

Agenda

Title of meeting: **NRW Board Public Meeting**

Date of meeting: **Wednesday 18th March 2026**

Time of meeting: **09:30 – 16:30**

Time

Item

Public Session

09:30
(5 mins)

Item 1. Open Meeting

- Welcome
- Declaration of Interests
- Explain conduct of meeting

Sponsor and Presenter: Neil Sachdev (Chair)

Summary: To NOTE any declarations of interest

9:35
(5 mins)

Item 2. Review Minutes and Action Log

4A. Review Minutes from 12th February Public Board Meeting
4B. Review Public Action Log

Sponsor and Presenter: Neil Sachdev (Chair)

Summary: To APPROVE the minutes of the previous meeting and the Action Log

9:40
(10 mins)

Item 3. Update from the Chair

Sponsor and Presenter: Neil Sachdev (Chair)

Summary: To NOTE the Chair's update to the Board

9:50
(20 mins)

Item 4. Report from the Chief Executive

Sponsor and Presenter: Ceri Davies, Chief Executive

Summary: To NOTE the current position and update the Board on key activities

Paper Ref: 26-03-B01

**10:10
(20 mins)**

Item 5. Update Report of Committees

Sponsors and Presenters: Committee Chairs

- Audit and Risk Assurance Committee – 5th March (Verbal)
- Evidence Advisory Committee – No Meeting
- Finance Committee – 12th March (Verbal)
- Flood Risk Management Committee – No Meeting
- Land Estate Committee – No Meeting
- People and Customer Committee – 4th March (Verbal)

Including WH&S Q3 Report

Paper ref: 26-03-B02

- Protected Areas Committee – 26th February

Paper ref: 26-03-B03

- Wales Land Management Forum – 9th March (Verbal)
- National Access Forum for Wales
- Wales Fisheries Forum
- Wales Water Management Forum – 12th March (Verbal)

Summary: To NOTE the updates from the Board Committees and NRW Forums, both within and outside and meetings held

**10:30
(15 mins)**

Item 6. Finance Performance Report

Sponsor: Rachael Cunningham, Executive Director of Finance and Corporate Services

Presenter: Rob Bell, Head of Finance

Summary: To APPROVE the latest financial position

Paper Ref: 26-03-B04

**10:45
(20 mins)**

Item 7. Business Plan Performance Dashboard Q3

Sponsor: Ceri Davies, Chief Executive

Presenters: WBO Leads; Sarah Williams, Head of Corporate Strategy and PMO

Summary: To APPROVE the Quarter 3 Business Plan Performance Report.

Paper ref: 26-03-B05

**11:05
(15 mins)**

Break

11:20 (60 mins)	<p>Item 8. Wellbeing Objective 4 (Presentation)</p> <p>Sponsor: Rachael Cunningham, Executive Director of Finance and Corporate Services</p> <p>Presenters: Sarah Williams, Head of Corporate Strategy and PMO; Fen Turner, Team Leader, Integrated Approaches for Natural Resources and Climate Change; WFG Commissioner (Derek), Helen Nelson</p> <p>Summary: To DISCUSS Wellbeing Objective 4</p>
12:20 (60 mins)	<p>Item 9. Place Presentation</p> <p>Sponsor: Lyndsey Rawlinson, Head of Place and Service</p> <p>Presenter: Gavin Bown, Head of Mid Wales Operations</p> <p>Summary: To DISCUSS the ongoing operations and projects within Mid Wales.</p> <p>Paper ref: 26-03-B07</p>
13:20 (5 mins)	<p>Item 10. AOB</p>
13:25	<p>Close Public Meeting</p>
13:25 (60 mins)	<p>Lunch</p>
14:30 (120 mins)	<p>Public Engagement: Conversations with the Board and Executive Team (ET)</p> <p>Summary: Open invite to the public and stakeholders to join conversations with the Board and ET.</p>

Unconfirmed Minutes

Title of meeting:	NRW Board Meeting (Public)
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Location:	Buckley and Teams
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Date of meeting:	12 th February 2026
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Members present:	Neil Sachdev, Chair Prof Steve Ormerod, Deputy Chair Ceri Davies, Interim Chief Executive Dr Hushneara Begum Dr Pete Fox Prof. Calvin Jones Lesley Jones Prof Rhys Jones Mark McKenna Helen Pittaway Adam Taylor
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Executive Team Members Present	Prys Davies, Executive Director of Strategy, Policy and Evidence Sarah Jennings, Executive Director of Communications, Customer and Commercial Rachael Cunningham, Executive Director of Finance and Corporate Services Dominic Driver, Executive Director of National Operations Lyndsey Rawlinson, Executive Director of Place and Service Louise White, Executive Director of People and Facilities
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Attendees present:	Phil Williams, Head of Governance and Board Secretary (All items) Meinir Wigley, Head of Communications and Digital Transformation
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Observers present:	None
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Apologies:	Karen Balmer Dr Rebecca Colley-Jones
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Secretariat: Rhiannon Spencer, Board Secretariat Team
Deb Lee, Board Secretariat Team
Andrea Bennett, Board Secretariat Team

Declarations of Interest None

Item 1. Open Meeting

Sponsor and Presenter: Neil Sachdev, Chair

1. The Chair opened the meeting and welcomed everyone. Declarations of interest and apologies were noted as above.

Item 2. Review Minutes

Item 2A. Review Minutes from 27th November Public Meeting

2. The minutes from the public Board meeting on 27th November were reviewed and agreed.

Item 2B. Review Minutes from 12th January Public Meeting

3. The minutes from the public Board meeting on 12th January were reviewed and agreed.

Item 3. Update from the Chair

Sponsor and Presenter: Neil Sachdev, Chair

4. The Chair introduced the item and thanked the team involved with the State of Natural Resources Report (SoNaRR) launch. It was suggested that a RACI (Responsible, Accountable, Consulted and Informed) could be developed in relation to clarify roles and responsibilities for addressing the issues highlighted.
5. The recruitment process for the new CEO had been postponed and would restart in April. Ceri Davies would continue in the role of CEO until the recruitment was successful. The Chair thanked all staff and colleagues who had been involved in the process to date. The Chair also noted that NRW needed to be able to respond to public concerns quicker, however they may not be able to be resolved immediately.

Item 4. Update from the Chief Executive

Sponsor and Presenter: Ceri Davies, Chief Executive

6. The Chief Executive (CEO) introduced the item. The Green Paper had been launched by Welsh Government (WG), who had thanked NRW for the effort put in to the launch. The consultative approach to water sector regulation and the implications for NRW role were outlined, which included collaboration with the new

economic regulator and system planning function. The Paper had set out the regulatory roles, and the new system planning function was clearly explained by WG. The system planning function would bring both the water and environment sectors together.

7. NRW would support WG in developing the approach, including ensuring that the correct level of investment was achieved for the changes required. The budget settlement had confirmed the baseline funding for WG in terms of Water Regulations. The Paper aimed to foster a co-produced approach to water sector governance, involving multiple stakeholders and focusing on holistic, pragmatic solutions rather than fixed regulatory models.
8. It was emphasised that, despite legislative changes not being expected until after 2030, NRW were encouraged to trial new regulatory approaches now, in collaboration with Ofwat and WG, to inform future legislation.
9. The Board discussed the importance of aligning system planning and regulatory approaches across England and Wales, particularly for major rivers, to avoid divergent management and ensure effective catchment planning. NRW were working with partners to discuss areas that flooded frequently and the options available for the community moving forward.
10. NRW had accelerated the issuance of flood alerts and increased proactive media coverage to ensure the public received timely warnings, using multiple channels such as social media, TV, and radio. NRW had also strengthened early coordination with the local authorities, police, and fire and rescue services, sharing information to enable joint planning and a Team Wales approach to flood response.
11. The Board discussed the challenge of balancing incident response with day-to-day operations, noting that many staff had dual roles, and that increased incident frequency could delay other work.
12. The team in North East Wales described the development of community flood plans and the use of hydrometric data to support flood forecasting, asset management and natural flood management interventions.
13. The Board queried why there appeared to be increased discussion around enforcement actions. The Board could be provided with improved Management Information, but this would need to be supplemented by some of the cases within the CEO Report. In relation to enforcement, the processes were long and NRW would focus on how to address the issues, as a regulator. A meeting with the Deputy First Minister (DFM) would be arranged if required.
14. NRW were working with WG to ensure that they would be influencing the legislation in both England and Wales, and that staff involved in the Green Paper, were also working on the White Paper. In relation to the Financial Penalties Mechanism, the Board queried whether NRW could the money in and focus on the improvements

without taking away from investments and settlements. This was a significantly practical area that was being reviewed with WG.

Item 5. Update Report of Committees

Sponsors and presenters: Committee Chairs

Audit and Risk Assurance Committee – 9th December

15. Lesley Jones, member of ARAC provided an update on the Committee meeting on 9th December. It was highlighted that Audit Wales had provided an update on the National Fraud Initiative (NFI) Report and ARAC would review the comparable data over time, to assess ongoing value.
16. ARAC had also been presented with an overview of the Sites of Special Scientific Interest (SSSI) Report and were assured that Audit Wales were content with NRW's response. Although oversight of the SSSI's would sit with the Protected Areas Committee (PrAC), progress would be reported to ARAC. Other discussions at ARAC included the Finance Update, including Counter Fraud, Contingent Liabilities and legal cases, the Internal Audit Plan and the executive summaries for two recent Internal Audit Reports.

Evidence Advisory Committee – 28th January

17. Steve Ormerod, Chair of EAC provided an outline of the remit of the Committee. EAC had discussed the follow up to SoNaRR, and the protected space in terrestrial monitoring, which enabled the Committee to understand the ongoing work towards 30 by 30 and NRW2030. The designated features on the Sites of Special Scientific Interest (SSSI) network required a degree of expansion. There was a need to understand the pressures that were driving biodiversity in the wrong direction.
18. One of the priorities was to have adaptable and cost-effective monitoring, which would need to be agile. The interpretation about the SSSI Report included the need to consider whether NRW could continue to measure sites to the current extent. EAC had queried what the right measurement levels were and whether the current level was sufficient enough to understand the sites condition.

Finance Committee – 3rd February

19. Helen Pittaway, Chair of FC highlighted the items from the meeting including the Finance Performance Report, the 2026/27 budget, business planning, and metrics. The Financial approvals included the Telemetry Project, the Fleet Replacement project, and a s83 approval. An update on the Annual Review of Charges was also discussed, as well as the governance review of committees.

Flood Risk Management Committee – 17th December (IDDs) and 15th January

20. The Chair of FRMC provided an update on the recent meetings, where they had discussed the Internal Drainage District (IDDs). Also discussed was the Telemetry Project Report, which included the current use of technology and intelligence of

what was happening in the environment and how NRW would need to react. Concerns had been raised in relation to the resourcing and funding for this area. There were lessons to learn on managing and procuring the data.

Land Estate Committee – 22nd January

21. The Chair of the Land Estate Committee discussed the investigation on NRW's ongoing work in relation to Green Finance, and the need for a better understand on the forecasting. The Committee had also discussed the management of recreational activities on the land managed by NRW, and the extent of the decisions NRW could make in relation to the land.

People and Customer Committee – 4th December

22. The Chair of PCC updated the Board on the PCC meeting from 4th December. The contributions coming out of the Case for Change were being communicated through the Committee. It was confirmed that the Executive Director of People and Facilities would take over as the ET lead in the PCC.

23. PCC had previously discussed and endorsed both the Wellbeing Health and Safety Strategy and the Wellbeing Health and Safety Q2 Report. The Strategy had been updated to include the wider public element.

24. The Committee had also discussed staff wellbeing and NRW's response, and the Wellbeing Health and Safety strategy was being done annually. An annual Equality Diversity and Inclusion Report had been produced, which would also include staff wellbeing and other characteristics. Specific training would be provided for both the Board and ET. NRW had implemented anti-racism within this work and the Wales Action Plan, which would help with other work in relation to protected characteristics.

DECISION: The Board approved the WH&S Strategy.

DECISION: The Board approved the WH&S Q2 Report.

Wales Land Management Forum

25. Rhys Jones as Chair of the Wales Land Management Forum provided an update on the recent meeting and noted the ongoing work to broaden the membership of the forum.

Wales Water Management Forum – 13th November

26. An update on 13th November Wales Water Management Forum, had been provided at the November Board meeting. The next meeting would take place on 12th March.

Item 6. Finance Performance Report

Presenters: Rob Bell, Head of Finance

27. The Executive Director of Finance and Corporate Services introduced the item. The Head of Finance provided an overview of the Finance Performance Report, which had also been discussed with both ET and the Finance Committee (FC). The Chair of FC noted that the Committee had discussed how the underspend could be used.
28. There had been a minor change in the overall forecast, with income on profile. But timber income had expected to fall short, and there was an underspend in relation to staff costs due to the recruitment controls. There were ongoing discussions with WG around returning the underspent funds and the potential use for liabilities.
29. NRW were aiming to complete land purchases, such as the opportunities at Kilvey Hill to purchase land and compensate tree cover, by year-end to utilise surplus capital, with contingency planning in place if transactions were delayed. NRW were also exploring options for longer-term acquisition agreements.
30. The Board discussed the multifaceted impact of underspends on operations and noted that the delays were spread across the organisation and not limited to specific areas.
31. It was also suggested that a taskforce could be established, similar to the Environment Agency, to support the policy in order to put out a clear message in relation to organised waste crime. The Environment Agency had permanent resources for this particular work. The Executive Director of Place and Service was discussing this area with colleagues and noted that there were a number of issues that needed to be addressed.
32. The Board queried whether the committed capital funding could be carried over to the next financial year. The Executive Director of Finance and Corporate Services would look into this option with finance colleagues in WG.

ACTION: The Executive Director of Finance and Corporate Services to discuss with WG, the option of carrying over committed capital funding to the next financial year.

DECISION: The Board approved the changes to the latest forecast, from £302.5m to £303.3m.

Item 7. Place Presentation

Sponsor: Lyndsey Rawlinson, Executive Director of Place and Service

Presenters: Elsie Grace, Head of North East Operations; Liz Felton, Team Leader, Environment Team; David Powell, Operations Manager NE; Keith Ivens, Operations Manager, Flood & Water Management; Sara Pearson, Team Leader, Energy Delivery; Sue Williams, Team Leader, People & Places

33. The Executive Director of Place and Service introduced the item. The Head of North East Operations presented an overview of the ongoing work in NE Wales and noted that a large amount of the proposed new National Park would be mainly in NE Wales.

34. An update on the Dee Conservancy and its jurisdiction was presented. The major decarbonisation initiatives such as the HyNet Project, carbon capture at Heidelberg Materials, and low carbon power generation was described. NRW's regulatory and stakeholder coordination roles were highlighted.

35. The dual regulatory role in NE Wales was presented. NRW teams worked closely together and new technologies, such as drones, were now being used for emissions monitoring. The complexity of managing high-risk industrial sites near communities was presented.

The management of highly regulated water courses were presented, as well as the flood mitigation infrastructure and the use of telemetry and hydrometric data to support operational decisions and community resilience. Land management activities, timber income, recreational site management, and the development of wind farms were outlined. The team were supported by the Energy Delivery team and local benefit funds.

36. Regional and Local partnerships with NRW were outlined, including the work with the public service boards (PSBs), health groups, and local authorities. This overview also included the projects that were focused on soil health, fire management, and habitat improvement.

37. The Board were provided with a summary of the vision to shift from reactive to preventative approaches, develop a forward-thinking plan, and empower staff and partners to address complex challenges collaboratively.

Item 8. AOB

38. There was no AOB.

End Meeting

Public Q&A

39. The Board had received a question seeking the Boards view on the contradiction between NRW's own performance assessment and the finding of the SoNaRR that suggested a less positive report. The Board explained that the Green ratings available in the Annual Reports reflected the progress against planned activities within available resources, while the SoNaRR Report assessed the overall state of nature in Wales, which was influenced by factors beyond NRW's direct control.

40. The Board acknowledged the need for clearer communication about the difference between activity-based metrics and environmental outcomes, and would provide written responses in relation to the ongoing public engagement.

Close Public Meeting

Board Meetings										
Action No.	Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
6	Public	12/02/2026	6	32	Rachael Cunningham, Executive Director of F&CS	ACTION: The Executive Director of Finance and Corporate Services to discuss with WG, the option of carrying over committed capital funding to the next financial year.	The Executive Director of F&CS	19/03/2026	Ongoing	

NRW Board Paper

Date of meeting:	18 March 2026
Title of Paper:	Chief Executive's Report (Public Session)
Paper Reference:	26-03-B01
Paper presented by:	Ceri Davies, Interim Chief Executive
Purpose	Information and discussion
Summary	The paper provides the Board with an update on current issues.

Introduction

1. Following recruitment, we have been pleased to appoint to three of our Leadership Team positions. Mary Lewis will continue as Head of Natural Resource Management Policy, ensuring we keep her experience and leadership in this key area of our work. Helen Davies will join NRW in April as our Head of People, while Charlotte Brewster will join as Head of Strategic Projects. My thanks go to Nadia De Longhi and Jon Goldsworthy, who have shown drive and commitment in covering these roles and providing clear direction for the teams.
2. The Executive Team (ET) have attended an Anti-Racism Development session led by Usha Ladwa-Thomas of Cardiff University. This important work will support us in building a more diverse and welcoming culture at NRW, and as we deliver our Anti-Racist Wales Action Plan. The session provided an essential insight into the terminology and constructs of racism, challenges such as white privilege and unconscious bias, and the skills and attributes needed for leadership in anti-racism. The same training has been rolled out to our Leadership Team during March.
3. ET also held a Development Day at our Llandarcy office, facilitated by the team at JAM Consulting. This session focused on culture, behaviours, how we work as a team and how we bring our values to life as senior leaders. As a relatively new team, still taking shape and growing together, this was an invaluable opportunity to have open and trusting conversations, and think about our ambition for what we want to deliver and achieve.
4. We have shared the Lessons Learned from the delivery of our Case for Change programme with colleagues. This report was compiled by independent public sector delivery partner Local Partnerships based on interviews and workshops with colleagues involved in and impacted by the programme. A Management Response has also been prepared and shared, along with an apology for aspects where delivery

and communication failed to meet the needs of colleagues. At the same time, we recognise the work that went into delivering the programme and supporting colleagues during a time of considerable uncertainty. The management outcomes from the Lessons Learned include a more stable workforce approach with a headcount ceiling for permanent roles; more flexible delivery and resourcing models; and stronger planning and governance, with integrated multi-year plans and close reviews of new funding proposals to ensure alignment with organisational priorities.

