



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

**Y Pwyllgor Cynaliadwyedd
The Sustainability Committee**

**Dydd Iau, 20 Medi 2007
Thursday, 20 September 2007**

Cynnwys
Contents

- 3 Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declarations of Interest
- 4 Cynnig i Ddiwygio Aelodaeth yr Is-bwyllgor Datblygu Gwledig
Proposal to Amend the Membership of the Rural Development Sub-committee
- 4 Trafod y Papur Cwmpasu ar gyfer Ymchwiliad Craffu'r Pwyllgor i'r Gwaith o
Ostwng Carbon yng Nghymru
Discussion of Scoping Paper for the Committee's Scrutiny Inquiry into Carbon
Reduction in Wales
- 8 Cytuno ar y Cylch Gorchwyl, yr Amserlen a'r Tystion ar gyfer Ymchwiliad Craffu'r
Pwyllgor i'r Gwaith o Ostwng Carbon yng Nghymru
Agreement of Terms of Reference, Timetable and Witnesses for the Committee's
Scrutiny Inquiry into Carbon Reduction in Wales

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Lorraine Barrett	Llafur Labour
Mick Bates	Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor) Welsh Liberal Democrats (Committee Chair)
Alun Davies	Llafur Labour
Lesley Griffiths	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Darren Millar	Ceidwadwyr Cymreig Welsh Conservatives
Karen Sinclair	Llafur Labour
Brynle Williams	Ceidwadwyr Cymreig Welsh Conservatives
Leanne Wood	Plaid Cymru The Party of Wales

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Joanne Clinton	Dirprwy Glerc Deputy Clerk
Dr Virginia Hawkins	Clerc Clerk

Dechreuodd y cyfarfod am 9.01 a.m.
The meeting began at 9.01 a.m.

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declarations of Interest

[1] **Mick Bates:** Bore da; good morning. It is nice to see you all refreshed after the recess. One of the Members has said this morning that they are excited about the prospects, and so am I. There are the usual housekeeping announcements to make: in the event of a fire alarm sounding, leave the room by the marked fire exits and follow the instructions of ushers and staff. A test has not been planned for today, you will be relieved to know. Please ensure that mobile phones, pagers and BlackBerrys are switched off, as they interfere with the broadcasting equipment.

[2] The National Assembly for Wales operates through the medium of English and Welsh, and headphones are provided, through which instantaneous translation may be received. For those who are hard of hearing, these headphones may also be used to amplify the sound. Please do not touch any of the buttons on the microphones, as doing so can disable the system. Also, wait until the red light on your microphone comes on before speaking. Interpretation is available on channel 1, and verbatim proceedings can be heard on channel 0.

[3] Are there any apologies or substitutions? I think that Lorraine will be a bit late. Before we go any further, I welcome Leanne Wood, who is replacing Elin Jones, who is now,

of course, the Minister for Rural Affairs. Elin has had a very exciting beginning to her life as Minister. I also welcome Joanne Clinton, as deputy clerk. She is here for a year with us from the Scottish Parliament. I am sure that it will be an interesting two-way learning process. Annette Stafford will also be helping with the committee staffing. So, we have a full complement of staff, now, which is very good.

9.03 a.m.

Cynnig i Ddiwygio Aelodaeth yr Is-bwyllgor Datblygu Gwledig
Proposal to Amend the Membership of the Rural Development Sub-committee

[4] **Mick Bates:** Under Standing Order No. 10.15, membership of the Rural Development Sub-committee is to be amended. You will recall from our meetings last term that we decided to establish a sub-committee to deal with rural development. Elin Jones was a member of that committee. Since her elevation to Minister, a vacancy has appeared. Although this is not officially part of the agenda, would Members agree to a proposal to elect a Member from Plaid Cymru to that sub-committee? I take it that everyone is content with that. Thank you. I therefore invite nominations.

[5] **Brynle Williams:** I nominate Mr Alun Ffred Jones.

[6] **Alun Davies:** I second that.

[7] **Alun Ffred Jones:** Diolch yn fawr—thank you.

