



# Annual scrutiny: National Infrastructure Commission for Wales 2024

## Response to the CCEI Committee report (April 2025)

09/06/2025

In April 2025, the Climate Change, Environment, and Infrastructure Committee submitted its report on its annual scrutiny of the National Infrastructure Commission for Wales (NICW).

The report includes 10 substantive recommendations.

This is the Welsh Government's response to those recommendations.

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# 1. Introduction

The National Infrastructure Commission for Wales (NICW) was established by the Welsh Government in 2018 as an independent, non-statutory, advisory body to Welsh Ministers. Its key purpose is to analyse, advise and make recommendations on Wales' longer term strategic economic and environmental infrastructure needs over a 5–80-year period.

The Commission was refreshed in 2021 under the leadership of a new Chair, Dr David Clubb. Since the last Senedd election in 2021 NICW has had a renewed focus, role and remit and has delivered two major reports on renewable energy and flooding, with a third anticipated later this year.

The Welsh Government would like to thank the members of the Climate Change, Environment and Infrastructure Committee for their report following their annual scrutiny session of the NICW Chair. We have set out our response to the Report's individual recommendations below.

## 2. Response to the Recommendations

### **Recommendation 1**

The Committee recommends that:

The Welsh Government must bring to a conclusion its review of the Commission by making firm recommendations on the status, role, and objectives of the Commission for the future.

**Response:** Accept in Principle

The Welsh Government sees the value in having a dedicated, independent body which carries out detailed investigations of, and makes objective recommendations on, the future of the variety of infrastructure sectors in Wales.

The Commission has also commenced work this year on an infrastructure assessment for Wales which will allow the Commission and the Welsh Government to take a strategic view on the major challenges facing Welsh infrastructure in the future.

Given this; the fact that the Commission's work programme has been set for the year ahead; and the forthcoming Senedd elections in May, it would be more appropriate to make decisions on the future of the organisation when the results of these studies are known and can be assessed alongside the aspirations and policy objectives of the incoming Government.

However, I recognise the importance of having a degree of certainty and continuity for the organisation in the short to medium term, until the Senedd election.

**Financial Implications** – None.

### **Recommendation 2**

The Committee recommends that:

The Government should remove the short-term uncertainty around the Commission's work by extending terms of office of the Chair and the other commissioners to the other side of the 2026 Senedd elections.

**Response:** Accept

The Welsh Government agrees with the Committee that the office of Chair and Commissioners should be extended beyond the Senedd elections to ensure continuity over this period. I intend to write to the Chair and Commissioners

shortly, inviting them to extend their current terms of office until September 2026, to allow the future of NICW to be determined by the next Government.

**Financial Implications** – The current budget for NICW has been set until 31<sup>st</sup> March 2026. Beyond this date, Commissioner costs will be met within existing budgets.

### **Recommendation 3**

The Committee recommends that:

The Welsh Government must agree a specific timescale to respond to Commission reports. In our view, it should consider adopting a response time of between 6 weeks and 3 months, so that it is more aligned with the response time for reports by Senedd committees and the Independent Environmental Protection Assessor for Wales.

**Response:** Accept

The Welsh Government has an agreed timescale of six months to respond to Commission reports. The recent report on flooding received a response within these timescales.

NICW recommendations are often future focused looking at issues up to 80 years in the future, this is recognised as a challenge for policymakers which requires a deeper understanding of the recommendations and the practicalities of implementing them within existing frameworks.

Whilst the Welsh Government is open to looking at the response deadlines, we do take on board the Commission's opinion that timeliness of a response is secondary to the appetite for challenge from within the Welsh Government itself.

In this context it may be that a different approach is needed and that there should be a different system established which utilises engagement with Ministers and officials on NICW recommendations rather than exchanges of correspondence.

Welsh Government officials will liaise with the current Commission to discuss a preferred, alternative approach to the current system which can then be used to inform any changes to the NICW framework after the Senedd election.