5. In February, I attended a community meeting in Skenfrith and had discussions with Cadw regarding flood risk management proposals for the village. The area has seen significant flooding, most recently following Storm Claudia in November last year, and flood alerts on the River Monnow in January. The concerns with the flood defence proposals relate to the close proximity of Skenfrith Castle, a medieval fortress and scheduled monument, and we are working closely with Cadw to find a suitable solution.
6. I have had meetings with colleagues at Welsh Government (WG), including our regular Sponsorship Committee meeting. Our agenda focused on NRW performance and governance, an update on our progress with the Self-Assessment Model for Wales, our plans for responding to Senedd reform, and updates on Board member and CEO recruitment.
7. We also held our quarterly meeting with Councillor Andrew Morgan and his team at Rhondda Cynon Taff County Borough Council. This allowed us to provide updates on local land management and forest operations, flood assets and the Taff programme. Cllr Morgan has decided to step down as leader of the council before May and I have written to him to thank him for his constructive approach to working with NRW, both in respect of council issues and as leader of the Welsh Local Government Association.
8. In March, I met with Ian Rickman, president of the Farmers' Union of Wales, and John Mercer of the National Farmers' Union Cymru. I also had a regular catch-up with Lhosa Daly of National Trust Cymru.

Strategic Updates

Welsh Government Green Paper on Water Reform

9. In February, WG published its Green Paper to consult on its proposals to reform how the water system is governed in Wales. It follows growing public concern over sewage pollution, rising bills and long-term underinvestment across the UK, which led to the establishment of the Independent Water Commission (IWC) in 2024, chaired by Sir Jon Cunliffe. We have been working closely with WG on the development of the Green Paper and will also formally respond to the consultation in due course. It represents an important opportunity to create a more resilient, transparent and effective water system that responds to recent challenges facing water companies, including pollution incidents, ageing infrastructure and declining public confidence.
10. Many of the proposals, such as regulatory responsibilities, system planning and long-term investment, have direct implications for our work across water quality, waste and resource management, flood risk and environmental protection. We will carefully assess the consultation in detail and provide evidence-based advice drawn from our regulatory experience, monitoring data and technical expertise.

11. We remain committed to protecting and improving water quality. Should relevant legislation (such as the Water Framework Directive, Sludge (Use in Agriculture) Regulations and Urban Wastewater Treatment Regulations) be reviewed – as suggested by the Cunliffe Report – maintenance of water quality standards and objectives will be a priority. The Green Paper recognises that with current and future pressures on the water system, greater cross-policy collaboration will be required to make these improvements, including within waste and agriculture.
12. We will continue to work constructively with WG, the new economic regulator once established, water companies and wider partners for a smooth and effective transition. We will be part of Defra's Single Regulator Board in support of WG colleagues.

Forever Chemicals – PFAS Plan

13. The UK Government has now published its first PFAS Plan: Building a Safer Future Together, setting out a coordinated UK-wide approach to understanding and managing per- and polyfluoroalkyl substances (PFAS) risks. Although the plan does not immediately introduce new duties for NRW, it confirms that environmental regulators will contribute to expanded monitoring, evidence development and future regulatory planning. We will therefore focus on supporting the programme of enhanced environmental monitoring in Wales, assessing implications for affected industry sectors and preparing for potential future regulatory measures arising from the plan. We will continue to work closely with Defra, WG and other UK regulators to ensure our input is consistent, evidence-led and transparent as further actions and statutory proposals emerge.

Tata Steel in Port Talbot

14. Our engagement with Tata Steel is intensifying as the company advances its major transformation plans for Port Talbot, marking one of the most significant industrial transitions in the UK. We are currently determining the first elements of Tata's phased environmental permit submissions, with a substantial increase in work expected through 2026 as further components are received. This transformation carries major environmental, economic and social implications. Our role is to ensure the changes are delivered responsibly by setting clear regulatory expectations, rigorously assessing emissions and environmental risks, and supporting the shift to new steelmaking technologies. Our ability to do this effectively depends on receiving timely and comprehensive permit submissions from Tata. On this basis, we are well placed to maintain strong regulatory oversight while enabling a successful and sustainable industrial transition for Port Talbot.

Hydrogen Production Consenting

15. Two major hydrogen production projects have reached significant permitting milestones, demonstrating accelerating progress in Wales's emerging hydrogen sector. These schemes form the first wave of electrolytic hydrogen facilities being consented on existing industrial sites and are helping establish a clear regulatory pathway for future developments. The newly permitted 20-megawatt electrolytic plant at Milford Haven will produce up to 8.6 tonnes of low carbon hydrogen per day, and is designed to support local industrial users, hydrogen-fuelled heavy transport and flexible operation alongside renewable energy. In parallel, the RWE Green Hydrogen

project continues to move through its determination process (further detail below). We continue to focus on completing the remaining determinations, applying consistent regulatory standards across the emerging hydrogen portfolio, and supporting the development of a robust consenting framework as further projects come forward.

Nuclear New Build

16. Over the past year, we have been working with several nuclear companies as part of the Generic Design Assessment (GDA) process, alongside the Office for Nuclear Regulation and the Environment Agency. We have been assessing the GE Vernova Hitachi BWRX 300 and Holtec Britain Small Modular Reactor 300 reactor designs and no fundamental safety, security or environmental issues have been identified that would prevent their potential deployment in England or Wales. It is now for the companies to decide whether to advance to Step 3 of the assessment, which provides a more detailed examination and greater investment certainty ahead of environmental permitting.
17. In November last year, the UK Government announced Wylfa as the preferred location for the first three Rolls Royce Small Modular Reactor units, making successful completion of Step 3 a critical milestone for national energy strategy. We expect this assessment to conclude in 2027 and are already working closely with Rolls Royce and Great British Energy - Nuclear as the project progresses.
18. Looking ahead, we expect two further companies to enter the GDA process in 2026. We will continue supporting all assessments to ensure robust environmental scrutiny of emerging nuclear technologies in Wales.

Environment (Principles, Governance and Nature Targets) Bill

19. The Environment (Principles, Governance and Nature Targets) Bill establishes a new environmental governance framework following the UK's departure from the EU. It will embed environmental principles in policy making, strengthen environmental protection, establish independent environmental oversight and accountability, and support Welsh and UK Global Biodiversity Framework (GBF) nature recovery commitments. It introduces three core elements:
 - Part 1 – a statutory environmental objective and duties on Welsh Ministers and NRW to apply environmental principles and integrate environmental protection into policy making.
 - Part 2 – the establishment of an independent governance body, the Office for Environmental Governance Wales (OEGW), to provide independent oversight and enforcement of environmental law.
 - Part 3 – a target-setting framework and a Ministerial duty to promote awareness of the importance of, and threats to, biodiversity.
20. The Bill has passed all scrutiny stages and the Senedd voted to pass the final text in February, which means WG is now working on securing Royal Assent by May. They are also leading parallel work to develop a first tranche of statutory nature targets to be in place in 2028. The Bill identifies four priorities for specific targets for Wales:
 - species extinction,
 - effective ecosystems management,

- tackling pollution, and
 - improving Wales' evidence base to support decision-making.
21. We are supporting the Bill development work and parallel preparatory work for biodiversity targets using the recently published SoNaRR 2025 to support analysis and inform decision making. This work directly relates to all of NRW's Well-being Objectives. The new legislation also provides opportunity to strengthen delivery of the Sustainable Management of Natural Resources.

New European Species Guidance

22. We have gained Ministerial approval for new guidance for woodland managers in the Welsh Government Woodland Estate (WGWE) and those in the private forestry sector on how to minimise the risk to European Protected Species (EPS) such as bats and dormice. This approval means that the guidance is regarded as statutory guidance under the Habitats Regulations and as such can be taken into account by the courts.
23. The guidance sets out practical steps that should be taken to avoid committing an offence in relation to EPS that may be present in the vicinity of woodland management activities. It sets out good practice for woodland managers and enables them to make an informed choice on whether they should apply for a Species Licence.
24. The forestry sector and relevant conservation NGOs will be informed of the new guidance ahead of the pre-election period. The official launch and publication on our website may take a little longer but in the interim, there will be an opportunity for stakeholders to obtain copies of the new guidance directly from our teams. We intend to roll out training to support the launch of the new guidance within the first quarter of next financial year.

Operational Updates

Beaver Legal Protection

25. WG have laid the Beaver (Wales) Order 2026 that will amend the 1981 Wildlife and Countryside Act and the 2017 Conservation of Habitats and Species Regulations to recognise Eurasian beaver as a native species in Wales, and grant European Protected Species status. The legislation came into force on 4 March and NRW will be the licensing authority for any licences required. We will provide updates on our website regarding the implications of these changes and how to seek advice on any licences that may be required.

Dee Cockle Regulating Order Application

26. Jointly with the North-western Inshore Fishery and Conservation Authority (NWIFCA), we have applied to Defra and WG for a new Regulating Order for the Dee Cockle Fishery. We hope to conclude the process in sufficient time so the new order can run directly after the current one ends in June 2028. This means there will be much to do over the next two years, including consultation and engagement events and potentially a public inquiry. The aim is to maintain a sustainable cockle fishery in the area with our regulatory work cost-recoverable through licence fees.

Strengthening National Coal Tip Safety and Long-term Resilience

27. NRW recently secured a major milestone with the signing of a new five-year horizontal agreement with the Mining Remediation Authority (MRA, formerly the Coal Authority). The long-term partnership strengthens our capacity to deliver high-quality geotechnical services across the 142 coal tips within our care. The agreement not only ensures the continuity of our robust inspection regime but enhances our ability to respond dynamically to new legislative requirements for disused tip management. It allows us to conduct additional precautionary walkover inspections during periods of high rainfall – an increasingly critical resilience measure – and supports the national programme to map non-coal tips across Wales.
28. The renewed partnership reflects the strong leadership and technical expertise within both organisations. Together we have shaped the emerging national approach to tip management, directly influencing WG legislation and guidance to improve safety and environmental standards across Wales.
29. In January, we secured £10.4 million in Coal Tip Safety Grant funding from WG for a three-year period, marking the first move to multi-year funding for this work. This provides vital stability for the delivery of large-scale restoration projects, including Pen yr Englyn and Hazelwood Bungalow, and represents a significant vote of confidence in the quality and strategic importance of the work undertaken through the MRA's inspection regime. All maintenance and repair activities are now embedded within fully costed programmes supported by this grant. Oversight from Land Stewardship ensures transparent financial governance, alignment with priority workstreams, and the agility to re-prioritise activities based on risk and the latest inspection intelligence.
30. Collectively, these developments represent a substantial step forward in ensuring long-term safety, resilience and responsible management of legacy coal and non-coal tips across Wales. They demonstrate strong collaboration, effective stewardship and a clear commitment to national safety and environmental improvement.

Timber Impacts of Storm Darragh

31. Storm Darragh hit Wales in December 2024 with winds reaching 90 miles per hour, resulting in significant damage across the WGWE. In the South West, around 630 hectares of mature conifer woodland were affected, with an estimated 250,000 to 350,000 cubic metres of windblown timber, mainly in Caio and Brechfa forests.
32. Despite the scale of the impact, essential route clearance for residents, farmers and ongoing harvesting work was completed by early January 2025. Since then, efforts have focused on adjusting harvesting plans, repairing boundary fencing, assessing infrastructure and reopening recreational trails where conditions allow. Some trails remain closed due to the complexity and remoteness of windblown areas, and visitors are encouraged to check the NRW website and social media for the latest access updates.
33. Next year's harvesting programme will prioritise recovering windblown timber, especially in the areas that have been severely impacted by Storm Darragh. This work is expected to take around four years, meaning some other forestry priorities will need

to be reduced or deferred. The volume likely to be offered by the South West to market in 2027 will be approximately 220,000 m³, rising to 340,000 m³ in 2028.

34. In the North East, Storm Darragh affected approximately 210 hectares and generated 94,505 m³ of windblow, significantly disrupting our harvesting programme. We are still experiencing the consequences of the storm, as the increased volume this year is driven by the ongoing clearance of windblown areas remaining from the 2024/25 season.

Tackling Waste Crime

35. South West enforcement officers and our secondee police officer have been out in force, joined on occasion by our Tackling Waste Crime officer and Waste Carriers officer for South. Six operations have taken place in Pembrokeshire and Carmarthenshire, involving multiple agencies including local authorities, the Driver and Vehicle Standards Agency, the Welsh Transport Commission and Immigration officers.
36. Our officers served multiple roles during these operations, either on site or in support, checking the Public Register for Waste Carriers and completing associated follow-up checks. To date, over 60 waste carriers have been checked with our officers, with follow-up on at least six non-compliant waste carriers and a further number of checks for the transfer of the waste. We have also gathered information on illegal waste cases for consideration by the investigating officer.
37. The North East Waste and Enforcement team currently has 23 live investigations, of which 20 are illegal waste sites. There are recent reports of at least another two sites in the North East, not yet confirmed. Many of these investigations are linked and have connections to organised crime in North West and North East England and Scotland.
38. Of our current investigations, our largest deposit is an illegal landfill in Flintshire, comparable to findings across England (seen on national news) whereby thousands of tonnes of shredded household waste have been dumped by criminals. We are working with officers from North Wales Police, the EA and SEPA regarding the movement of these waste types into Wales, therefore this is very much a UK-wide issue. The investigations are extremely resource-intensive, diverting officer time away from our permitted site inspection programme.
39. North East also has six waste enforcement casefiles within the legal system.
40. NRW is a core member of the UK Joint Unit for Waste Crime Steering Group. This is based within the Environment Agency and all relevant UK agencies (including EA, SEPA, the police, National Crime Agency, HMRC, Welsh Revenue Authority, Border Force) work closely to share intelligence on organised crime groups involved in waste activity and to coordinate cross-border operations.
41. Within NRW we are reviewing the implementation of our enforcement strategy and our approaches to prioritising and resourcing our enforcement work. Local teams are actively involved in this work and contributing practical experience and ideas.

Decarbonisation Projects

42. We continue to advance WG's commitment to industrial decarbonisation through several key developments. Significant business investment includes RWE's £200 million Battery Energy Storage project in Pembroke to strengthen grid stability, and £42 million in improvements across five Associated British Ports (ABP) facilities, to modernise port infrastructure for greener operations. We have issued a permit variation for the Impala Terminals Green Hydrogen project, and approval by local planners has been granted to facilitate the construction of a new 1.5-kilometre underground pipeline.
43. We are progressing the permit for the RWE Green Hydrogen project in Pembrokeshire to support the production of zero-carbon fuels, and supporting the Milford Haven CO₂ Project to develop innovative non-pipeline carbon transport and shipping solutions. We are also engaging with the Hydroluminium recycling project in Swansea, which utilises a circular economy process to convert post-industrial and end-of-life aluminium directly into green hydrogen.
44. In North Wales, a key focus is the HyNet low carbon industrial cluster, which will transport captured CO₂ from major industrial sites to ENI's terminal at Point of Ayr in Talacre, before permanent offshore storage. We have issued Wales' first carbon capture permit for Padeswood Cement Works (capturing 800,000 tonnes of CO₂ per year), and we are assessing Uniper's proposed 1.38 gigawatt low carbon power station at Connah's Quay (1,000,000 tCO₂/yr). Enfinium's plans at Parc Adfer, targeting 235,000 tCO₂/yr, are also progressing through our permitting process. Together, these developments position North Wales as a major contributor to Wales Net Zero pathway.
45. On Anglesey, we are engaging with the Holyhead Hydrogen Hub at Parc Cybi, where planning permission has been granted for a 1 megawatt electrolyser and additional land has been acquired to expand the site to 24 acres. Within the Anglesey Freeport, projects such as Prosperity Parc, a 220acre low carbon technology campus forecast to generate £578 million per year and around 1,200 jobs, are advancing, alongside UK Government plans for small modular reactors (SMRs) at Wylfa. Across all these developments, we are working closely with WG, Net Zero Industry Wales and the Department for Energy Security and Net Zero, to ensure industrial decarbonisation supports resilient communities while managing environmental impacts on habitats, infrastructure, and local amenity.

Internal Updates

Civil Service Pensions

46. HMRC is leading an urgent recovery of the Civil Service Pensions Taskforce with the Cabinet Office and Capita to stabilise and improve pension services. While all pension data has transferred safely, service performance remains below the required standard and full restoration is now expected by the end of June. Priority is being given to cases with immediate financial risk such as death in service, ill health retirements and hardship support. Broader casework, website and portal functionality are being steadily improved and response times for the most vulnerable groups have improved. It has been confirmed that interest will be paid on delayed payments.

Communications

Corporate Communications

47. The start of the year provided a platform to reinforce NRW's role as a trusted source of evidence and influential voice in national decision-making. January saw the publication of the Habitats Regulations 9A Report for Wales, the first country-level assessment under the Conservation of Habitats and Species Regulations 2017, which integrates information on habitats, birds and species of importance in Wales. We also launched our State of Natural Resources Report (SoNaRR) and five Bridges to the Future. Together, these high-profile reports demonstrate strong leadership in shaping the policy agenda and position NRW as a key voice among stakeholders. Good national and regional media coverage helped underline our ambition to guide policymakers in placing nature and climate at the centre of decisions ahead of the Senedd election.
48. Preparations to mark our Chair's first 100 days through broadcast interviews were a key focus. Coverage was secured on the BBC, with a similar ITV Wales opportunity in progress. Combined with the SoNaRR launch and NRW's annual scrutiny session at the Senedd's CCEI Committee, this period has provided several valuable opportunities to highlight the Chair's vision, both internally and externally.
49. The Communications team also supported WG with internal and external communications following the decision by our Board to make a designation order for the proposed new National Park in North East Wales. The publication of the draft Commercial Strategy and Timber Action Plan 2027–2031 has also been a significant communications focus, supporting teams to engage colleagues, stakeholders and communities through targeted events and feedback opportunities.
50. For the 30th anniversary of the Sea Empress disaster, we dipped into NRW's archives to highlight the vital role colleagues (past and present) played in the response. This was shared through blogs, social content and contributions to broadcast coverage.