[8] **Mick Bates:** There being no further nominations—I see that Leanne looks relieved—I propose that Alun Ffred Jones joins the sub-committee in place of Elin Jones, and I see that everyone is content. Alun, you are now a member of the Rural Development Sub-committee, which, of course, will be meeting directly after this brief meeting.

9.04 a.m.

Trafod y Papur Cwmpasu ar gyfer Ymchwiliad Craffu'r Pwyllgor i'r Gwaith o
Ostwng Carbon yng Nghymru
Discussion of Scoping Paper for the Committee's Scrutiny Inquiry into Carbon
Reduction in Wales

[9] **Mick Bates:** This is a discussion on the scoping paper, which Members will have along with the paper labelled annex 1.2. At the meeting on 12 July, the committee agreed to conduct a scrutiny inquiry into carbon reduction in Wales. As you can see, the scoping paper is extremely well researched. I wish to put on record my thanks to the staff, particularly the research staff, who have worked so hard through the summer preparing these papers for the committee. They have also prepared a full consultation on the first part of the scrutiny, which we will mention in a moment.

[10] Are there any comments on the paper? I propose to go through it briefly, because it is important that we are all familiar with this as we set the scene for our first full meeting.

[11] **Alun Davies:** It is a very good paper. I agree with the points that you have made. It outlines very well the scope and the nature of the territory with which we are dealing. I was very pleased to read it. To return to a point that I made in July, the UK Government is also investigating and taking action on this subject through the Climate Change (Effects) Bill. It would be useful for the committee to take a view on the impact that the Bill will have on these issues in Wales and on how we can ensure that the work that we are doing here, as a

committee and in scrutinising the Assembly Government, dovetails with the work being done by the UK Government. The Bill has been published, so it would be useful for us to take a view on it.

[12] **Mick Bates:** I note your points. Are there any other comments on the Climate Change (Effects) Bill? We will do that at some stage. Thank you, Alun.

[13] **Darren Millar:** We discussed this at some length in a previous meeting. It would add value to the process, so I second that.

[14] **Mick Bates:** Are there any further general comments before we go through the paper? I see not. I would like Members to go through the paper with me. It provides us with good background information. I like some of the quotations. On page 4 we see our position within the UK, noting Alun's remarks about ensuring that we look at all parts. The graph on page 5 shows carbon emissions. You can see the large reduction that occurred when a large emitter was closed. As you will have seen from the information from the secretariat, we decided to look at particular areas. Carbon reduction in residential areas is the first area. Again, the scoping paper is very clear on this. Turning to page 7 of the scoping document, we will set this in terms of our responsibilities here and, after taking evidence, we will scrutinise the Government's actions.

[15] You will see the UK Government's actions and its particular legislative responsibilities. At the end of our scrutiny, we hope to be able to put it in the context of our powers here in order to reduce carbon omissions in Wales. Although it is important to understand, have an input to, and a communications process with, the UK Government, the focus for us is to provide or recommend legislation that will reduce carbon emissions in Wales. Similarly, you can see the European responsibilities. At some stage, we will link with Europe to take a view from there.

[16] Section 4 on transport is very topical, given the announcements regarding the M4. Similarly, with the scope on residential carbon, we will focus on the responsibilities of the various levels of government, here, in the UK and Europe—

[17] **Karen Sinclair:** Mick, may I just go back a little?

9.10 a.m.

[18] **Mick Bates:** You may.

[19] **Karen Sinclair:** In our paper, where we are looking at energy and heating—

[20] **Mick Bates:** Is that in the residential sector?

[21] **Karen Sinclair:** Yes. It mentions

[22] 'Changing the energy source for space and water heating to more carbon-efficient sources (encouraging the penetration of the gas network throughout Wales...)'.

[23] However, it does not mention anything about heat transfer pumps and so on. I am very aware that an awful lot of people live in rural areas where gas does not reach—water does not even get to my house, other than via my own system. An awful lot of exciting stuff is going on, with regard to heat transfer pumps and so on, which we could really look at pushing in a way that would be more beneficial than expanding the gas network. I just wondered why that was not on the list.

