

PUBLICATION, DOCUMENT

Cabinet meeting: 16 October 2023

Minutes of a meeting of the Cabinet on 16 October 2023.

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Present

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Senedd business

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Wales electricity grid infrastructure needs for net zero

Present

- Rt. Hon. Mark Drakeford MS (Chair)
- Rebecca Evans MS
- Vaughan Gething MS
- · Lesley Griffiths MS
- Jane Hutt MS
- Julie James MS
- Jeremy Miles MS
- Eluned Morgan MS
- Mick Antoniw MS
- Hannah Blythyn MS
- Dawn Bowden MS
- Julie Morgan MS
- Lynne Neagle MS
- · Lee Waters MS

Officials

- Andrew Goodall, Permanent Secretary
- · Des Clifford, Director Office of the First Minister
- Rebecca Dunn, Head of Cabinet Division
- · Toby Mason, Head of Strategic Communications
- · Rory Powell, Head of First Minister's Office
- · Jane Runeckles, Special Adviser
- Madeleine Brindley, Special Adviser
- · Alex Bevan, Special Adviser
- Daniel Butler, Special Adviser
- · Ian Butler, Special Adviser

- · Kate Edmunds, Special Adviser
- Sara Faye, Special Adviser
- · Sam Hadley, Special Adviser
- David Hooson, Special Adviser
- · Clare Jenkins, Special Adviser
- Owen John, Special Adviser
- Phillipa Marsden, Special Adviser
- Tom Woodward, Special Adviser
- Christopher W Morgan, Head of Cabinet Secretariat (minutes)
- · Damian Roche, Cabinet Secretariat
- · Catrin Sully, Cabinet Office
- Kathryn Hallett, First Minister's Office
- Helena Bird, Permanent Secretary's Office
- Helen Lentle, Director Legal Services
- Tracey Burke, Director General Climate Change & Rural Affairs
- Jo-anne Daniels, Director General, Education Social Justice & Welsh Language
- · Reg Kilpatrick, Director General, Covid Recovery and Local Government
- Tim Moss, Chief Operating Officer
- Judtih Paget, Director General Health and Social Services
- Andrew Slade, Director General, Economy, Treasury and Constitution
- Debra Carter, Deputy Director, Local Government Finance (item 4)
- Clare Blake, Head of Local Government Finance Reform (item 4)
- Rachel Garside-Jones, Director Co-operation Unit (item 4)
- Emily Edwards, Special Adviser (item 4)
- Ed Sherriff, Deputy Director Energy (item 5)
- Jennifer Pride, Head Energy Delivery (item 5)

Item 1: Minutes of the previous meeting

1.1 Cymeradwyodd y Cabinet gofnodion y 2 Hydref / Cabinet approved the

minutes of 2 October.

Item 2: First Minister's items

Statement on the 2023-24 financial position

2.1 The First Minister reminded Cabinet that the Minister for Finance and Local Government would be making an oral statement to the Senedd the following day on the 2023-24 financial position.

Item 3: Senedd business

3.1 Cabinet considered the Plenary Grid and noted that voting time was scheduled for 6:30pm on Tuesday and around 5:55pm on Wednesday.

Item 4: Council Tax reform: phase 2 consultation

- 4.1 The Minister for Finance and Local Government introduced the paper, which asked Cabinet to agree to a public consultation commencing on 14th November seeking views on three possible approaches to a future Council Tax system.
- 4.2 The consultation *now* presented three broad choices around the scale and pace of reform. However, there were countless options around the approach to revaluation and the consultation also invited respondents to suggest other options.
- 4.3 The Programme for Government and the Co-operation Agreement

committed to delivering a fairer and more progressive Council Tax. The evidence was clear that this was one of the most significant actions the Government could take to help address wealth inequalities in Wales, with experts agreeing that this would have positive impacts on households and communities.

- 4.4 With some options suggesting that households in the lowest value properties could see their bills fall by over £500 a year, many of whom currently just miss out on a range of means-tested support schemes.
- 4.5 Cabinet welcomed the paper and put on record its thanks to all those who developed the consultation proposals.
- 4.6 Cabinet approved the paper.

Item 5: Wales electricity grid infrastructure needs for net zero

- 5.1 The Minister for Climate Change introduced the paper, which asked Cabinet to agree that more grid infrastructure would be necessary to enable the transition to a net zero Wales. Ministers were also asked to consider the approach to developing principles for determining the acceptability of new grid proposals and there would need to be a cross-Government approach to identifying and involving relevant stakeholders in development of the process.
- 5.2 There was an urgent need for new electricity infrastructure in Wales and it was important to gain and keep the support of people and communities for proportionate and well-planned grid investment.
- 5.3 Many people across a variety of sectors in Wales had reported challenges connecting to energy grids over the last decade, with many homes off the gas

grid and dependent on expensive oil and LPG, with others subject to an unreliable electricity supply.

- 5.4 The small amount of UK investment in new transmission lines meant that many users, such as new housing developments and industrial sites, who were trying to switch from fossil fuels to electricity, were finding that grid connections would not be possible until the 2030s. This posed a significant risk to the ability to deliver on net zero targets.
- 5.5 The move to a low carbon energy system required a complete re-wiring of the electricity networks, from connections to homes to major transmission lines. Change would also be needed to gas networks, including potential new infrastructure for hydrogen.
- 5.6 There was now a growing recognition of the urgent need for investment in networks across the energy sector and if UK decision making on networks were to take account of the needs of Wales, there must be clear and evidence-based requirements in the public domain.
- 5.7 Work was underway to plan for a low carbon energy system in Wales, which would help take advantage of the opportunities to provide electricity that supported local supply arrangements. In addition, Local Authorities were developing local energy plans, while local network operators were closely tied into the process and were committed to using these plans to guide their own delivery.
- 5.8 However, the real challenge was the large-scale transmission grid. The Distribution Network Operators have done all they can and now required the additional capacity at the higher level. A UK wide plan was being developed and data would be shared with the National Grid to ensure it took into account the priorities of Welsh Ministers.
- 5.9 Cabinet welcomed the paper and agreed that there was a need to improve

and upgrade the infrastructure in Wales to ensure a low carbon future, not least in rural areas, where current supply issues meant businesses could not expand and electric vehicle charging points could not be installed.

5.10 Cabinet approved the paper.

Cabinet Secretariat

October 2023

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