Internal Communication and Engagement

51. We have strengthened our internal communications approach to make it more effective, targeted and engaging. This includes forward-planning with Corporate Services to smooth peaks in activity, clearer guidance on which channels work best for different messages, and more defined audience insights so communications land better with colleagues. The refreshed approach is already supporting culture-building activities such as our trial Welsh language podcast, new leadership blogs showing how senior colleagues live our values, and the development of a dedicated culture hub to bring these elements together.
52. Our continuous improvements to the Monthly Update are reducing the burden on line managers, while making the content more relevant. It now places greater emphasis on community, leadership visibility and culture-driven stories, to help colleagues feel more connected to the organisation.

External Affairs and Public Affairs

53. The Stakeholder Perception Audit closed in January, with deep-dive interviews now underway. Early findings show positive feedback and clear opportunities to strengthen communication, coordination and engagement. The team will lead the organisational response. In parallel, a Public Perception Audit has been commissioned, with results expected in March.
54. A draft Stakeholder Engagement Toolkit was delivered in February, providing clear guidance on when and how to engage with stakeholders. Supporting templates for consultation and engagement are also in development. Stakeholder mapping is progressing, identifying priority relationships and areas to strengthen NRW's influence, and we are exploring options for a Stakeholder Relationship Management system. This would provide a central, consistent way to record and track interactions, improving visibility of relationships and supporting more proactive engagement planning. Activity so far has focused on drafting our specification and researching the market.
55. Preparations for the Senedd elections are underway. Initial internal guidance has been issued, with full organisational guidance to follow in March. A concise introductory brochure for new Members of the Senedd – explaining NRW's role and regional contacts – will be produced and shared after the election.

Welsh Language Complaints Procedure

56. We recently supported colleagues who attended the Welsh Language Commissioner's *Good Practice – Welsh Language Complaints Procedure* event, showcasing good complaints handling in public sector organisations. We received positive feedback on our approach to complaint handling, in which Welsh language complaints receive the same level of importance as other corporate complaints.

Communities are Resilient to Climate Change

57. Storms Goretta and Chandra, along with continued unsettled weather, drove sustained flood warning and informing activity. We maximised opportunities to promote flood risk services through paid social media advertising, targeted at communities at greatest risk. This approach will continue over the coming weeks as we gather evidence of its effectiveness in increasing signups to the service.
58. Our Head of Flood Incident Risk Management provided interviews for a BBC Radio Wales documentary and for The Guardian, focused on recent flooding and the impacts of climate change on future flood risk. These themes featured heavily in media interest around our role at Clydach Terrace, Ynysybwl, following the local authority's voluntary purchase decision. Climate-induced coastal erosion also drove enquiries around the Wales Coast Path and our operational work at Fairbourne.

Pollution is Minimised

59. Our commitment to improving water quality has been a central part of our messaging. Publication of the joint NRW and Environment Agency guidance to support water companies in delivering Pollution Incident Reduction Plans marked an important step in reducing pollution from their assets. We also supported the launch of the WG Green Paper on water industry reform, using interviews and statements to emphasise our position on the improvements needed to Wales' water environment.

Nature is Recovering

60. We worked with partners to promote our joint application with Swansea Council and Swansea University for Swansea to join the international network of Biophilic Cities, highlighting the role urban areas can play in nature's recovery. Biophilic cities are those that put nature and biodiversity first in their design, planning and management, recognising the essential need for daily human contact with nature.
61. Support was provided to colleagues at Kenfig National Nature Reserve and Natur am Byth for a visit by Huw Irranca-Davies MS, the Deputy First Minister, showcasing nature recovery successes and progress of the Environment Bill. We also facilitated BBC network filming at Hafren Forest, focused on moss collection and our permitting role, and highlighted colleagues' innovation through media coverage of the Future Forest Vision plan for Gethin Forest.

Summary of Complaints, Commendations and Correspondence

62. We responded to 40 pieces of correspondence in January. Ten of these related to regulated sites in North East Wales (Hafod Landfill and Kronospan), while other significant focus areas included illegal fly-tipping in Rhondda Cynon Taff and bathing water quality at Ogmore by Sea.
63. We welcomed the opportunity to contribute to the Welsh Affairs Select Committee's inquiry into Wales' industrial environmental legacy. Our response explained that local authorities are the lead regulators for contaminated land and are therefore responsible for identifying, assessing and securing remediation. We explained NRW's role in providing evidence, technical advice and guidance, particularly where controlled waters may be affected, and noted that most Welsh landfill sites are historic and cannot be resolved through regulation alone, requiring long term collaborative action. We reaffirmed our commitment to supporting local authorities and the Welsh and UK Governments in addressing Wales' industrial legacy.
64. One of our newest team members in the Customer Hub received a customer commendation despite having limited experience and still being in the early stages of training. The customer took the time to complete our online commendation form and noted the effective communication, empathy, patience and professionalism of our team member. These qualities are essential to the customer experience and support our organisational commitment to treating people fairly and respectfully.

Forward Look

- Thursday 16 April – Board Strategic Planning Day
- Wednesday 22 April – Board Update Call
- Wednesday 29 April – Flood Risk Management Committee
- Wednesday 6 May – Finance Committee
- Thursday 7 May – Land Estate Committee

- Tuesday 12 May – Evidence Advisory Committee
- Wednesday 20 and Thursday 21 May – May Board Meeting
- Tuesday 26 May – Audit and Risk Assurance Committee (Accounts)
- Thursday 4 June – Audit and Risk Assurance Committee

NRW Board Paper

Date of meeting:	18 th March 2026
Title of Paper:	Wellbeing, Health and Safety (WH&S) Q3 update
Paper Reference:	26-03-B02
Paper sponsored by:	Louise White, Executive Director of People, Fleet and Facilities
Paper prepared by:	Charlotte Morgan, Wellbeing Health and Safety Manager
Paper presented by:	Charlotte Morgan, Wellbeing Health and Safety Manager
Purpose of the paper	Approval
Summary	To approve the Q3 2025/26 WH&S update.

Background

1. This is the Q3 summary of our Wellbeing, Health & Safety (WH&S) performance for Natural Resources Wales (NRW). The Report provides an overview of how NRW have managed WH&S through Q3 2025/2026.

Summary

Headlines from Q3 2025/26 include: -

2. Active Monitoring - Active monitoring reporting is at the highest level recorded.
3. Near Miss Reporting - Near misses reporting has increased in reporting, which is an increase against both last quarter and Q3 2024/25
4. Serious incident reviews (SIR) -There were two SIRs commissioned in Q3 2025/2026. There are four outstanding SIRs which have been paused due to external factors including awaiting the coroner's report. Two SIRs are in the investigation stage.
5. Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) reportable and LTI's (Lost Time Injuries) – There was one RIDDOR for NRW in Q3 which resulted in an LTI.

6. Occupational health - Our occupational health provider is in the process of changing platform providers to provide a better service and as such are currently unable to provide statistics.
7. Learning and Development (L&D) – L&D delivered 84 WH&S courses across the business.
8. Training Needs Analysis (TNA) – WH&S and L&D have also been working on the TNA and the transferring of data into a format that allows team leaders / line managers to see the agreed TNA for their teams.
9. Several wellbeing initiatives were delivered.

Wider implications

10. **Finance:** It is recognised that the mismanagement of WH&S has significant financial implications. The WH&S Team, working together with the business are continuing to put new systems in place in order to manage our WH&S risks and therefore reduce any costs. As well as protecting our staff and those working on and using the estate NRW manage, there could be significant financial implications arising from failures to implement a robust WH&S system.

Next Steps

11. The WH&S Team will continue to support the business to ensure wellbeing, health and safety risks are being managed effectively by NRW. In looking ahead, NRW will need to maintain and also develop and improve further our own strong culture of wellbeing, health and safety monitoring and learning. This will continue to be the key element of our future strategy to move forward.
12. There will be a review of the strategic risk level as there is a move to the new risk register.
13. The WH&S Team will use the information gathered and lessons learnt in the development of our future strategy and action plan.

Recommendation

14. The Board are asked to approve the Q3 2025-2026 WH&S Update.

Index of Annexes

Annex 1 – WH&S Report Q3 2025-2026

Approval / Consultation process

<p>Approval/consultation process</p> <p>Responsible: Who has developed the paper/process and who has had input?</p>	<p>The paper was developed by the WH&S Team.</p>
<p>Accountable: Who is accountable for the ultimate approval? Who will be or is being asked to approve?</p>	<p>Board are asked to approve the Q3 2025-2026 WH&S Update.</p>
<p>Consulted: Who has been consulted to date? Where endorsement is required, is this in place? Will further consultation be required?</p>	<p>N/A</p>
<p>Informed: Who has been informed or who needs to be further information about the work?</p>	<p>N/A</p>

Wellbeing Health and Safety Q3 2025/2026

Highlights

Headlines from Q3 2025/26 include: -

Active Monitoring - Active monitoring reporting is at the highest level recorded.

Near Miss Reporting - Near misses reporting has increased in reporting, which is an increase against both last quarter and Q3 2024/25

Serious incident reviews (SIR) -There were two SIRs commissioned in Q3 2025/2026. There are four outstanding SIRs which have been paused due to external factors including awaiting the coroner's report. Two SIRs are in the investigation stage.

RIDDOR reportable and LTI's (Lost Time Injuries) – There was one RIDDOR for NRW in Q3 which resulted in an LTI.

Occupational health - Our occupational health provider is in the process of changing platform providers to provide a better service and as such are currently unable to provide statistics.

Learning and Development (L&D) – L&D delivered 84 WH&S courses across the business.

Training Needs Analysis (TNA) – WH&S and L&D have also been working on the training needs analysis (TNA) and the transferring of data into a format that allows team leaders / line managers to see the agreed TNA for their teams.

Several wellbeing initiatives were delivered.

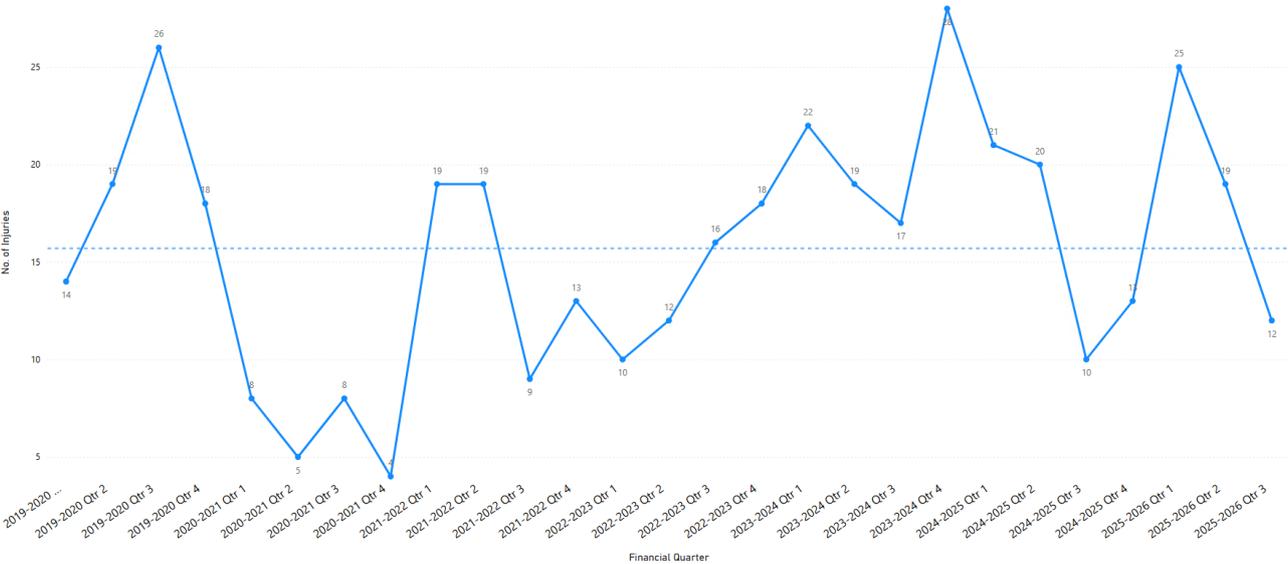
Incidents in NRW

There were 103 incidents reported in NRW in Q3 25-26.

See [Appendix 1](#) for statistics table.

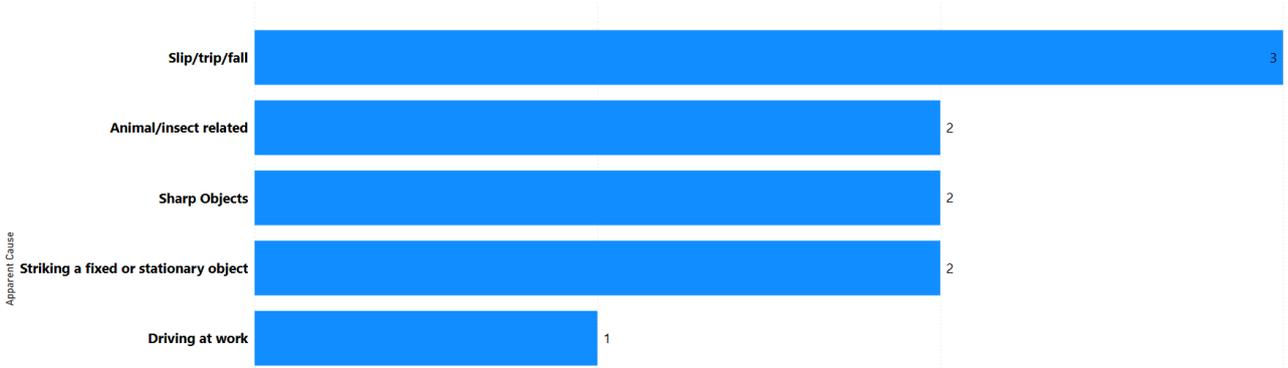
Injuries

- Injury reporting



Staff injury trends have seen a decrease in reporting in Q3 25-26 compared to Q1 and Q2 25-26. This follows the trend of the last two years where Q3 has seen a lower number of injury reports. A breakdown of reports by directorate can be found in [Appendix 2](#).

- Cause of Injuries



This is the top 5 causes of injuries.

Slips, trips and falls were the highest reported cause of injury during Q3, with no clear frequently injured part.

Typically, we would expect to find slips, trips and falls in the winter months due to the wet weather and worse ground conditions, however the statistics show that within NRW, slips trips and falls are historically the highest cause of injury all year round. The outdoor nature of our work will be a large factor in this.

October's WH&S Managers Monthly contained an article about working in winter months and asking managers to undertake active monitoring to check the condition of PPE. December's WH&S Managers Monthly contained an article reminding managers of the location of our safety alerts and toolbox talks and that they contain useful information for example on slips, trips and falls.

Fatalities

There were no member of the public fatalities in Q3 25/26.

Historic fatality numbers can be found in [Appendix 3](#).

RIDDOR reports

There was one RIDDOR reportable staff injury in Q3.

- A member of staff had a slip and sustained two compound fractures to their spine. The member of staff is still off work, once they have returned we will ascertain if further investigation is required.

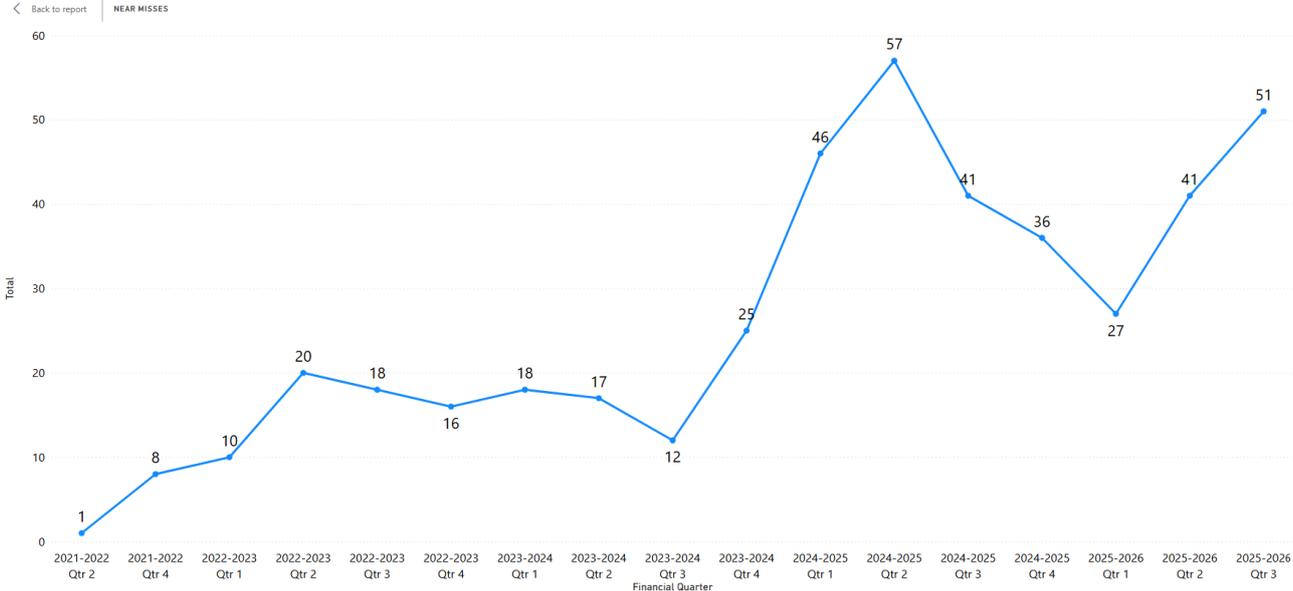
Lost Time Injuries

There was one lost time injury to colleagues during Q3. This was the above RIDDOR.

- A member of staff had a slip and sustained two compound fractures to their spine.