[24] **Mick Bates:** I note that comment. This is a scoping paper, so it is impossible to include every issue and every dimension of every issue. The point of our scrutiny of witnesses is so that the type of evidence to which you referred, about current innovation throughout Wales, can be part of our report. We will then base our recommendations on that. I accept what you say. That is why I want to go through this paper, to highlight areas that may be of use when we come to discuss the programme. We will note the information that you have just given about other things, such as ground heat sources.

[25] **Karen Sinclair:** It is just that we were specific about gas networks, so I just thought that I would throw that one in.

[26] **Mick Bates:** I take your point. Brynle?

[27] **Brynle Williams:** Following on from that, Chair, I am glad that Karen brought this matter up. Obviously, gas is out of the question in rural areas. There is scope not just for heat pumps, but also for combined heat and power plants, which can be utilised in small towns. When I think of waste, I do not think of refuse, but of timber waste and elements like that. The surplus heat generated in close proximity can be sent into housing estates and so on. There is one such plant in my constituency that I am very disappointed that the council has not taken up; I have taken that matter up with the council concerned.

[28] **Mick Bates:** I am sure that you are doing that very well, Brynle. We are in danger of going into too much detail when I just wanted to get through the scope of the inquiry. However, we note those points with interest. Finally, I will just take Alun on this issue.

[29] **Alun Davies:** I hope that my comment fits in with that. I am looking at the section on carbon reduction by transport and part of that, of course, is the development of rail services and public transport in Wales. That is also the subject of an inquiry by the Enterprise and Learning Committee and it might be useful for us to work with that committee on that, rather than for us to duplicate the work.

[30] **Mick Bates:** Thank you; that is a really good point. I am certain that there will be many occasions—such as on residential carbon reduction—when other committees will have something to contribute. That is something that we have discussed and we hope to be able to find time in the timetable to meet jointly, where necessary.

[31] **Alun Ffred Jones:** Yr wyf am wneud un pwynt cyffredinol, gan fynd yn ôl at y dudalen gyntaf lle yr ydych yn sôn am gwmpas yr ymchwiliad, a'r pwynt cyntaf ynglŷn â deddfwriaeth y Deyrnas Unedig ac Ewrop sy'n effeithio ar ollyngiadau carbon deuocsid Cymru. Bydd rhaid i ni fod yn glir iawn—

Alun Ffred Jones: I wish to make one general point, returning to the first page where you mention the scope of the inquiry, and the first point about the effect of United Kingdom and European legislation on Wales's carbon dioxide emissions. We will have to be very clear—

[32] **Mick Bates:** Is the translation working? Excuse me, for one moment.

[33] **Alun Ffred Jones:** Yr wyf am gyfeirio at y dudalen gyntaf a'r pwynt cyntaf ynglŷn â deddfwriaeth y Deyrnas Unedig ac Ewrop sy'n effeithio ar ollyngiadau carbon deuocsid Cymru. Yr wyf am wneud pwynt cyffredinol. O ran ein trafodaethau, mae hwn yn bwnc mor fawr, gallem dreulio blynyddoedd yn mynd ar goll yn ei ganol.

Alun Ffred Jones: I wish to refer to the first page and the first point about the the effect of United Kingdom and European legislation on Wales's carbon dioxide emissions. I will make a general point. In terms of our discussions, this is such a wide-ranging subject that we could spend years getting lost in discussing it. We will have to be very clear

Bydd rhaid inni fod yn glir iawn ynglŷn â pha faterion sy'n dod o fewn grym y Cynulliad, neu beth sy'n bosibl i ni ei hawlio fel deddfwriaeth, i ni allu gwneud argymhellion yn eu cylch. Mae pethau ynglŷn ag arferion pobl sydd yn fater arall.

about those matters that come within the Assembly's remit, or what we could claim as legislation, so that we can make recommendations about them. There are issues about custom and practice that are another matter entirely.

[34] O edrych ar ddeddfwriaeth, ni ddylem fynd ar ôl pob ysgyfarnog, gan fod llawer o ddeddfwriaeth Ewrop yn berthnasol i'r maes hwn. Mae'n iawn inni wneud sylw ynglŷn â hynny, ond ni ddylem feddwl ein bod yn gallu newid y byd. Mae ein grymoedd ni yn gyfyngedig yn y maes hwn ar hyn o bryd, yn anffodus.

