strong opposition to an opencast extension and they were in favour of the offshore windfarm. It depends what you live next to in many ways, does it not? However, the energy has to come from somewhere. What Government has to do is achieve a reasonable balance between the need to generate energy and the need to ensure that people are not greatly disbenefitted by a project in their own communities. I would have to be convinced about the need for a buffer zone regarding anaerobic digesters.

[188] **William Powell:** Given the absence of firm data in that area, which you referred to, because it is, effectively, an emerging technology, would there be a case for Natural Resources Wales to potentially monitor current facilities that are in place to see whether that would inform future policy development and its impact upon communities?

[189] **The First Minister:** I would expect NRW to monitor all of those installations that it has a responsibility to monitor, anyway. The more evidence that you get in terms of a particular operation, the more informed people are. It does not always help, though. Ultimately, some of these things are objective judgments. I have found, with wind turbines particularly, that people either like them or they absolutely dislike them. No matter what evidence is on the table, they will always take that view. So, sometimes, it can be helpful and sometimes it will not be.

[190] **David Melding:** Are there any other questions? May I just clarify one issue? I apologise if I did not quite catch what you said, or if it was part of the answer. I know that you talked about the Ynni'r Fro programme being reviewed and it will come to the end of its term next year. Are you committed to a successor programme?

[191] **The First Minister:** Yes, as I said, we are looking at what a successor programme will look like.

[192] **David Melding:** That is fine. So, that could well be an extension of the Ynni'r Fro programme.

[193] **William Powell:** That would draw on the experience and contribution of Community Energy Wales.

[194] **The First Minister:** Yes.

[195] **David Melding:** If there are no further questions from the committee, I think that it is apposite to end on a couple of questions from members of the public and our outside partners. This question is from Arfon Jones. What is the Welsh Government's position on shale gas as an alternative source of energy to coal, and does it plan to issue any planning guidance on shale gas extraction? I think this is a really interesting question, First Minister. Some people fear that we are going to go for carbon-lite instead of renewables, and there may be all sorts of issues around that.

[196] **The First Minister:** I believe that I know the gentleman who asked the question, but it is an interesting question and one that is not easy to resolve at this stage. First, we do not know exactly what the reserve might be in Wales. Secondly, we do not know how that reserve might be accessed and what the effect might be on communities. We have taken the view that we should take a precautionary approach when it comes to shale gas, although that approach will need to be modified when there is more information about what is there and what effects have been noted elsewhere when shale gas has been won, to use the word that is used in geology in other parts of the world.

[197] Now, the technology of gas extraction tends to involve horizontal drilling rather than vertical drilling, but a number of issues would need to be resolved in order to move away from that precautionary approach. People have seen what has happened in the US and what that has done to the economy of the US. The issue of the climate is an issue that has not been fully part of the debate there, I suspect. We just do not know what the reserve might be. From my point of view, would I say, 'Absolutely under no circumstances will we ever consider shale gas'? The answer to that would be 'no'; I would not take that absolutist view. However, I would certainly take the view that we need to be cautious and examine the evidence as it emerges.

[198] **David Melding:** Thank you for that. The final question is from WWF Cymru. With the growing potential for marine renewables, which you did refer to, what is the Welsh Government doing to protect marine biodiversity in Wales? I think that that neatly catches that question that, if we think that marine exploitation is easier than onshore renewables, we could end up perhaps being insensitive to what we are doing in the marine environment if we are not careful.

[199] **The First Minister:** Yes. With the Severn barrage, for example, over the years I have seen a number of presentations about the Severn barrage, and they were very heavy on the engineering side but often light on the environmental side. They often drew on environmental regulation that was years old. Lots of people have referred me to La Rance in Brittany, but that was built many years ago, long before we had the current environmental regulations. For example, there are issues that the Severn is a special area of conservation. There are issues about the fish, which are an important part of the Wye's economy, particularly the salmon run up that river, that would need to be resolved as part of any move towards a Severn barrage.

[200] The same goes for marine energy. The impact on the environment would need to be

assessed carefully. It is fair to say that there is no way of generating energy that has nil impact. What is important is that the impacts are minimal and are mitigated in the strongest way possible.

[201] In terms of marine biodiversity generally, we have the biodiversity action plans that have been in place for some time. We have seen the end of some of the netting practices that existed outside of Wales that had an effect on the salmon runs in the river. Our rivers, compared with where they were 25 years ago, are much better. For example, the Taff is now a river that contains—forgive me the obsession with salmon—a salmon run; 25 years ago, the only fish in the river were coarse fish, because of the oxygen levels in the water. So, when it comes to Welsh rivers, the situation is very different.

[202] I grew up in Bridgend, where the River Ogmore would often run different colours according to what was in it. Sometimes, it would be dust from the collieries further up the valley; I saw it run green and red because of the dyes in the river from the factories further up the Llynfi valley. Cyanide sometimes ran into the river. Those days are long gone, fortunately. We can say that we have come a long way from the time when our rivers were widely seen, up to the 1980s, as a lost cause, particularly the rivers in the central Valleys.

[203] **David Melding:** First Minister, that concludes the range of questions that we want to put to you. I think that that was a very thorough and useful session. We are very grateful to you for your attendance this afternoon and that of your officials. Thank you very much.

15:40

Papurau i'w Nodi Papers to Note

[204] **David Melding:** We have the Government's response to the committee's report on the relationship with the third and private sectors—there is a report and an annex. I suggest that they are allowed to lie on file, as it were. They are in the public domain, and I do not particularly think that there is much value in responding to every dot and comma, but, anyway, do Members have views, or are we happy with that approach? I see that we are.

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting

[205] **David Melding:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

[206] Does any Member object? No Member objects, so we will now go into private session.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 15:40.
The public part of the meeting ended at 15:40.*