Near Misses

Near Miss Reporting

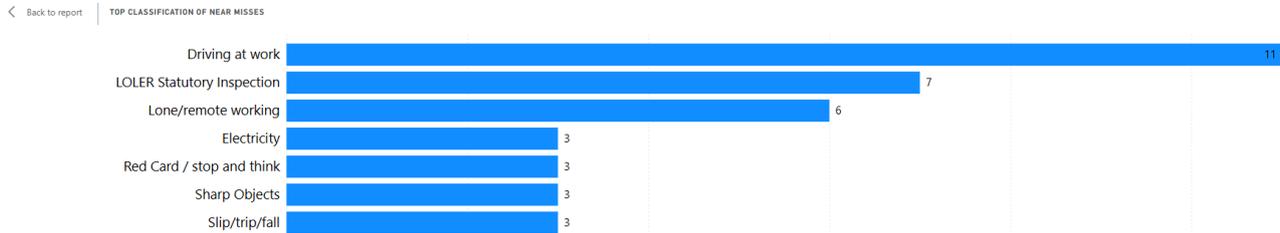


There have been 51 staff related near misses reported in Q3 25/26, this is in comparison to 41 reported in Q2 25/26 and 41 in Q3 24/25.

This is an increase on both last quarter and the same quarter last year. It is also possible to see that all near miss reports sit at 83 for Q3 25/26 ([Appendix 4](#)) compared to 78 last quarter and 60 for Q3 24/25.

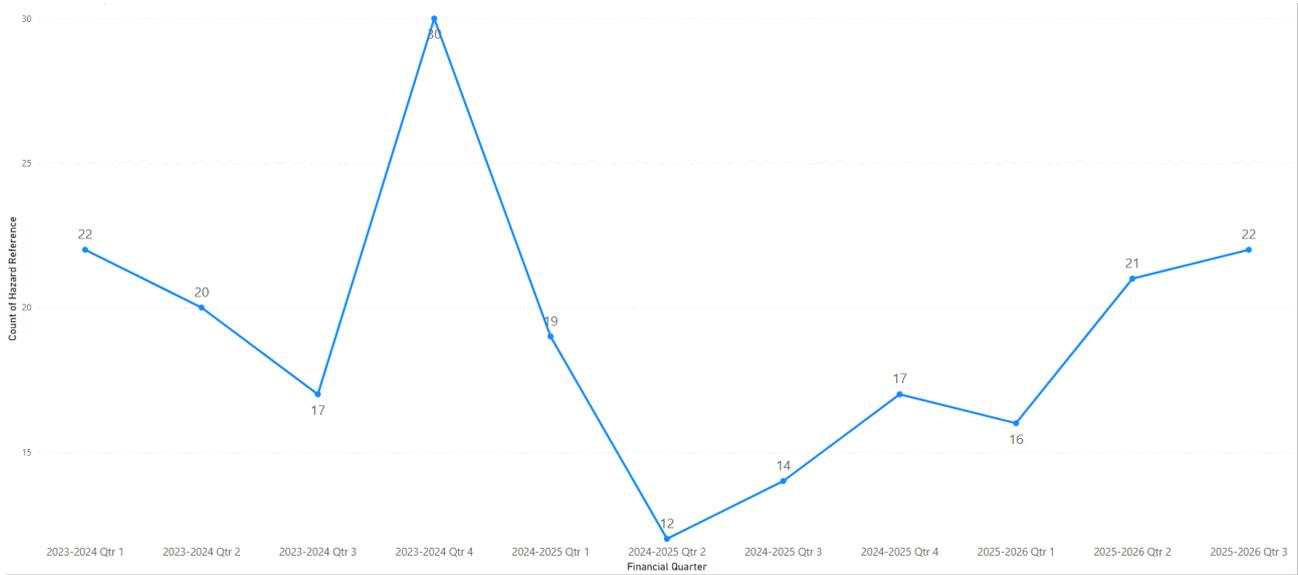
This increase over the last three quarters shows that the campaign for near miss reporting is working. Furthermore, licences for all operations staff to have access to the mobile app for reporting has been approved. Once this has been rolled out, colleagues will be able to report in the moment and we should see a further increase.

Cause of Near Misses



Driving at work was the highest cause of near misses to employees over Q3 25-26. This is made up of 4 maintenance related issues, 4 vehicle charging issues and three driver issues. There has been an emphasis on driving at work from both Fleet and WH&S which will have focused the staff attention and therefore contributed to the reporting.

Hazard Reporting

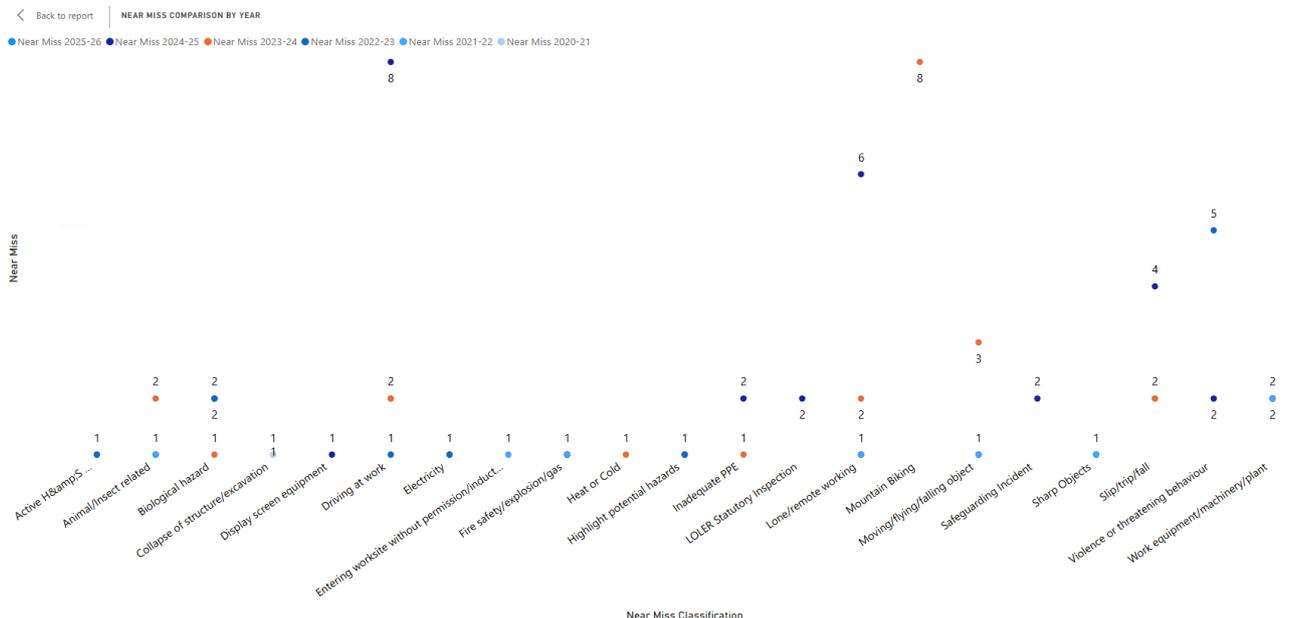


Hazard reporting has increased in Q3 25-26 compared to both last quarter and Q3 24-26. This shows that the campaign for reporting has been successful. Furthermore, licences for all operations staff to have access to the mobile app for reporting has been approved. Once this has been rolled out, colleagues will be able to report in the moment and we should see a further increase.

Forward Look into Quarter 4

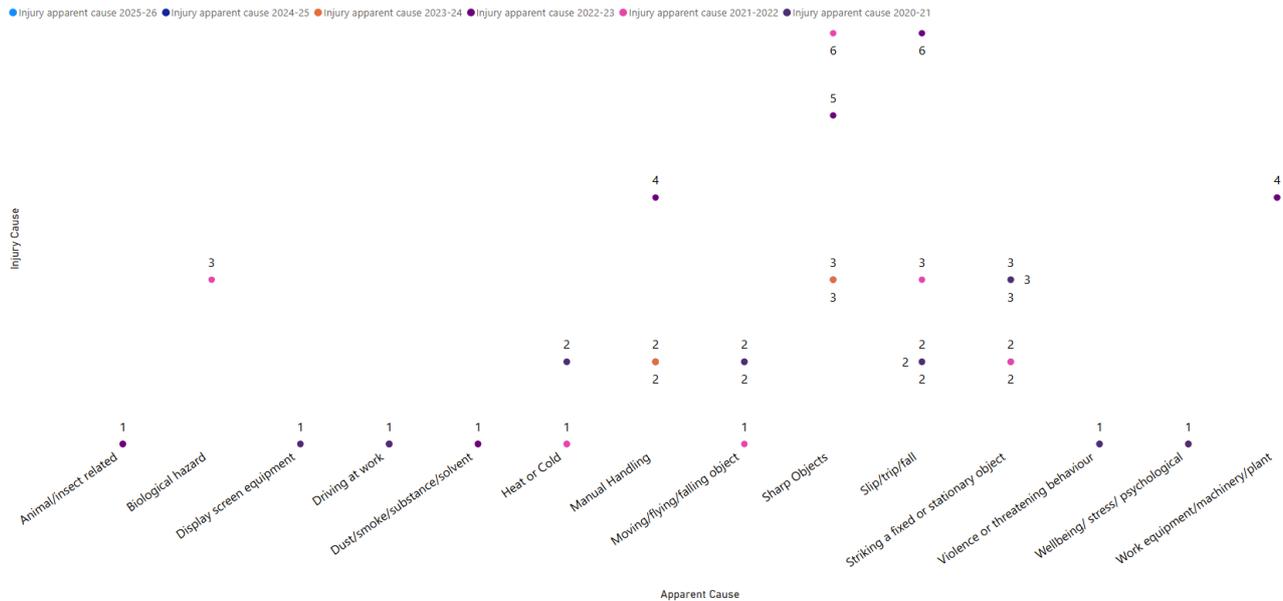
By looking backwards at Q4 in previous years, it is possible to see if there have been any trends and look to put initiatives in place to support staff in advance.

Near Misses Q4



Historically driving at work and lone working have been high causes of near misses in Q4. WH&S will be sharing a toolbox talk on lone working and resharing the toolbox talk on driving at work.

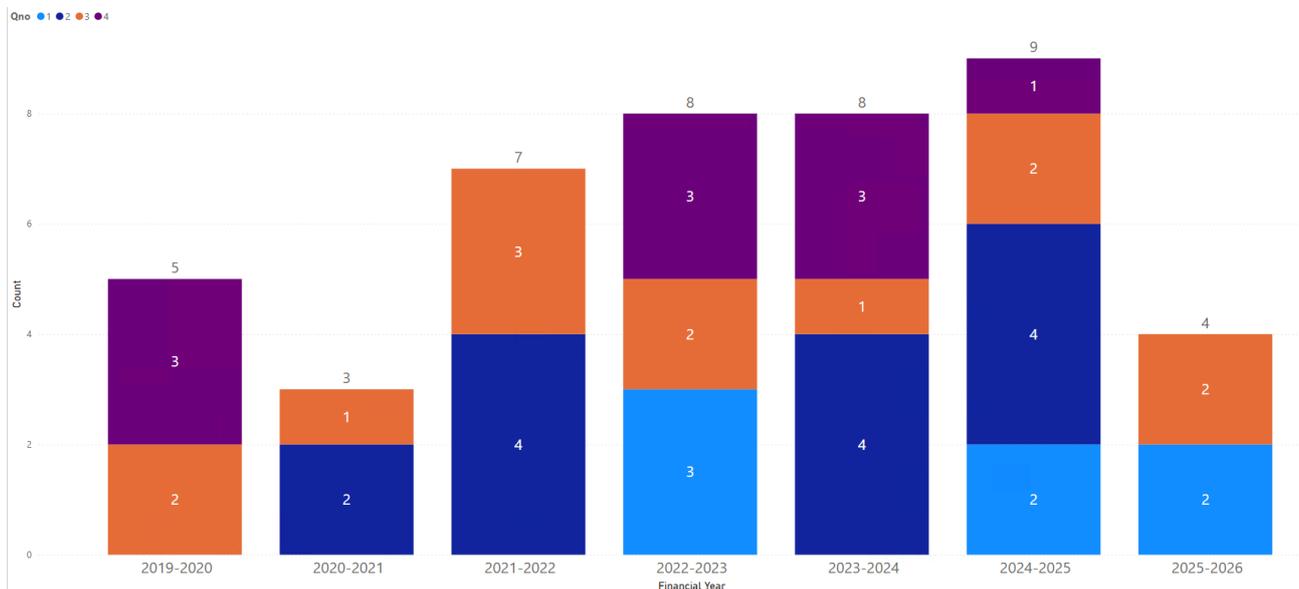
Injuries Q4



Historically, slips, trips, falls have been the most common cause of injuries during Q4. A toolbox talk will be shared in Managers Monthly as a reminder of steps that can be taken to reduce the likelihood of slips, trips and falls.

Serious Incident Reviews

During Q3, there were two Serious Incident Reviews (SIR) commissioned.



The two SIRs commissioned were:

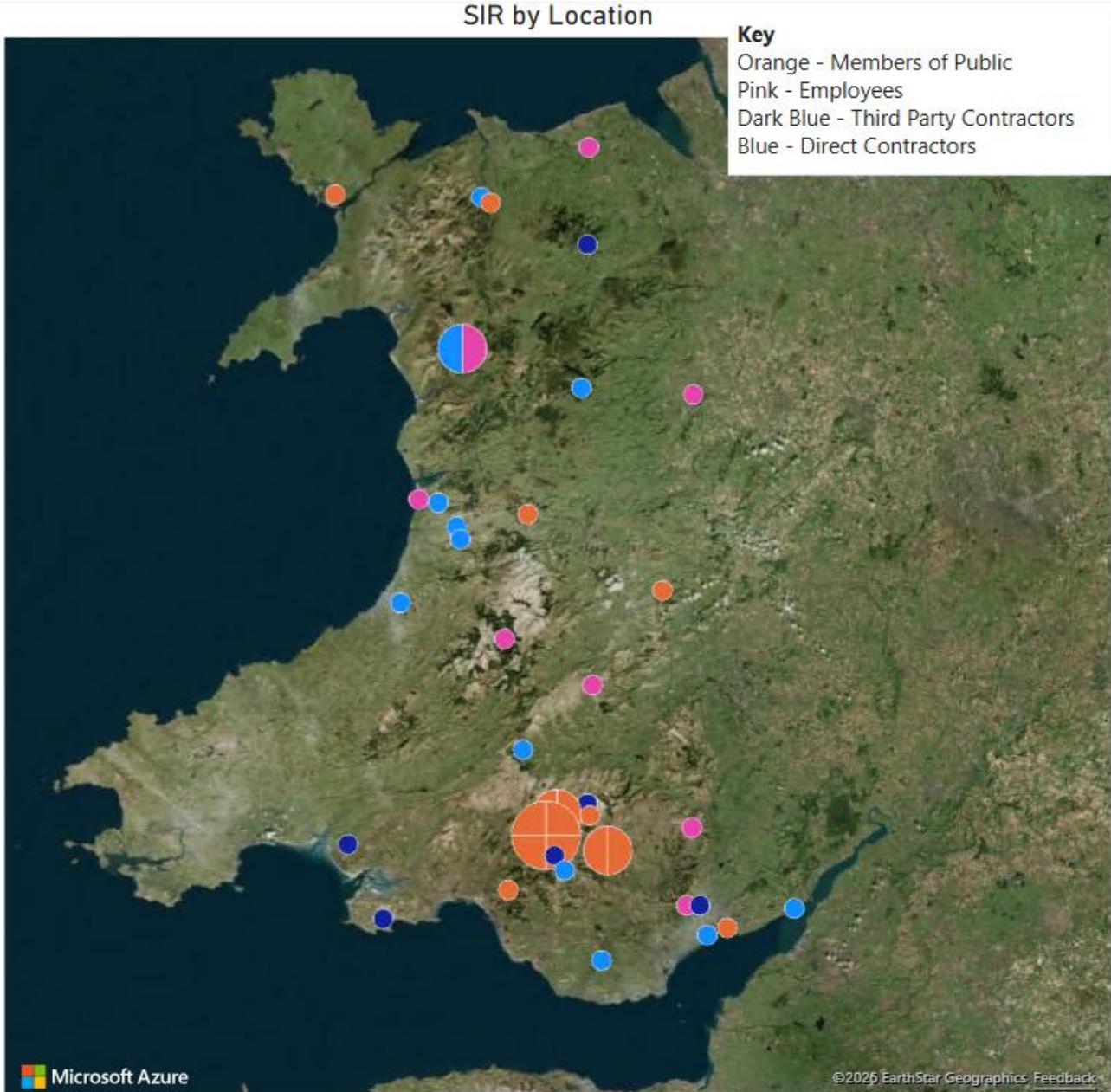
- Peterstone Reservoir – An excavator was bogged in the sidebank of the reservoir.
- Member of public fatality – MOP fatality after colliding with a tree.

SIR Status

6 Open	4 Paused	9 Complete		
Status	SIR Name	SIR Type	Brief Description	Incident Date
Complete - Actions in progress	Car collision - Employee	Injury	3rd party vehicle collision with NRW vehicle	27 March 2024
Complete - Actions in progress	Car Jack - Employee	Near Miss	Car fell off jack during vehicle repair	12 May 2025
Complete - Actions in progress	Car Roll - Employee	Incident	NRW vehicle collision with 3rd Party	28 August 2024
Complete - Actions in progress	Clocaenog windfarm - 3rd Party Contractor	Incident	Third party contractor drove forwarder into 6m underground electricity exclusion zone before stacking timber in unauthorised area directly above cable array.	07 October 2024
Complete - Actions in progress	Failure of lifting equipment - employee	Dangerous Occurrence	Boom became detached on one side. The worked immediately stopped works and removed the machine from site to prevent any environmental issues	21 October 2019
Complete - Actions in progress	Millwood - 3rd Party Contractor	Injury	Contractor injury when hit by splitting tree	15 December 2023
Complete - Actions in progress	Pen Y Cymoedd windfarm - 3rd Party Contractor	Incident	Contractor crossed underground cables	25 September 2024
Complete - Actions in progress	RSPB - Newport wetlands - MoP	Injury	MOP fell out of a scooter which is paid for by NRW but managed by a 3rd party	13 April 2024
Complete - Actions in progress	Strata Top - Employee	Injury	Employee slip, trip, fall during site survey work	13 August 2024
Open - Investigation stage	Hafod Fawr SSSI - Contractor	Hazard	Glyphosate herbicide sprayed in field without notification	03 March 2025
Open - Investigation stage	Peterstone Excavator	Incident	Excavator Bogged	04 September 2025
Paused	Coed Taff Forest - 3rd contractor	Fatality	Contractor Chainsaw Fatality	12 October 2021
Paused	Motorbike fatality - MoP	Fatality	MOP fatality after colliding with a tree whilst on a motorbike experience - Permissions - Yamaha	12 June 2025
Paused	Motorbike fatality 2 - MoP	Fatality	MOP fatality after colliding with a tree	13 September 2025
Paused	Waterfalls Country 8 MoP	Incident	MOP fatality from closed footpath	26 June 2024

See [Appendix 5](#) for more details on all open and awaiting closure SIRs.