In looking at legislation, we should not try to deal with everything, as a considerable amount of European legislation is relevant to this. It is right for us to comment on it, but we must not think that we can change the world. Unfortunately, our powers in this field are extremely limited at present.

[35] **Mick Bates:** Thank you for that important point. We all accept that, and I hope that our recommendations at the end will focus particularly on the legislative powers that we have. However, I also think that we need to communicate with the other levels where they hold legislative responsibilities.

[36] **Darren Millar:** This is something that I have been concerned about all along, and I have raised questions in the past about how you quantify emissions in areas of devolved competence, because of this target. How do we help to achieve it? I am concerned to see that so little appears to be the responsibility of the Welsh Assembly Government in each of these areas. That is why the targets set out in 'One Wales' are so low and will probably be relatively straightforward to achieve. We have no baseline at which to compare levels; we only have a general indication of emission levels across Wales, which does not specify baseline levels in order for us to aim for a 3 per cent reduction.

[37] **Mick Bates:** Again, you raise an interesting point. The other document published in July contains baseline data, prepared in detail for every local authority in Wales. I take your point, but, to move us on, part of our evidence-gathering will tackle the issue that you have raised about data. Data is often historic, as you may have to go back several years in order to get the baseline data. I want to go through this paper to raise issues, and take comments, and then we will need to scrutinise people in order to get an answer to that point. When you feel that it is relevant, you can raise that point with our witnesses.

[38] I will continue through the paper. Everything that has already been said will apply. On page 14, you will see that there is an indication of the data—referring to Darren's comments—with information about emissions from various sources in Wales. As you can see, electricity generation accounts for over 30 per cent of our emissions and is at the top. Are there any points arising from the paper that people would like to raise at this stage as points on which we need more information, so that we can alert the Members' research service?

[39] **Darren Millar:** It is useful to have this list of where the emissions in Wales come from, but most of these are not related to devolved matters. For example, significant power generation is not a devolved matter and is, therefore, not something that we can influence.

[40] **Mick Bates:** I suppose that we could if it was substituted with renewable energy production. However, that is something that we will discuss later.

[41] **Darren Millar:** If there was a power plant, yes.

[42] **Mick Bates:** There is a scheme to do that.

[43] **Alun Davies:** Darren raises a good point. Some of this was addressed in the previous Government's environment strategy, which was published last year. It might be useful for us to return to this document at some point with that strategy. One of that document's strongest points was its timetabled targets. Some of the work on meeting those targets involved collecting the statistical background information that you are referring to. Some of these things may exist. Last year's environment strategy contained a lot of good baseline information, which would help us to take this forward. I do not know whether that is useful, but I certainly felt at the time that it was a strong document.

[44] **Mick Bates:** Thank you; that was a helpful point. Perhaps it would be useful to circulate the environment strategy. It is a large document with many recommendations.

9.20 a.m.

**Cytuno ar y Cylch Gorchwyl, yr Amserlen a'r Tystion ar gyfer Ymchwiliad
Craffu'r Pwyllgor i'r Gwaith o Ostwng Carbon yng Nghymru
Agreement of Terms of Reference, Timetable and Witnesses for the Committee's
Scrutiny Inquiry into Carbon Reduction in Wales**

[45] **Mick Bates:** We have already noted some of the issues raised in the previous discussion when we briefly went through the scoping paper, so I think that we are pretty clear on the background. The proposed terms of reference are to scrutinise the Welsh Assembly Government on its progress on contributing to the UK's carbon reduction targets and its proposals for meeting the 3 per cent carbon reduction target for Wales contained in 'One Wales'. That is our overall aim. We looked at it during our last session. Is everyone content with that as our overall aim? I see that you are.

[46] The aims of inquiry are residential carbon reduction, transport, and so on, included in the scoping document that we have just discussed. It is proposed that a written consultation is carried out at the start of each inquiry into each topic area. So, you will have seen the letter that has been sent and the consultative invitation along with questions for that. Responses will be back by 5 October so that when we start to take full evidence on our scrutiny, we will also have responses to the consultation document that has been sent out.

