

Ministerial Advice

To: Minister for Environment, Energy and Rural Affairs

From: , Decarbonisation and Energy

Date: 04/09/2019

Subject: Decarbonisation and Energy divisional finance 2019/20

MATS Reference number: MA - P/LG/3141/19

When is a decision required from the Minister? Routine

1. What is the issue you are asking the Minister to consider?

To seek the Minister's approval on the spend profiles for the Decarbonisation and Energy divisional budget.

2. What action(s) are you recommending to the Minister?

The Minister is recommended to approve option 3, to fully deliver on the statutory obligations under a number of areas across the Decarbonisation area.

3. Deputy Director, Statement of Assurance

☒ I, , confirm that I have quality assured this advice.

I am satisfied that the recommended decision or action, if agreed, would be lawful and affordable. Welsh Government policy priorities and cross portfolio implications have been fully considered.

Advice

4. Context - What is the situation that has led to this advice?

The advice covers the following policy areas

- Decarbonisation (BEL 3770),
- Public Sector Decarbonisation (BEL 2809) and (BEL 2809)
- Energy (BEL 3770)
- Domestic Energy Efficiency (BEL 1270) and (BEL 1270) budgets.

5. What is your advice to the Minister?

The areas identified below are within the D&E portfolio for work to be completed in the 2019/20 financial year. These are vital for the D&E division to meet and support its statutory requirements and its prosperity for all commitments. It is advised the Minister approves the allocation of funding, within existing budgets, for the 2019/20 financial year.

Prosperity for All: A Low Carbon Wales

WGES and Public Sector Decarbonisation

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Brexit

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Warm Homes Programme

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Energy Policy

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Revenue

		Anticipated Spend	Variance
Decarbonisation			
Energy			
Public Sector Decarb			
Energy Efficiency			
Total			

Capital

		Anticipated Spend	Variance
Nest			
Arbed**			
Public Sector Decarb			

Total			0
<p>Advice</p>			
<p>6. What legal or policy obligations are relevant to this advice?</p> <p>Environment (Wales) Act The Environment (Wales) Act 2016 sets a legal target of reducing emissions by a minimum of 80% by 2050, following advice from the UK Committee on Climate Change this target will be amended to 95% by 2050 by the end of 2019.</p> <p>This important piece of legislation with cross government responsibility will require continued joint working to meet the ambitious targets which have been set.</p> <p>Well-being of Future Generations Act</p> <p>We also have the Well-being of Future Generations Act which sets the context for improving the social, economic, environmental and cultural well-being of Wales.</p> <p>The Environment Act complements the climate change provisions in the Wellbeing of Future Generations Act and goes further by establishing a clear statutory basis for decision making, which fully recognises the central importance of climate change.</p> <p>It works with the framework within the Well-being of Future Generations Act for setting indicators and milestones against the goals, to ensure there is a clear pathway for climate change action which will guide investment and future delivery.</p> <p>The case for action on climate change is clear and, as recognised by the Goals within the Wellbeing of Future Generations Act, it is a case fundamental to our prosperity going forward and to the resilience of our society.</p> <p>The Act sets out five ways of working needed for Public Bodies to achieve the seven well-being goals. This approach provides an opportunity for innovative thinking, reflecting the way we live our lives and what we expect of our public services.</p> <p>Government of Wales Act</p> <p>Powers to take this decision are found within Section 60 and Section 70 of the Government of Wales Act 2006. These powers enable Welsh Ministers to take decisions for the promotion of economic, social and environmental well-being and to enter into finance arrangements in the exercise of functions. Projects which save public bodies money by reducing energy bills and consequently reduce the levels of CO₂ associated with energy generation which can be avoided by saving energy, will contribute to the economic, social and environmental well-being of Wales.</p> <p>Taking Wales Forward and Prosperity for All</p>			

Taking Wales Forward and Prosperity for All make substantial commitments to decarbonising Wales, in line with the Environment (Wales) Act and the 2030 public sector carbon neutrality target. Projects supported are all on an 'invest to save' basis, supporting long term cash savings for public bodies in Wales.

Welsh Language Standards

All programmes and projects across the Decarbonisation and Energy agenda take into account Welsh language standards when producing documentation and communicating to stakeholders and the public.

Equality and Human Rights

No specific issues arise in this regard; projects deliver invest to save benefits, enabling public bodies to focus their budgets on services which better meet these requirements.

The United Nations Convention on the Rights of the Child (UNCRC)

No specific issues arise in this regard; projects deliver invest to save benefits, enabling public bodies to focus their budgets on services which better meet these requirements.

Section 15(1) of the Social Security Act 1990 (as amended by section 142(1) of the Housing Grants, Construction and Regeneration Act 1996) provides the Secretary of State may make, or arrange for the making of grants towards the cost of work or advice to improve thermal insulation or otherwise to reduce or prevent energy wastage in dwellings. These functions were transferred to the National Assembly for Wales by virtue of article 2 of and schedule 1 to, the National Assembly for Wales (Transfer of Functions) Order 1999. These functions are now exercisable in relation to Wales by the Welsh Ministers by virtue of section 162 of and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006.

Section 60 of the Government of Wales Act 2006 Act empowers the Welsh Ministers to do anything which they consider appropriate to achieve the promotion or improvement of the economic, social and environmental well-being of Wales.

Section 70 provides the Welsh Ministers may give financial assistance to any person engaged in any activity which the Welsh Ministers consider will secure or help to secure, the attainment of any objective which they aim to attain in the exercise of any of their functions.

Fuel Poverty Strategy

The Welsh Government's Fuel Poverty Strategy confirms our commitment to meeting our statutory obligation to do everything we reasonably can to eradicate fuel poverty in all households in Wales by 2018. A new fuel poverty plan is being developed for planned launch in February 2020.

7. What are the financial implications of Ministers agreeing to this advice and which budget will this be paid through?

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8. What communication or media activity is planned following this decision?

It is not expected there will be significant direct media or press interest as a result of this submission.

Annex A: Copy Recipients

All mandatory copy recipients (as indicated in the guidance).

Additional copy recipients specifically interested in this advice:

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