Serious Incident Review Locations



The cluster of member of public (orange) SIRs in South Wales is predominately made up of Waterfalls incidents. Following the section 28 notice, a report was commissioned and staff have been appointed to undertake the actions required by the notice. These are being managed by the Operations Directorate.

SIR Open Actions

All open actions are being chased through ET members as agreed in the WH&S committee meeting.

There are 40 actions open following SIR reviews.

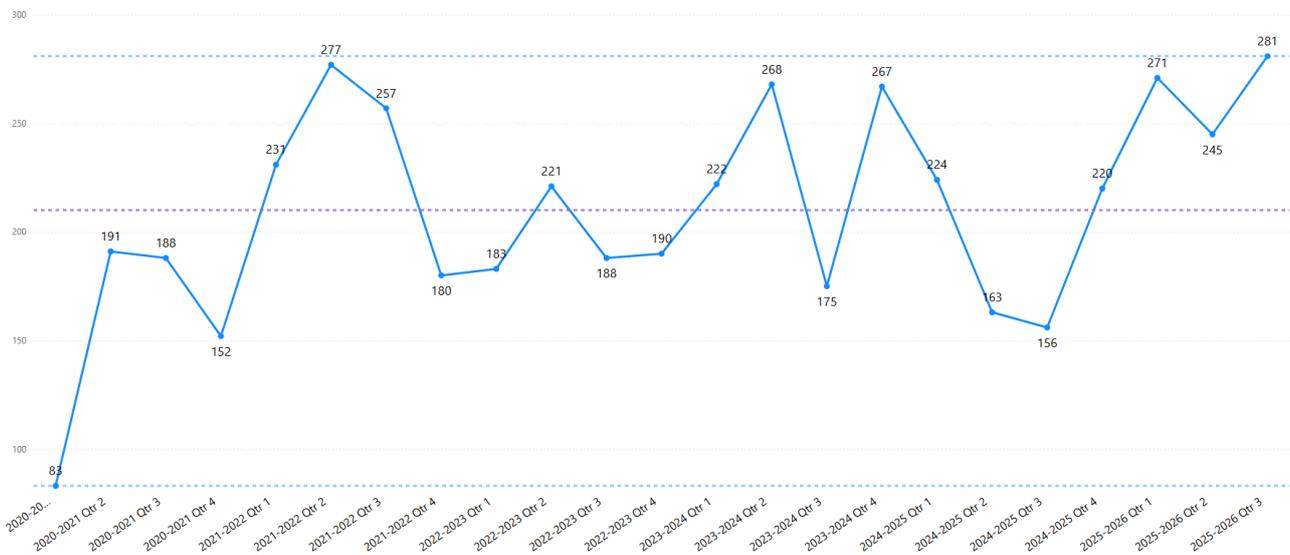
There are 31 actions that are overdue. 20 of these have agreed extensions, but as per the agreement with the WH&S committee, the original due date will not change.

There are a further 6 actions due in Q3.

The full list of SIR actions can be found in [Appendix 6](#).

To support timely completion, it is proposed that from Q1 26/27 that when action owners provide completion timescales, that the SIR team add 10% time to the timeframe which may help with resourcing issues etc.

Active Monitoring



The pink line is quarterly target for active monitoring (70 reports per month, 210 per quarter). Active Monitoring reporting is at 281 for Q3 and is above reporting levels of previous quarters.

There has been an increase in reporting when compared to any quarter. There has been a reporting campaign and training has been provided to teams over the last year. The directorates need to continue the efforts undertaken so far to keep the progress (See [Appendix 7](#) for directorate break down for Q3).

NNR Audits

During Q3 25/26 3 audits were conducted, combined audit of Cors Bodeilio, Allt Y Benglog and Coed Cymerau NNR's. There were no WH&S non-conformities arising from the audits.

NRW occupational health statistics

NRW's external occupational health provider is introducing a new portal for submitting occupational health referrals and accessing reports. As a result of this technical transition, Q3 reports are unfortunately not available.

NRW Employee Assistance Programme statistics

Accessing 24/7 helpline

Every new caller to our 24/7 EAP helpline receives a clinically led telephone triage. This includes an initial risk assessment and access to in-the-moment emotional support when needed.

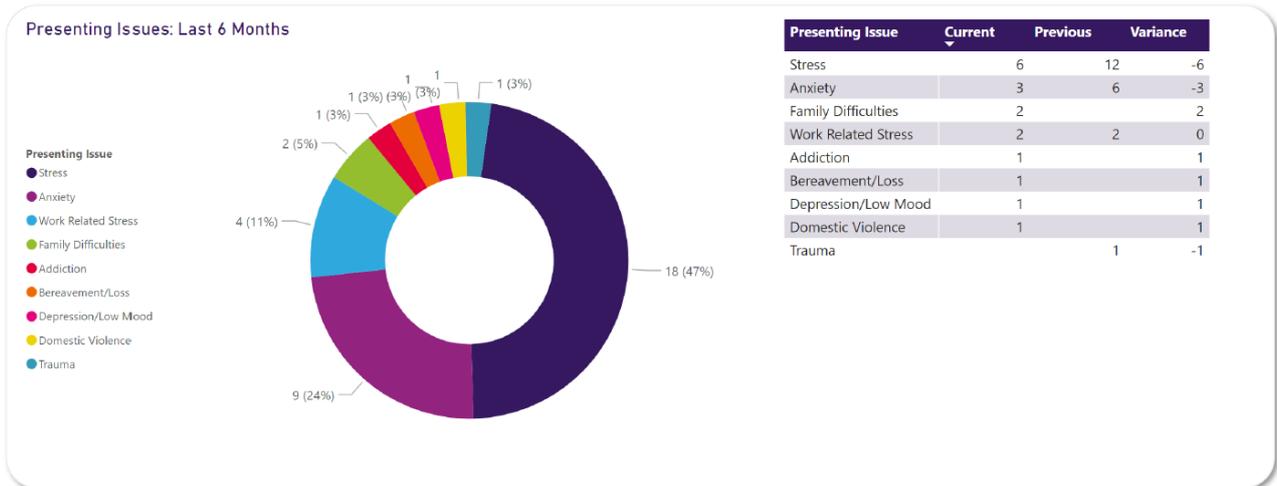
Where appropriate, individuals are booked in for a full clinical assessment with a qualified counsellor, covering their presenting concerns and any risks. If a client presents with elevated risk, the EAP respond promptly with tailored care planning and case management, ensuring safety and continuity of support.

The below graph shows the number of calls received by the EAP and the amount of new staff who have been triaged.



Presenting issues

The graph below summarises the key issues reported by colleagues during their clinical assessments. These themes provide a high-level indication of the emotional and psychological pressures currently experienced across the workforce, including stress, anxiety, family-related challenges and work-related concerns.



Wellbeing initiatives and developments

- In October we launched the new Carers policy. We brought all relevant guidance and responsibilities together into one comprehensive document. The policy sets out the support available to help colleagues balance caring responsibilities with work, while protecting wellbeing and performance. To help raise awareness and offer practical guidance we partnered with Carers Wales to deliver a series of bite size sessions for colleagues and managers.
- In December we introduced the new wellbeing hour procedure. This explains how the wellbeing hour works and outlines managers responsibilities in encouraging and supporting staff wellbeing.
- We continue to support our Mental Health First Aiders (MHFA) through quarterly check ins. Any themes or issues raised are fed back to our leadership team and executive team member.

Learning and Development (L&D)

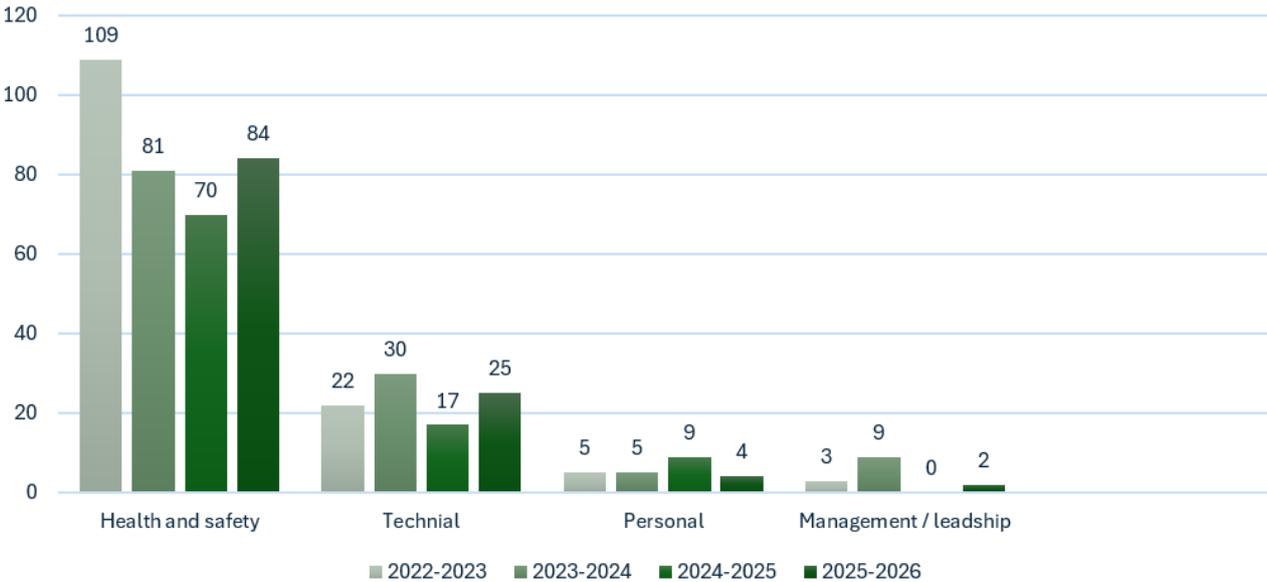
Course Delivery:

In Q3 2025/2026, 84 WH&S courses were sourced and delivered across the business. The team have also been working on the training needs analysis (TNA) and the transferring of data into a format that allows team leaders / line managers to see the agreed TNA for their teams.

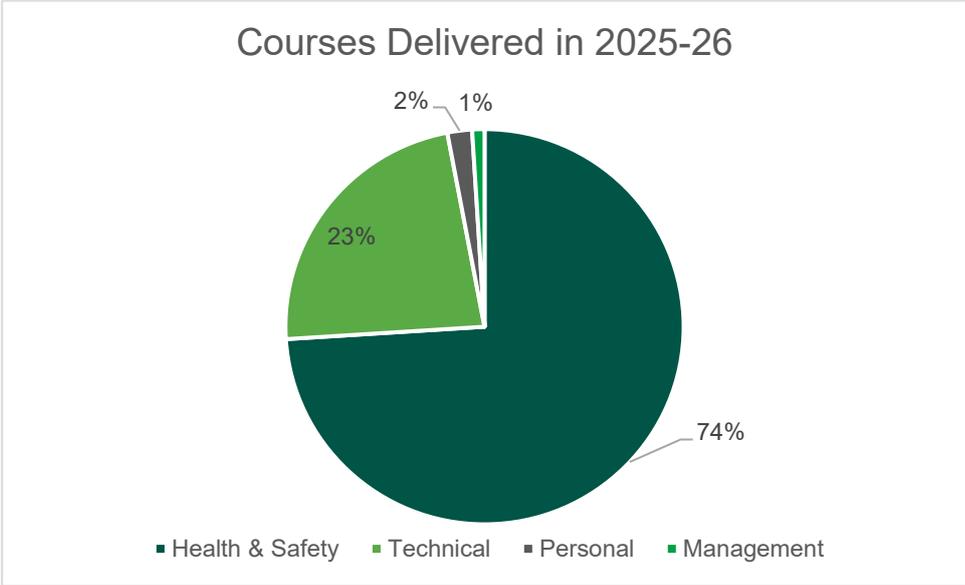
In Q3 the historic training data held by L&D has progressed significantly and this will enable the transfer of data to the LMS.

The diagram below shows a comparison of courses delivered by category in Q3 for the last four years.

Comparison of Courses Delivered in Q3 by Year



Focus for the L&D team remains on delivery of essential H&S courses, 74% of all courses delivered so far this financial year are H&S.



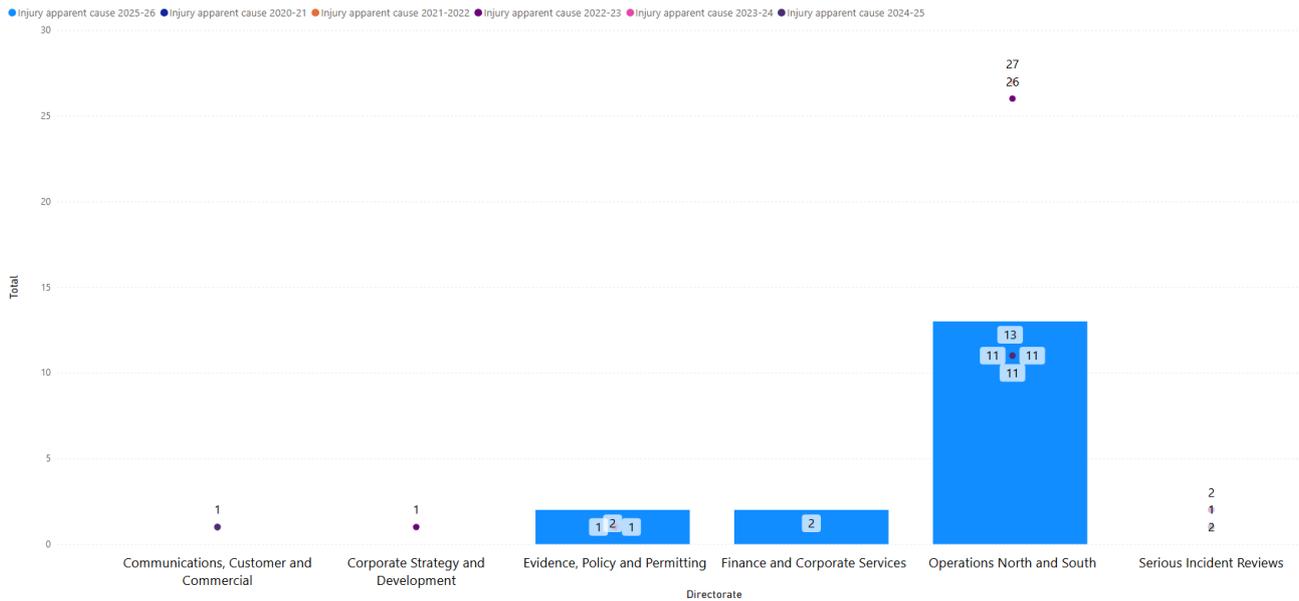
Appendix 1 – Incident statistics Q2 comparison

	Q3 25/26	Q2 25/26	Q1 25/26	Q3 24/25	24/25	23/24	22/23	21/22
RIDDOR – staff	1	0	2	0	2	5	3	7
Lost time injuries – staff	1	2	2	2	5	6	3	3
Injuries, no lost time – staff	11	16	21	8	52	65	43	51
Near miss – staff	51	38	36	41	178	186	175	156
Serious incident reviews	2	0	2	1	8	8	9	7
Injuries - contractors	2	1	1	1	5	9	8*	3*
Injuries – public	3	6	6	3	26	46	38	38
Near miss – contractors	11	12	22	18	67	70	68	62
Near miss – public	7	9	10	1	37	31	33	30
Property Damage	9	13	14	13	47	48	53	36
Hazards Reported	22	18	15	14	66	89	199	166

* Includes 1 RIDDOR Reportable injury to a contractor. This will have been reported to HSE by the contractor but has been included in our statistics to ensure a suitable investigation/review takes place.

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Appendix 2 – Injury statistics



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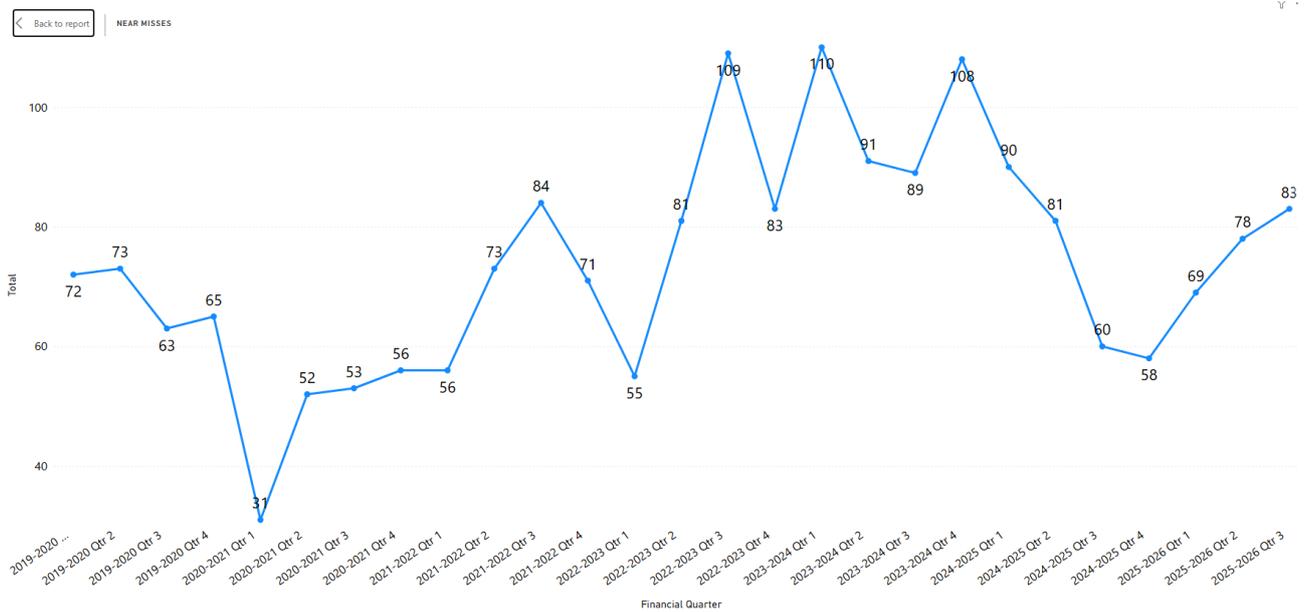
Appendix 3 – Historic Fatality Statistics

	Q3 25- 26	Q2 25- 26	Q1 25- 26	24- 25	23- 24	22- 23	21-22	20- 21	19- 20	18- 19	17- 18	16- 17
NRW Staff	0	0	0	0	0	0	0	0	0	0	0	0
Contractors	0	0	0	0	0	0	1	0	0	0	1	0
MOP	0	2	2	5	2	5	8	0	0	1	2	4

The reported fatalities could have taken place on NRW estate or were reported to NRW as we were seen at the time of report to have a vested interest.