**Financial Implications** – None.

## **Recommendation 4**

The Committee recommends that:

The Welsh Government should conclude its consideration of the Committee's previous recommendation that it should consider the case for extending the term of appointment for Commissioners, so that it is better aligned with those of other public appointees.

**Response:** Accept

The Welsh Government agrees that by extending the current term of appointment for existing Commissioners to September 2026, this will equate to a term of 4 years and 3 months. It would be sensible that any future Commissioners are appointed to serve full Senedd terms.

**Financial Implications** – None.

## **Recommendation 5**

The Committee recommends that:

The Welsh Government should, as part of concluding its consideration of the Commission's status, agree funding for the term of the Government to ensure alignment with the remit letter.

**Response:** Accept in Principle

The Welsh Government considers that this issue would be integrated into any decision-making by a new Government on the future arrangements of NICW, post the 2026 Senedd elections.

**Financial Implications** – None.

## **Recommendation 6**

The Committee recommends that:

The Commission should provide an update to the Committee on the implementation of the audit recommendations in August 2025 and March 2026.

**Response:**

This is for NICW to respond to.

**Financial Implications** – None.

## Recommendation 7

The Committee recommends that:

The Welsh Government should provide a timeline for the delivery of the commitment to produce a National Energy Plan for Wales, as set out in its response to the NICW report on renewable energy.

**Response:** Accept in Principle.

Since we committed to delivering a National Energy Plan in December 2021, the situation across the UK has changed significantly. There has been a growing recognition that we will only reach a low carbon energy system at least cost and impact through a planned approach.

Work on developing a National Energy Plan was intended to build on the local area energy plans we helped local authorities in Wales to develop. All 22 local authorities now have a Local Area Energy Plan in place and we are in the enviable position of being the first UK nation to have full coverage of local energy plans.

We have worked with the Energy Systems Catapult, our technical advisor on these plans, to bring together the data from across Wales, to understand what this means at both regional and national levels. Our intention is to continue to use this evidence base, incorporating it into Datamap Wales to support action.

The co-commissioning of the Strategic Spatial Energy Plan (SSEP) for Great Britain by Welsh, Scottish and UK Governments, to be delivered by the National Energy System Operator (NESO), is another significant development. The first SSEP will be a GB-wide plan that will map potential locations, quantities and types of electricity and hydrogen generation and storage infrastructure over time.

In early 2025 NESO also became responsible for producing Regional Energy Strategic Plans across Wales, Scotland and England. These plans will help ensure that local areas get the energy infrastructure they need to meet local net zero and growth ambitions. The RESPs will form part of NESO's wider strategic energy planning activities, ensuring a joined-up approach between national, regional and local levels.

We have therefore paused activity on the National Energy Plan and are working with the NESO and the UK Government to understand the array of changes under way and provide insight into Welsh policies in devolved areas. Once the timescales and scope of outputs for the GB system plans, and the RESPs in particular, are agreed, we will be able to judge whether a National Energy Plan is necessary to support delivery. Until then, we will continue to work with regions to

understand and support their ambitions around energy and to deliver the economic opportunities across Wales from moving to a clean energy system.

Financial Implications – None.

### **Recommendation 8**

The Committee recommends that:

The Welsh Government should ensure that there is a timely and substantive response to the Commission's 2024 flooding report.

**Response:** Accept

The Welsh Government response to the Commission's flooding report was sent to the Commission on 17 April 2025. The response has also been made available on our website.

Financial Implications – None.

### **Recommendation 9**

The Committee recommends that:

The Welsh Government should commit to responding to the climate communication report before the end of this Senedd term.

**Response:** Accept

The Welsh Government will respond to the climate communication report following its planned publication in autumn 2025 and before the end of this Senedd term.

Financial Implications – None.

### **Recommendation 10**

The Committee recommends that:

The Commission should continue to monitor and follow up with the Welsh Government the implementation of its recommendations from its renewable energy report.

**Response:**

This is for NICW to respond to.

Financial Implications – None.