[47] On the details contained here and the dates in our programme, we will have a session after this to evaluate the process and to see how we have got on and take your views so that improvements can be made for the next step. Today, we agree these terms of reference and take on any further points after we have looked through the suggested programme.

[48] The suggestion is that, on Thursday 4 October, we take evidence from the agencies listed, namely the Environment Agency, the Carbon Trust, the Energy Saving Trust and the Sustainable Development Commission. The idea is to give us a back-up to our scoping paper so that we can discuss some of the points raised in our brief discussion on that with those four groups who will give evidence on that day so that we get a general picture of what is happening. Perhaps we could try to tease out some of the issues raised on the levels of governance and our powers.

[49] It is proposed that on 11, 18 and 25 October, we take evidence from various stakeholders, a list of which you will find at the end of the next page. We also intend to hear evidence of good practice from the UK and Europe. It is extremely important that we keep up-to-speed with those developments.

[50] On 8 November, the Minister responsible for housing will appear before the

committee. Given that, by that stage, we will be armed with evidence from our scrutiny witnesses, we will be able to ask the Government what it is doing to reduce residential carbon emissions.

[51] On 15 November, we hope to evaluate the process to date. As I said, it will be interesting to hear Members' views after going through it. We will draft the first recommendations based on our legislative powers. At that stage, the consultative document on carbon reduction on transport will be completed. The secretariat will have sent that out six weeks before and we will then commence with that. By the end of this session, we will have scrutinised the Minister responsible for transport and will look to make recommendations on how we believe carbon emissions from transport can be reduced.

[52] In January, we have the sixth topic that you see in the programme. We will be flexible about the dates for when we complete this, because, as Alun said earlier, it could be a long study. There is a list of proposed witnesses. Members may wish to suggest now, or throughout the process, other witnesses whom they think could add to our evidence-taking and scrutiny of what is happening and inform us in the process of our making recommendations. If so, please get in touch with the clerk. If you have any suggestions now, we will take them. Are there any general views on the process itself and the witnesses?

[53] **Darren Millar:** I just think that we need to be flexible. There may be other avenues of inquiry that we may want to take, which would throw our dates out from time to time and, even up to December, there may be times when we want to go off in a slightly different direction to pursue something. So, provided that the committee members are aware of that—

[54] **Mick Bates:** Absolutely. One of my main concerns is that there may be issues on which we, as a scrutiny committee, need to call the Minister in order to take evidence. We all have to play our part and if you feel that something needs our immediate attention, it has to be done. That was one reason, as you may recall, why I suggested that we had a Rural Development Sub-committee, because there are often immediate concerns, such as foot and mouth disease or TB, and issues of imminent or current crisis might mean that our committee would have been focusing very tightly on the immediate crises rather than on scrutinising and recommending legislation to the Government on other areas.

[55] **Karen Sinclair:** Does farming come under land-use management or industry?

[56] **Mick Bates:** It comes under land use.

[57] **Karen Sinclair:** It is one of our major industries. That is why I asked the question. Unless we make recommendations about putting it under industry, farming will come under land use.

[58] **Mick Bates:** I think that that is the best place for it. People have made the point that sometimes we in Wales do not have the full powers with which to recommend reducing emissions on the industrial side; in terms of land use we do. Welcome, Lorraine.

[59] **Lorraine Barrett:** I believe that you knew that I would be late.

[60] **Mick Bates:** Yes, I did, and I told Members.

[61] I see that there no further comments on the timetable. Given the issues raised, if Members feel that there is a point of scrutiny that they wish to address, please bear in mind Darren's point that we have to do that.

[62] There is no further business. The next meeting will be held at 9.30 a.m. on 4 October,

when we will take evidence on carbon reduction in Wales from the Sustainable Development Commission, the Environment Agency, the Carbon Trust and the Energy Saving Trust. Thank you for your attendance. A meeting of the Rural Development Sub-committee will follow shortly.

Daeth y cyfarfod i ben am 9.28 a.m.
The meeting ended at 9.28 a.m.