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Appendix 4 – Near Miss Statistics



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Appendix 5 - Serious Incident Reviews Summary since Aug 2019

Key:	
Green	All actions completed with evidence uploaded
Amber	Actions to be completed
Yellow	SIR paused due to external investigation
Blue	SIRs in investigation status

SIRs Closed Q3 (inc. in number above)	0
SIRs completed with actions to be completed	9
SIRs paused due to external investigation	4
SIRs in investigation status	2

<p>Details: Fatal accident on NRW estate to a sub-contractor working on a standing sales site. Coed Taff Forest.</p> <p>Reference: ACCB1092/A12</p> <p>Incident date: 12/10/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and Health and Safety Executive. Forest Operational team members were on site with the HSE and provided information. The Wellbeing, health & safety manager attended site.</p>
<p>Details: MoP fatality. MoP fell from closed footpath</p> <p>Reference: ACCB924/A74</p> <p>Incident date: 26/06/2024</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>This has been paused pending coroners inquest</p>
<p>Details: MoP fatality. MoP collided with a tree whilst on a motorbike experience</p> <p>Reference: ACCB890/A11</p> <p>Incident date: 12/06/2025</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>This has been paused pending coroners inquest</p>
<p>Details: MoP fatality. It is believed that MoP was struck by a tree branch</p> <p>Reference: ACCB916/A98</p> <p>Incident date: 13/09/2025</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>This has been paused pending coroners inquest</p>
<p>Details: Contractor chainsaw operator trip whilst escaping falling tree</p>	<p>Total Actions: 18</p> <p>Of which:</p>

<p>Reference: ACCB1097/A5</p> <p>Incident date: 15/12/2023</p> <p>Type of SIR: Injury</p> <p>Full investigation: Complete – actions in progress</p>	Completed & Closed:	17
	Open:	1
	Overdue:	1
<p>Details: Failure of lifting equipment. Boom became detached on one side. The work immediately stopped works and removed the machine from site to prevent any environmental issues</p> <p>Reference: ACCB1092/A1</p> <p>Incident date: 21/10/2019</p> <p>Type of SIR: Dangerous Occurrence</p> <p>Full investigation: Complete – actions in progress</p>	Total Actions: 15	
	Of which:	
	Completed & Closed:	14
	Open:	1
<p>Details: MOP fell out of a scooter which is paid for by NRW but managed by a 3rd party</p> <p>Reference: ACCB1096/A3</p> <p>Incident date: 13/04/2024</p> <p>Type of SIR: Injury</p> <p>Full investigation: Complete – actions in progress</p>	Total Actions: 9	
	Of which:	
	Completed & Closed:	8
	Open:	1
<p>Details: 3rd party vehicle collision with NRW vehicle</p>	Overdue:	1
	Total Actions: 24	
		Of which:

Reference: ACCB1092 / A18 Incident date: 27/03/2024 Type of SIR: Injury Full investigation: Complete – actions in progress	Completed & Closed:	9
	Open:	15
	Overdue:	13
Details: Clocaenog Windfarm Reference: ACCB1093 / A1 Incident date: 07/10/2024 Type of SIR: Incident Full investigation: Complete – actions in progress	Total Actions: 16 (Refer to above incident)	
	Of which:	
	Completed & Closed:	14
	Open:	2
Details: Pen Y Cymoedd Windfarm – Contractor crossed underground cables Reference: ACCB1097/A7 Incident date: 25/09/2024 Type of SIR: Incident Full investigation: Complete – actions in progress	Total Actions: 11	
	Of which:	
	Completed & Closed:	10
	Open:	1
Details: NRW road traffic collision (Car roll) Reference: ACCB1096 / A4 Incident date: 28/08/2024 Type of SIR: Injury Full investigation: Investigation in progress	Total Actions: 3 (Refer to above incident)	
	Of which:	
	Completed & Closed:	2
	Open:	1

	Overdue:	1
<p>Details: When changing a tyre, the jack being used failed and broke.</p> <p>Reference: ACCB893/A5</p> <p>Incident date: 12/05/2025</p> <p>Type of SIR: Near Miss</p> <p>Full investigation: Investigation in progress</p>	<p>Total Actions: 7</p> <p>Of which:</p>	<p>Completed & Closed: 3</p>
	Open:	4
	Overdue:	0
<p>Details: Contractor applied herbicide without notifying land owner.</p> <p>Reference: ACCB1092/A20</p> <p>Incident date: 03/03/2025</p> <p>Type of SIR: Near Miss</p> <p>Full Investigation: Investigation in progress</p>	SIR is in investigation stage	
<p>Details: Peterstone Reservoir – Bogged excavator</p> <p>Reference: ACCB1096/A5</p> <p>Incident date: 04/09/2025</p> <p>Type of SIR: Incident</p> <p>Full Investigation: Investigation in progress</p>	SIR is in investigation stage	

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Appendix 6 - SIR Actions

Record Reference	Action Required	Issued To	Issued date	Due Date	Directorate	Agreed Extension	Explanation for Extension
ACCB1097/A5	Explore NRW requirements for working on licenced sites and considerations around motor manual felling	Huwel Manley	22/05/2024	30/11/2024	Ops	31/03/2026	The action required more work than expected and CFC resourcing impacted review.
ACCB1092/A1	NRW policy to be developed for plant disposal and replacement.	Robert Ashcroft	29/07/2020	16/12/2024	PFF	31/03/2026	Resource issues and original owner has left
ACCB1096/A3	Improve NRW maps so that it is clear where motor scooters are advised to go – see Coed-Y-Brenin for examples	Robert Campbell	26/09/2024	31/03/2025	Ops	No agreed extension	
ACCB1092/A18	Stickers to be created by Novuna and stickers for Insurance on Dashboards. Consider cards.	James Poyser	13/02/2025	31/07/2025	FCS	31/03/2026	Resource Issue during Case for change (CFC)
ACCB1092/A18	Split out Insurance and Driverline to have distinct lines for Breakdowns and accidents.	James Poyser	13/02/2025	31/07/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Fleet & WHS to publish MMG article on staff needing to check that extinguishers are secure and if not to take action to store correctly.	James Poyser	13/02/2025	31/07/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Ensure the vehicle daily checks cover all aspects required, including the need to secure loose objects in the rear of the vehicle. Fleet to also include this in MMG article on staff needing to check that extinguishers are secure and if not to take action to store correctly.	James Poyser	13/02/2025	31/07/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1097/A7	Timber Sales Manager to prepare some communications to remind all timber customers of their responsibility: 1. to appoint a competent person(s) to undertake the role of Forestry Works Manager (FWM) 2. that in fully discharging the FWM role, NRW's expectation (supported by FISA Managing Health and Safety in Forestry) is that timber purchaser FWM's arrange and lead the pre-commencement with their contractor, inviting NRW as Landowner to be present, rather than the other way around 3. to ensure that they have their own pre-commencement forms on which their FWM's can record the pre-commencement meeting, a copy of which should be provided to NRW in exchange for a copy of our own pre-commencement form	StJohn Ashworth	14/08/2025	29/08/2025	EPP	No agreed extension	

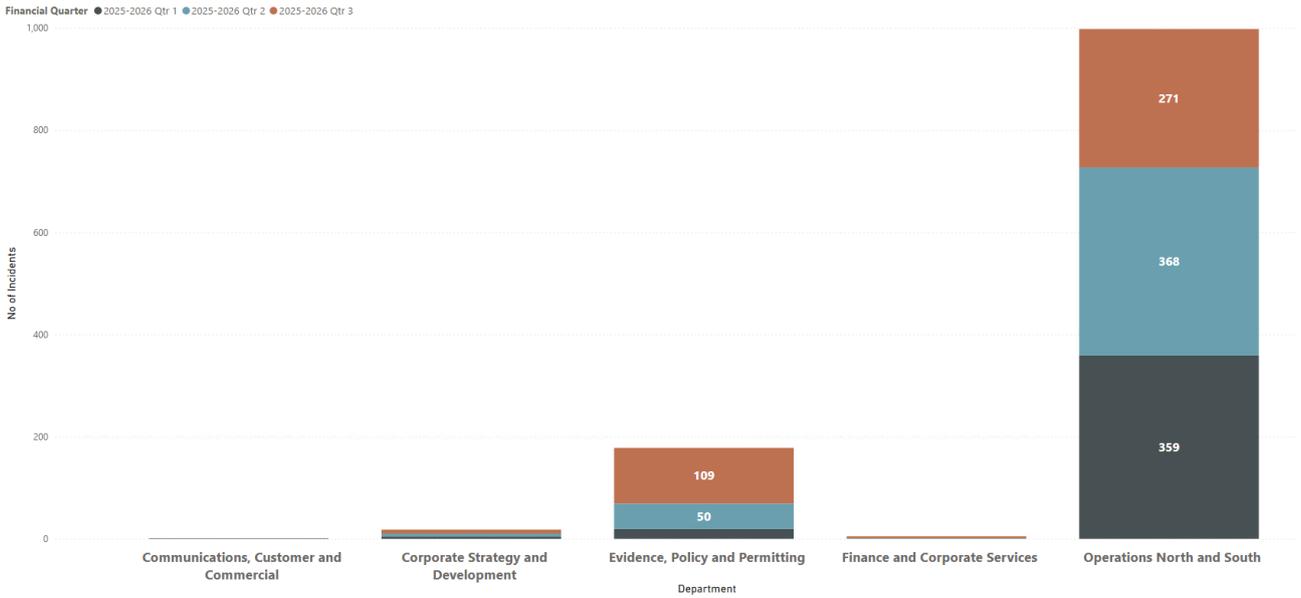
ACCB1092/A18	Fleet and L&D to work together to create a module on learning management system for all drivers with key driving information. This will need to be made mandatory for all staff driving NRW vehicles on a yearly basis.	Claire Leith	13/02/2025	30/09/2025	PFF	31/03/2026	Awaiting on fleet who have had Resource Issue during CFC
ACCB1092/A18	Explore the provision of advanced driver training and capture this in the training needs analysis for fleet users where relevant.	Claire Leith	13/02/2025	30/09/2025	PFF	31/03/2026	Resource issue and taken longer to investigate than initially anticipated.
ACCB1092/A18	Fleet and L&D to work together to create a module on learning management system for all drivers with key driving information.	Claire Leith	13/02/2025	30/09/2025	PFF	31/03/2026	Awaiting on fleet who have had Resource Issue during CFC
ACCB1092/A18	Fleet and L&D to work together to create a module on learning management system for all drivers with key driving information. This will need to be made mandatory for all staff driving NRW vehicles on a yearly basis.	James Poyser	13/02/2025	30/09/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Easy reference guide at front of handbook in the car giving easy access to the relevant numbers	James Poyser	13/02/2025	30/09/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Undertake review of Drivers Handbook. Index to be changed if required.	James Poyser	13/02/2025	30/09/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Fleet and L&D to work together to create a module on learning management system for all drivers with key driving information.	James Poyser	13/02/2025	30/09/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Ensure the vehicle daily checks cover all aspects required, including the need to secure loose objects in the rear of the vehicle. Fleet to also include this in MMG article on staff needing to check that extinguishers are secure and if not to take action to store correctly. This will also be considered when developing L&D LMS module.	James Poyser	13/02/2025	30/09/2025	PFF	31/03/2026	Resource Issue during CFC
ACCB1092/A18	Ensure the vehicle daily checks cover all aspects required, including the need to secure loose objects in the rear of the vehicle. Fleet to also include this in MMG article on staff needing to check that extinguishers are secure and if not to take action to store correctly. This will also be considered when developing L&D LMS module.	Claire Leith	13/02/2025	30/09/2025	PFF	31/03/2026	Awaiting on fleet who have had Resource Issue during CFC

ACCB1093/A1	Undertake a full review of the SOP and the Principal Method Statement taking account of the learning outcomes from this incident. As part of that review, consider creating a checklist as an appendix to the SOP or Principal Method Statement, that consolidates the key Landowner, FWM and Contractor responsibilities when working within the windfarm, into one place. Also to consider who should be present at the PCM for harvesting sites within windfarms and the subsequent induction of those not required to be present at PCM.	Gordon Baird	14/08/2025	31/12/2025	Ops	31/03/2026	Change of original action owner. New owner requires time to review and implement.
ACCB1093/A1	Undertake a full review of the SOP and the Principal Method Statement taking account of the learning outcomes from this incident. As part of that review, consider creating a checklist as an appendix to the SOP or Principal Method Statement, that consolidates the key Landowner, FWM and Contractor responsibilities when working within the windfarm, into one place. Also to consider who should be present at the PCM for harvesting sites within windfarms and the subsequent induction of those not required to be present at PCM.	Dan Bown	14/08/2025	31/12/2025	Ops	31/03/2026	Change of original action owner. New owner requires time to review and implement.
ACCB1092/A18	Undertake review of Drivers Handbook. Index to be changed if required. In addition this will reflect any appropriate changes required as a result of the publication of the Fleet Strategy in 2025-2026	James Poyser	13/02/2025	31/03/2026	PFF		
ACCB1096/A4	complete actions from further considerations report assigned against ACCB1092/A18	James Poyser	13/02/2025	31/03/2026	PFF		
ACCB1092/A18	Undertake a review on the fleet strategy.	Victoria Rose-Piper	30/05/2025	20/04/2026	PFF		
ACCB893/A5	Decision paper on future use of car jacks in NRW vehicles to be submitted to LTG for discussion and decision. Options to consider – keep vehicle jacks, remove all vehicle jacks, replace vehicle jacks with more robust jacks, replace vehicle jacks with emergency sealant, use of chocks/blocks. Consider implications of options for the safety of colleagues, cost of implementation, training and competence and how this can be managed effectively.	Charlotte Morgan	26/11/2025	30/01/2026	PFF		
ACCB893/A5	Review how Non-emergency button option on Spot Trackers is used, including whether it is set up on all trackers and NRW colleagues are aware of its function.	Jessica Howard	26/11/2025	30/01/2026	PFF		
ACCB893/A5	Improve Novuna phone line options to make it clearer on what to do in the event of a puncture or tyre failure.	Robert Ashcroft	26/11/2025	31/03/2026	PFF		

ACCB893/A 5	Discuss with Novuna ways to improve call out procedure so NRW colleagues do not have to wait for call backs about the repair/recovery.	Robert Ashcroft	26/11/2025	31/03/2026	PFF		
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Appendix 7 – Active Monitoring



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NRW Board Paper

Date of meeting:	18 th March 2026
Title of Paper:	Protected Areas Committee (PrAC) Update for Board
Paper Reference:	26-03-B03
Paper sponsored by:	Adam Taylor, Chair of PrAC
Paper prepared by:	Board Secretariat
Paper presented by:	Adam Taylor, Chair of PrAC
Purpose of the paper	Information
Summary	This summary provides an update in respect of the PrAC meeting held on 26 th February 2026.

Background

1. This update for the Board is in respect of the 26th February 2026 Protected Areas Committee (PrAC) meeting. Board members can access all Committee meeting documentation via the Diligent portal.

Protected Sites Update on Key Issues and Progress

2. PrAC were presented with an update on the Protected Sites Programme. This included an overview of the Interim Environmental Protection Assessor for Wales (IEPAW) Report and recommendations. The Deputy First Minister's statement of response was awaited. The Committee discussed the significant resource implications of a statutory monitoring duty. The Audit Wales Report on NRW's approach to designating Sites of Special Scientific Interest (SSSIs) was recapped. The Management Response Form would provide a vehicle to explore barriers and challenges.
3. The strategic approach to the development of the Nature Recovery Strategy was outlined. PrAC appreciated the collaborative approach, that measurable targets would be set and that lessons learned would be incorporated. PrAC understood the need for expectation management. It was reminded that the SSSI Notification Programme could only contribute a small amount to the 30 by 30 target.

Terrestrial Monitoring Strategy

4. PrAC were presented with an overview of the new Terrestrial Monitoring Strategy. This included the approach and the plans to enhance monitoring and evidence quality along with the challenges faced. A combination of increased resources, new methods, and efficiency improvements would be needed. Committee members understood the complexity and scale of the challenge and supported the balanced approach. The collaborative approach with the Sustainable Farming Scheme was welcomed and PrAC suggested the use of external stakeholders and citizen science resource.

Progress with the Environmental Governance Bill – implications for NRW

5. PrAC were provided with context, timeframes and an overview of the current work on the Environmental Governance Bill. A discussion was held on the robustness and endurance of targets amid possible political change. Clarification was provided that the Bill's design included transparency, accountability and mechanisms to prevent rollback; targets were yet to be finalised.
6. PrAC welcomed the presentation. The Bill could drive wider collaboration, engage other public authorities in nature recovery and that NRW could challenge legislation. The Office for Environment Governance would have accountability responsibilities for environmental legislation in Wales and NRW needed to collaborate with the new body.

Forward Look and Site Visit

7. PrAC reviewed and made suggestions for items at future meetings, noting the importance of regular strategic updates. PrAC would join the site visit with the Flood Risk Management Committee and the Land Estate Committee in July.

NRW Board Paper

Date of meeting:	18 March 2026
Title of Paper:	Finance Performance Report
Paper Reference:	26-03-B04
Paper sponsored by:	Rachael Cunningham, Executive Director of Finance and Corporate Services
Paper prepared by:	Rob Bell, Head of Finance; Mark Collins, Business Finance Manager
Paper presented by:	Rob Bell, Head of Finance
Purpose of the paper:	Approval (change in forecast) / Discussion (Financial Performance)
Summary	<p>To approve:</p> <p>Change in the latest forecast from £303.3m to £293m.</p> <p>To scrutinise:</p> <p>Financial performance to the end of January 2026.</p>

Background

- The finance performance report provides detail on progress across the different types of income, expenditure, and programmes. Annex A summarises the key messages in respect of:
 - Change in budget forecast compared to the previous approved forecast (November).
 - Performance to the end of January 2026.

Key Points

- Income is slightly behind profile (£0.3m), primarily linked to timber income with minor variances across charges, European and external funding sources. The timber income position is expected, and we are confident that this will be balanced by other budgetary movements by the end of the financial year.
- Expenditure at the end of January is within 1% of the planned expenditure profile of £197.3m. There remains 33% of the full year allocation left to spend in the last two months. This compares to 37% at the same stage last year.

4. We have confirmed our likely underspend position to Welsh Government for the year and have adjusted our forecasts accordingly – reduction from £303.3m to £293m reflects that. We have been keeping Welsh Government informed throughout the year of the risks in fully utilising this year's budget. Please see the second page of our report for further detail.
5. There is still a risk of further underspends (particularly revenue) but that is offset by some changes that will likely benefit our charge regimes, deferring European income into next year and a further forecasted reduction in timber income. Welsh Government have confirmed that we can make a payment funded by them to the Environment Agency Pension Scheme which will increase the forecast by circa £6m.
6. Progress is being made on the land purchase, primarily utilising the funds from the lease surrender at Kilvey Hill. We are hopeful that the purchase can be concluded before 31 March. Indications are that the purchase (if it proceeds) will be at a value less than we have budgeted – which is positive news but will mean that we will be reducing our capital budget. Welsh Government are aware.

Risks and opportunities

7. We hold a risk in the Finance and Corporate Services Risk Register for 'in year spend'. This also links to the strategic risk "Failure to achieve financial stability". For this financial year, risks of overspend have been mitigated through actions taken by the Executive Team and additional funding from Welsh Government.

The wider implications are:

- (a) **Finance:** This report is about the financial performance of NRW. We hold a risk within the Finance and Corporate Services Directorate Risk Register.
- (b) **Wellbeing of Future Generations Act (WBFGA):** Every component of the budget contributes to one or many of our Wellbeing Objectives.

Next Steps

8. Executive Team will continue to monitor the principal risks within the budget.

This report is produced every two months for the Board and Executive Team.

Recommendation

9. Board to approve changes to the latest forecast, from £303.3m to £293m.

Board to scrutinise financial performance to the end of January 2025.

Index of Annexes

Annex A – Financial Performance Report



**Cyfoeth
Naturiol**
Cymru
**Natural
Resources**
Wales



NRW Board – March 26

Financial Performance Report – January 2026

Content and Key Messages

Update will cover:

Update on the latest forecast changes as at January 2026, compared to the approved budget as at November 2025 - a decrease of £10.3m from £303.3m to £293m.

Financial Performance as at January 2026.

Update on contingencies and under/over programming.

The main risks and opportunities to our budget this year and return of funding to Welsh Government.

Messages:

We have reduced our funding from Welsh Government in line with the principles we discussed at January's Executive Team meeting. Based on our likely year end forecast, we have reduced our revenue forecast by £4m and are in discussion with WG on reducing our IR35 liability by £4m, reducing the payback term by 2.5 years and also absorb the predicted timber income shortfall of £2m. WG Grants and ring fenced Grant in Aid have also reduced by £2.2m. The summary page provides further detail on our year end outturn. We expect to increase our forecast by £6m in respect to a payment into the EAPF funded by Welsh Government, as advised previously.

Income is slightly behind profile (£0.3m), primarily linked to commercial timber income with minor variances across charges, European & external funding sources. The timber income position is expected and we are confident that this will be balanced by other budgetary movements elsewhere. Expenditure at the end of January equated to £195.1m, £2.2m (1%) below the planned expenditure profile. The £2.2m variance is primarily split across non staff (£1.2m) and capital projects (£1.0m).

The central pay provisions have been distributed. Based on a review of our likely year end position, we increased our central over programming to £3.8m. This allowed us to cover the timber income shortfall and reduce the revenue underspend to £4m (which we are hoping will reduce our IR35 liability with WG). In January, £2m of budget returns were actioned, reducing the over programming to £1.8m. We anticipate a balanced position by year end but there are risks.

We also hold a capital contingency of £3.5m, comprising the funds from the Kilvey Hill lease surrender and capital Grant in Aid. We are proceeding with a land purchase on the WGWE to utilise this funding.

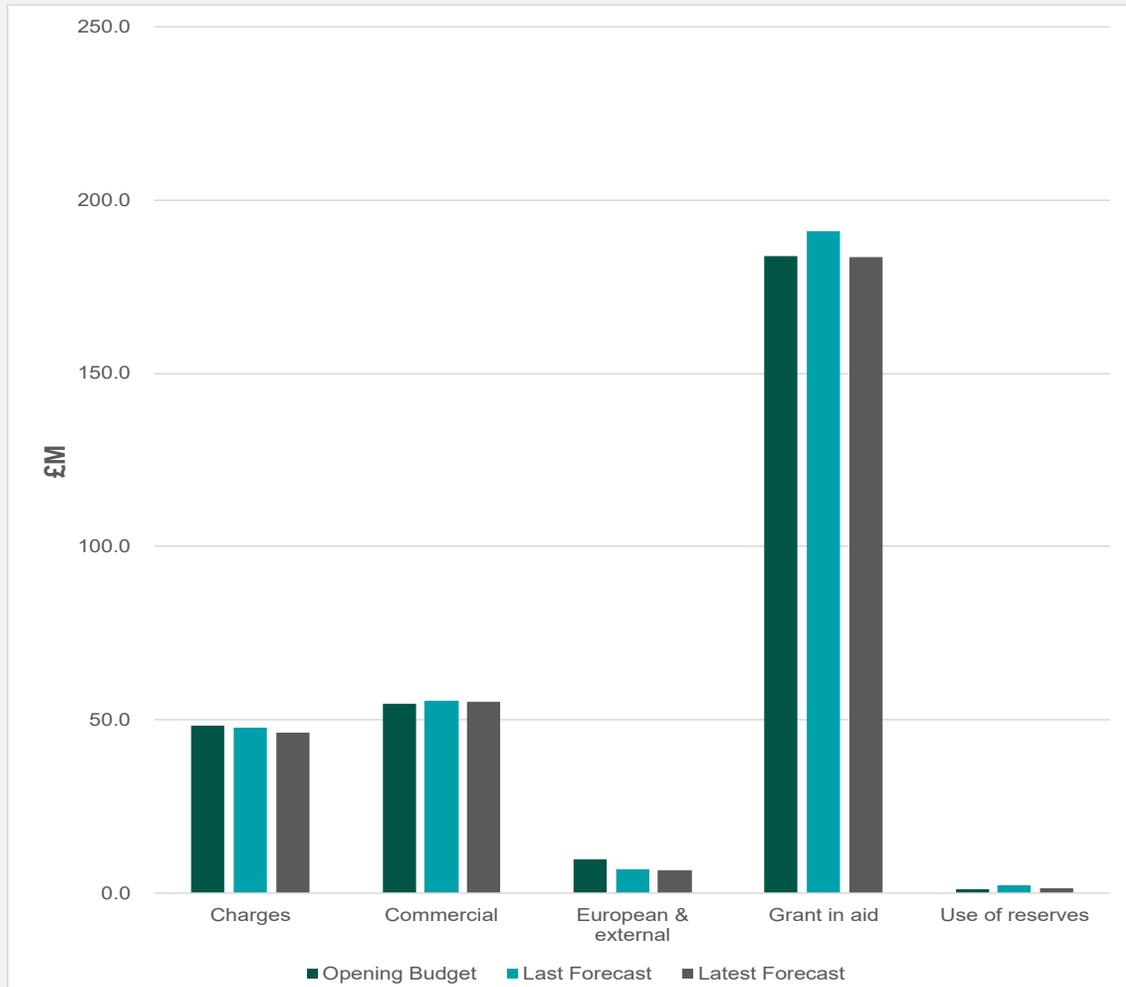
We have not included a page on contingent liabilities in this report as the position has not changed significantly. We have also removed the risks and opportunities page we normally produce and replaced that with the page confirming our budget returned this financial year. Many of those risks and opportunities have crystallised. The main remaining risk is the limited time to complete a land purchase before 31 March (mentioned above). There are some lesser risks of being able to utilise all of our remaining budgets elsewhere.

The individual pages within the report provide further detail on the points raised above.

Year End Outlook - Update on potential return of funding to Welsh Government

	Value	Description
Revenue GiA	£4m	We had previously indicated that we would return £5m to Welsh Government and requested a reduction in our IR35 liability repayment. That figure should be reduced primarily because of the re-categorisation of DDAT disaster recovery work as revenue but we are also covering a reduction in timber income. We have reduced our central over-programming by £1.8m due to an anticipated risk of underspend. There is a risk that it might exceed that but we have mitigations in place.
Capital GiA	£2m	Primarily due to DDAT disaster recovery work being recategorised as revenue. We are exploring different land purchases, both on and off the WGWE, as an alternative use of the funding. With a land purchase on WGWE in Mid Wales the most likely.
Receipt from lease surrender at Kilvey Hill	£1.5m	We are in receipt of the lease surrender. We are exploring opportunities to purchase land so we can compensate for the loss of tree cover. If approved, then we would also have to commit revenue funding in future to planting and management.
Capital GiA - Fleet bid	£0.8m	Due to a reduced amount of EV sites that can be delivered.
Capital GiA - Flood	£0.3m	Likelihood that Flood will not be able to utilise it's full capital budget this year, and recent indications are this will increase.
Ring Fenced Grants and Grant in Aid	£1.9m	Enforcement (£1.3m), Sustainable Farming Scheme (£0.1m) and Waste Reform (£0.5m - to be actioned February).
Review of personal use of vehicles	TBD	We are currently undertaking a sample of staff use of car/vans to determine whether there is a liability for NRW relating to personal use.

Financial Performance – Income Forecast



Charges

Charge income has reduced by £1.3m primarily due to a reduction in Water Resources subsistence income because of a retrospective reduction in Dwr Cymru / Welsh Water licensed volume applied from 2018.

The shortfall will be met by abstraction charge balances.

Commercial

Overall commercial income has reduced by £0.2m. We received additional income for the lease surrender for Kilvey Hill (£1.5m), which was offset by a reduction in timber (£0.5m), retainable energy (£0.9m) and waste site bond income (£1.0m), which will now be available for use next financial year at the site. The retainable energy and bond income will be utilised next financial year.

European & Other External

European income has reduced by £0.3m because of the LiFE programme. This will be offset by an equal and opposite reduction on the expenditure side and be utilised next financial year.

Grant in Aid

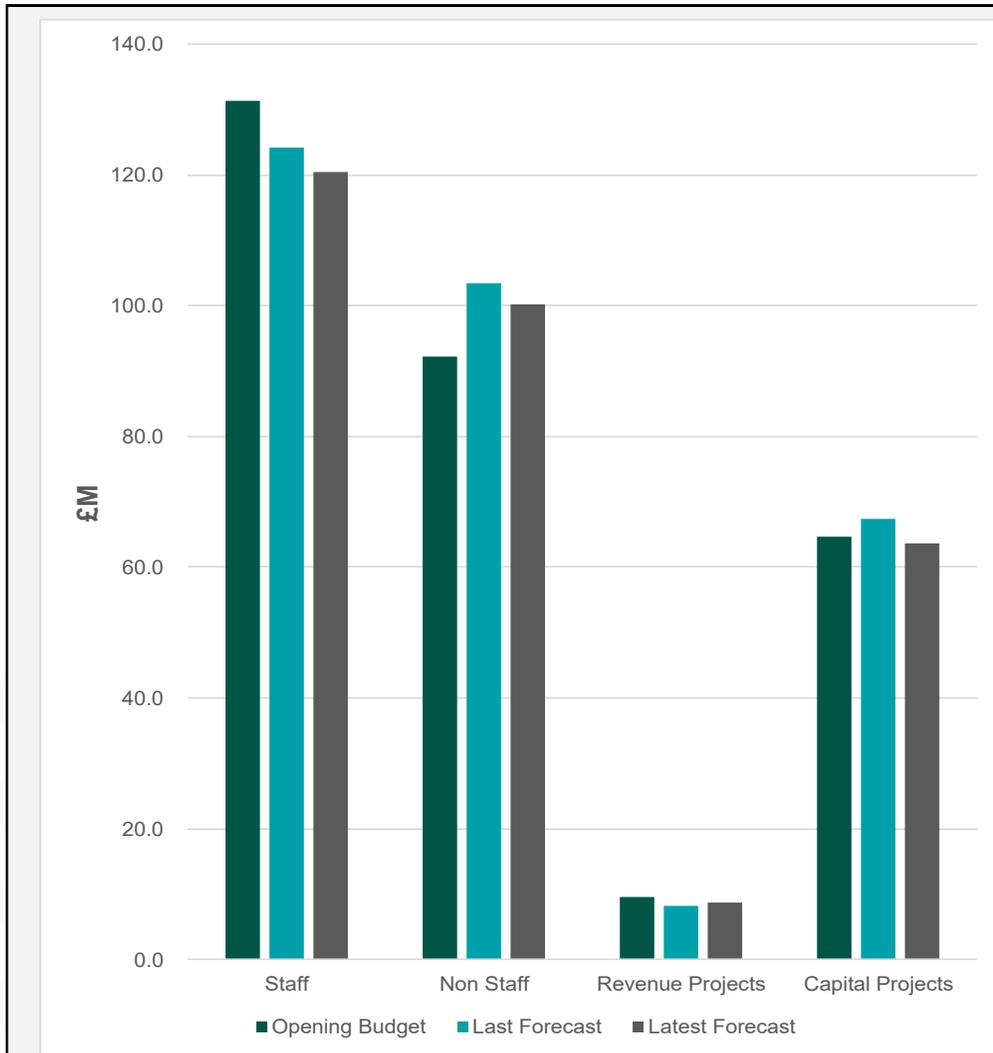
Overall, Grant in Aid and grants income has reduced by £7.5m. In respect to WG Grants and ring fenced Grant in Aid, we received additional income for the replacement deer larder (£0.6m), which is offset by a number of reductions across the revenue and capital awards; Water Enforcement (£1.3m), EV Infrastructure (£0.9m) and SFS (£0.1m). Following further discussions with WG, we have returned £4m revenue Grant in Aid and have asked that we reduce the IR35 repayment period by 2.5 years, utilising the forecasted salary savings along with general GiA funded underspends. This is providing we absorbed the timber income shortfall (£2m), rather than request further funding from WG.

Flood capital funding also reduced by £0.3m.

Use of Balances

Overall the draw on balances has reduced by £0.9m. The charge element of the forecasted salary savings along with the WR Capital Programme underspend, reduced the draw on balances by £1.7m and £0.6m respectively. This was offset by the Water Resources subsistence income shortfall mentioned above (£1.3m).

Financial Performance – Expenditure Forecast



Staff

Staff budgets have reduced by £3.7m since November. This is primarily due to the partial reallocation of the forecasted charge funded salary savings (£1.7m), reducing the draw on charge balances, along with the reinvestment of £1.7m addressing a number of revenue pressures; Multi Year Planning Work and Disaster Recovery (DDAT).

Non Staff

Overall non staff budgets reduced by £3.4m, primarily due to a number of income adjustments; retainable energy (£0.6m), Enforcement Grant (£1.3m) and revenue GiA; (£4m revenue, £2m timber income shortfall). The GiA reduction is funded from salary savings and assumed under spend within the business. These are offset by the reinvestment for Multi Year Planning Work pressure (£0.7m), along with the Kilvey Hill lease surrender proceeds (£1.5m - capital). The central capital contingency now stands at £3.5m.

Revenue Projects

Revenue projects have increased by £0.4m, largely due to the allocation of a revenue budget for Disaster Recovery (£0.9m DDAT), which is offset by a reduction in the retainable energy funded work at Pen Y Cymoedd (£0.3m) and Case for Change project (£0.2m).

Capital Projects

Overall capital project budgets have reduced by £3.6m, primarily due to a number of income adjustments and core GiA underspend. European LIFE programme (£0.3m), EV Infrastructure Grant (£0.9m) and the FCRM programme (£0.3m) make up the majority of the income changes, with reduced fleet purchases (£0.6m), DDAT (£0.8m) and St Mellons lease extension (£0.4m) making up the core GiA element. These are included within the capital contingency mentioned above.

The Water Resources Capex programme has also reduced (£0.6m) and returned to abstraction charge balances.

Financial Performance - Income

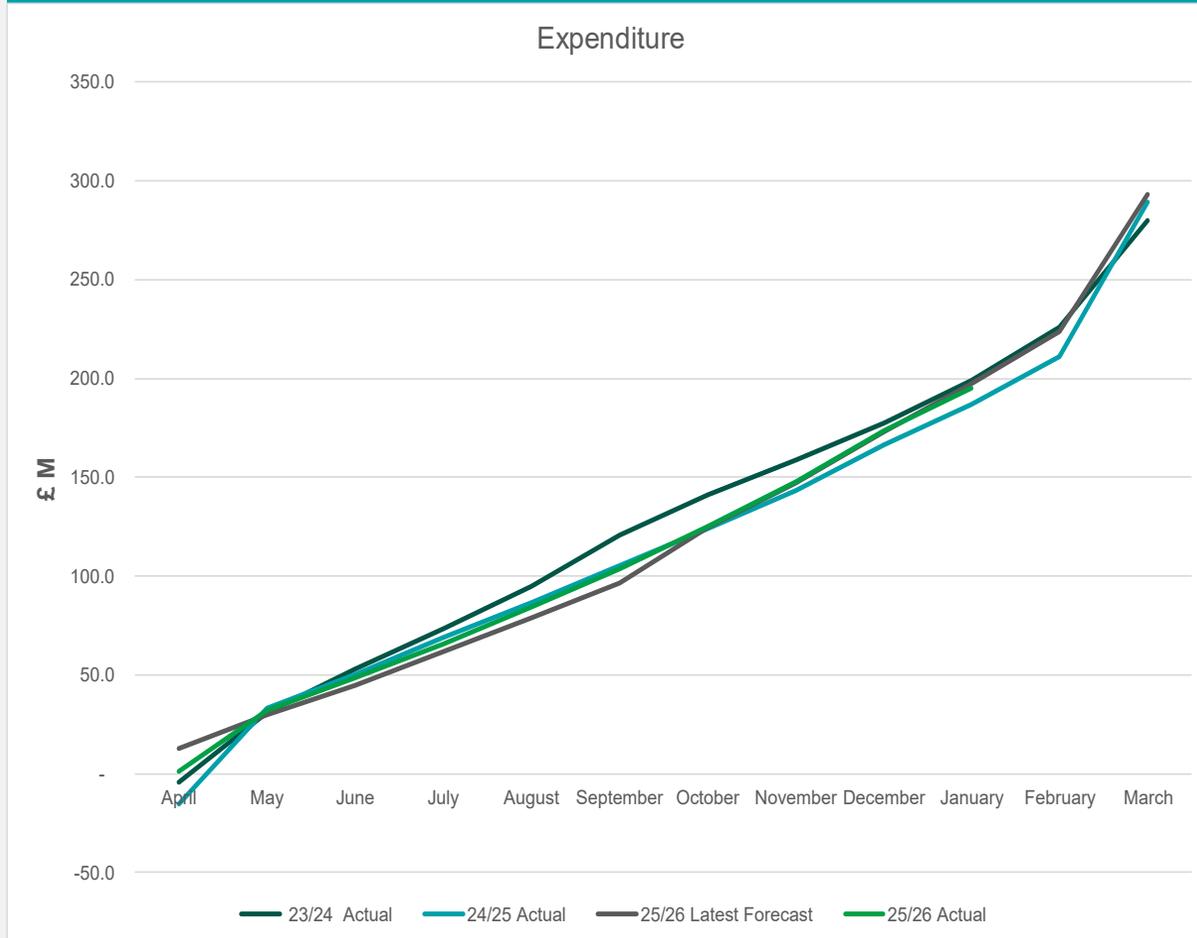
INCOME	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
by Account Type	YTD £m	YTD £m	YTD £m	FY £m	FY %	FY £m	
Charges	35.4	35.3	0.0	46.4	24%	48.4	Whilst the current January position is in line with forecast, a recent review of permits resulted in a reduction of £1.3m. This reduction was primarily linked to Water Resources subsistence income due to a retrospective reduction in Dwr Cymru / Welsh Water licensed volume applied from 2018, which resulted in material credit notes being issued which were not previously foreseen. Extra controls are now being put in place to pick up any similar issues going forward. Further reviews are being undertaken to check that there are no other historic issues.
Commercial	42.5	42.9	-0.5	55.3	23%	54.5	Timber sales are currently £0.6m below forecast at the end of January and are likely to be in a similar position at the end of the financial year. The downturn in the forecast reflects lower than anticipated dispatch prices in January and an analysis of the forecast makes it clear that although February and March are historically good sales months, we are unlikely to achieve the dispatch volume level required to achieve the forecast of £31m. We are therefore reducing the likely year end forecast by a further £0.5m to £30.5m. As part of the discussions with WG, we have agreed to fund the £2m timber income shortfall and have made further provisions for the £0.5m mentioned above, within our year end forecast.
European & external	4.1	4.0	0.1	6.5	36%	9.8	Minor variances across a number of income streams, with limited risk to the full year forecasted position. Any increase/decrease in income will be offset by an equal and opposite movement within the corresponding expenditure.
Grant in aid	113.4	113.4	0.0	183.6	38%	183.8	In line to profile.
Use of Reserves	0.0	0.0	-0.0	1.3	100%	1.1	Overall the draw on balances has reduced by £0.9m from the November position. The charge element of the forecasted salary savings along with the Water Resources Capital Programme underspend, reduced the draw on balances by £1.7m and £0.6m respectively. This was offset by the Water Resources subsistence income shortfall mentioned above (£1.3m).
TOTAL: NRW	195.4	195.7	-0.3	293.0	33%	297.6	

Financial Performance - Expenditure

EXPENDITURE	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
by Account Type	YTD £m	YTD £m	YTD £m	FY £m	FY %	FY £m	
Staff	96.5	96.4	-0.1	120.5	20%	130.3	Due to vacancy levels being in line with our forecasted position, we will meet the predicted salary savings of £5m. NRW's staffing level is 93% of what we can afford (96% Non ring fenced and 77% ring fenced posts), it continues to rise but it is unlikely to reach the headcount ceiling before 31 March. There is currently an overspend on other staff costs of £0.1m, where overspend on other pay and people support costs are offset by an underspend on training, travel and subsistence. It is likely there will be a small overspend on other staff costs at year end.
Non Staff	57.2	58.4	1.2	100.1	43%	93.2	The current £1.2m variance is broadly split across a number of Directorates; Operations (£0.6m), National Ops (£0.3m), Strategy, Policy and Evidence (£0.2m) and People and Facilities (£0.1m). The Operations element is primarily linked to land stewardship funded activities, where we expect the full allocation to be utilised by year end. National Ops under spend is linked to Flood and Incident Management, where a slight under spend is likely at year end, and Analytic Services. Facilities is under spent by £0.3m which is offset by an over spend within recruitment. We have made a provision centrally to cover additional recruitment costs and expect an increase in fleet costs over the remainder of the financial year to offset any underspend by year end. The Strategy, Policy and Evidence variance is primarily linked to NRM where we expect the full allocation to be utilised by 31st March.
Revenue Projects	4.9	5.0	0.1	8.6	44%	9.5	All programmes are broadly in line to budget. Funding has been allocated for the Disaster Recovery work discussed in the last report. Whilst there are no concerns reported by the project programmes, there still remains £3.8m (44%) of the full year allocation still to be utilised.
Capital Projects	36.6	37.5	1.0	63.7	43%	64.6	The current under spend is predominantly linked to the Flood, NaCE and internally funded programmes, which are currently £0.5m, £0.2m and £0.2m underspent respectively. We have notified WG that we will not utilise £0.3m of our flood allocation and recent indications are that this will likely increase. NaCE are anticipating utilising their full allocation of £20.1m. Overprogramming now stands at £0.1m, a reduction of £0.5m from that reported in November and we expect this to be removed by year end. The externally funded WG Grant element has £3.5m (43%) of the full year allocation still to be utilised. We will continue to monitor the financial position and notify Executive Team of any significant changes.
TOTAL: NRW	195.1	197.3	2.2	293.0	33%	297.6	

Financial Performance – Expenditure Trends

EXPENDITURE TRENDS



Commentary:

Expenditure at the end of January 2026 is £195.1m, equating to 33% of the full year forecast of £293m. This is slightly ahead of where we were last financial year, when spend was £186.9m against a full year budget of £294.6m.

Financial Performance – Headcount Ceiling

NRW Headcount Target Summary	January Headcount ceiling (ftes)	December Headcount ceiling (ftes)	Variance
Performance against ceiling			
Non ring fenced posts			
Headcount ceiling	2,045.0	2,045.4	-0.4
Staff in post	1,969.0	1,959.9	9.1
Variance	76.0	85.5	-9.5
Staffing level	96%	96%	0%
Ring fenced posts			
Headcount ceiling	495.2	498.7	-3.5
Staff in post	380.9	380.2	0.7
Variance	114.3	118.5	-4.2
Staffing level	77%	76%	1%
Active recruitment	61	88	
Current projected recruitment profile (int / ext)	63%	80%	
Revised vacancies after recruitment	152	134	

Staffing Level

January			
	Current	Active Recruitment	Projected
Non ring fenced	96%	2%	98%
Ring fenced	77%	2%	79%

Notes:

- The active recruitment number is taken from the online recruitment system - Kallidus, is based on fte and includes those categories where posting has not yet been actioned.
- This report does not identify if these are being recruited Internal and/or External or if they are Ring fenced or Non ring fenced.
- Projected recruitment profile (63% ext/37% Int).
- Information has been kept at a high level but the actions that need to be undertaken in each Directorate will depend on the underlying information.
- There is a variation where each Directorate is in performance against their ceiling.

Commentary:

1. A number of new starters during the last month, however staffing level remains at 96% for non ring fenced posts, no change from December. Slight increase in the staffing level of ring fenced posts to 77%, 76% in December. This was the first month for 3 months where we saw staff numbers increase in non ring fenced posts. After seeing a steady increase in staff in ring fenced posts, we only saw a very small increase in January.
2. The number of staff now stands at 2,349.9fte, an increase of 9.8fte.
3. There are approximately 61(fte) active recruitments (as per Kallidus) from advertising to interview stage. Recruitment profile has changed since December, with 63% projected to be external. Applying this projection to active recruitments would result in an overall staff level of 98% for non ring fenced posts and 79% for ring fenced posts.
4. An additional 56.7(fte) posts are currently at the requisition stage of the recruitment process awaiting approval.
5. CCC continues to be slightly over their ceiling and have a number of posts in active recruitment.
6. The number of agency staff now employed is 31.
- 7 Recruitment levels continue to increase with current projections suggesting the staffing levels will be at 98% for non ring fenced posts as a result of current live vacancies. Utilising the same projections for posts currently at the requisition stage of recruitment, the staffing level would increase to 99%, with ring fenced posts increasing to 81%. But that is before taking into consideration leavers, so 99% is optimistic.

New Funding

Area of Funding	2025-26 Budget £'000	2025-26 spend to date £'000	2025-26 Forecast spend £'000	2025-26 Forecast Variance £'000	Driver of the shortfall P10	How will this impact 2026-27?
Baseline:						
Biodiversity	600	102	320	280	Variance - staff £240K, nonstaff £40K. Lead in recruitment times has been the main factor and whilst we have staggered the costings for staff to take account of the time it takes to bring them in, delays have hampered our ability to scale up at the pace planned. Unsuccessful recruitments have also been a significant factor. There have also been delays on graduate and PHD placements. Some planned activity has been resourced within existing staff capacity, however the scale-up challenge this year and slower than anticipated recruitment pace impacted non-staff delivery; a core of resilient staff capacity is critical for contractual delivery.	Across both budgets much of the planned work and supporting staff is now in train, and that will continue into next year, reducing the underspend risk considerably. We are also actively planning the allocation of budgets for next year and beyond alongside other water and biodiversity budgets and learning the lessons from recruitment and non-staff delivery lead in timescales this year in order to apply that to the planning and forecasting. We are also building in programme coordination capacity essential to provide tracking, reporting and agile use of funds in year.
Water Quality	500	69	157	343	Variance - staff £257K, nonstaff £86K. Lead in recruitment times has been the main factor and whilst we have staggered the costings for staff to take account of the time it takes to bring them in, delays have hampered our ability to scale up at the pace planned. Unsuccessful recruitments have also been a significant factor. There have also been delays on graduate and PHD placements. Some planned activity has been resourced within existing staff capacity, however the scale-up challenge this year and slower than anticipated recruitment pace impacted non-staff delivery; a core of resilient staff capacity is critical for contractual delivery.	
Flood Risk	1,100	833	1,100	-	Likely to spend non-staff element, assumed staff spend is absorbed into overall FRM staff cost.	Continuation of programme management of funding. Has worked very well this year in being able to draw in a pipeline of projects without overprogramming. Likely to influence managing other pots of money in a similar way.
Evidence monitoring	800	238	404	396	Variance - staff £297K, Nonstaff £99K. Lead in times for staff longer than expected.	
Grant or externally funded:						
Infrastructure	5,000	4,194	5,000	-	Full spend forecast.	Non staff budget in 26/27 is minimal; most budget is committed to staff (temp and perm) with majority of posts filled for the start of 26/27; also plans to allocate budget for 'Placements' with robust plans for recruitment.
Marine ICT	2,700	1,965	2,700	-	Forecasted to spend budget allocated.	
Water Enforcement Funding	2,723	1,091	1,399	1,324	Previous risk items have materialised; DDaT, & reprioritised funding with limited time to procure goods or services. Full lessons learned document produced, main reasons for underspend to-date include: 1. Recruitment delays and unfilled posts including seconded police officers + bought in equivalents. Approx £518k of underspend relates to staff. 2. ICT and Digital, shaped by wider organisational processes and programme-alignment considerations. Approx £629.5k of underspend is due this. 3. Projects unable to mobilise within year due to constraints around time-limited funding.	Full lessons learned document produced, key changes to implement next year: 1. Strengthen workforce planning and recruitment , development of recruitment oversight, 2. Improve use of (+bid) for multi-year budgeting. 3. Implement regular reviews and earlier forecasting , managed by new project manager and to include quarterly reviews with WG.
Reservoir Safety	4,719	3,346	4,559	160	The £160k is the reduction in forecast for orphan reservoir capital projects (Cwm Clydach and Caeconroi).	Funding bid has been submitted to WG for next financial year which includes Capital Projects Cwm Clydach and Caeconroi. High level of confidence that we will receive the funding that we have applied for. Work that has been delayed in this current financial year for Cwm Clydach and Caeconroi has no impact on the completion and funding of these projects to the end.
SFS	1,093	497	894	199	N.B. the budget was £1.093K and this included a Gr8 post plus corporate costs funded from SFS following TU negotiations to keep the post. The budget was later removed and funded from NRM existing budgets, reducing the SFS budget to the correct figure of £994K. Against this figure there is a £100K underspend, due to recruitment lead in times for posts being longer than anticipated.	
Waste	4,314	2,556	3,485	829	Variance split £330k revenue £498k capital. Variance increase due to capital remaining in bid for API integration dropping out (£240k removed from forecast); Project Manager sickness + further delays to the overall build. Whilst funding has been successfully reprioritised for waste site work, revenue underspend has increased due to continuation of existing vacancies and previous works planned/re-profiled from underspend not being realised before the end of the financial year. Some of the works originally planned as revenue (drone acquisition) will also be capital rather than revenue as originally planned. The main reasons for underspend can be summarised as 1). Vacancies and recruitment delays stemming from post-CfC impact, 2). DEFRA postponing waste tracking build.	Increased scrutiny over recruitment to take effect. Waste tracking delays not expected to have an immediate impact on 26/27 though may impact outyears (27/28+) requiring further funding.

Financial Performance – Revenue Projects

Revenue Projects by Programme	Actual YTD £m	Approved Forecast YTD £m	Variance YTD £m	Approved Forecast FY £m	Remaining Budget FY %	Original Budget FY £m	Commentary
External Funded	2.0	2.1	0.1	3.4	40%	3.1	The external programme is split into three sub programmes; LIFE, Natur Am Byth and WG Grants. The LIFE element has minimal spend left with Natur am Byth £0.6m remaining, however two partner payments are due to go out and will reduce this significantly. The WG Grant element has £0.6m remaining and we anticipate the majority of funding will be utilised by year end.
Internal Funded	1.3	1.2	0.0	1.8	31%	1.6	Reservoir Compliance and Organisational Change are the key projects, where we anticipate minimal underspend.
NaCE	0.7	0.7	0.0	1.5	54%	1.6	The over programming is now at a minimal level and the programme anticipates utilising the full allocation.
Other	0.1	0.1	0.0	0.2	53%	0.0	On track to spend the remaining amount.
NRW 2030	0.7	0.8	0.1	1.0	30%	2.3	The remaining balance is almost solely for the Disaster Recovery project where we anticipate utilising the full allocation.
Grants	0.1	0.1	0.0	0.8	89%	0.9	Grant payments relating to the remaining £0.7m which will either be spent or accrued in March.
TOTAL: NRW	4.9	5.0	0.1	8.6	44%	9.5	

Financial Performance – Capital Projects

Capital Projects by Programme	Actual YTD £m	Approved Forecast YTD £m	Variance YTD £m	Approved Forecast FY £m	Remaining Budget FY %	Original Budget FY £m	Commentary
NRW 2030	3.2	3.1	-0.1	4.1	22%	6.0	The additional £1m GiA for EV charging Infrastructure has been reduced to £0.1m. There is no over programming. No concerns or risks at present to the remaining spend. Spend next year will no longer be categorised under this programme which ceased in December.
External Funded	7.7	7.8	0.1	13.0	41%	13.8	The LIFE project extension application has been successful, with the projects now having an additional two years to complete. No additional budget is needed, however all three have included an additional contingency to ensure any inflationary costs are covered. Natur Am Byth Natur is slightly behind profile, with £0.9m left to spend before the end of the financial year. The WG Grant element has £3.5m (43%) of the full year allocation still to be utilised.
Flood Risk	10.7	11.3	0.5	17.4	38%	17.6	We have notified WG that we will not utilise £0.3m of our allocation and recent indications are that this will likely increase. There remains around £7m to be utilised by the end of the financial year, £4m of this is within the projects delivery team and is almost certain to be spent. Fleet accounts for £1.2m, of which £1m is also due to be spent before the end of the financial year. The vehicles have been ordered and are due to be delivered before the end of March. The remaining is across multiple small projects as well as a couple of high risk projects; including Chapel Reen at £0.7m, Presteigne at £0.5m, capital salaries and Flood Warning System at £0.7m.
Internal Funded	5.3	5.5	0.2	8.6	39%	3.6	A high proportion of the remaining £3.3m relate to building improvements and equipment purchases. Following a review of the Water Resources programme, we have returned £0.6m to charge balances. The programme leads are confident that they will spend the remaining £0.4m.
NaCE	9.5	9.7	0.2	20.1	52%	20.8	NaCE are not predicting any risk to spending the full allocation of £20.1m. However 52% of this is due to be spent within the last quarter which has increased slightly by 4% since Quarter 3. The current over programming has reduced considerably and now stands at £0.1m which represents just 0.4% of the programme.
IFRS 16 Capital Leases Only (non-cash)	0.2	0.2	0.0	0.5	67%	2.8	Following a value for money assessment on vehicle acquisitions, the most favourable outcome was to purchase vehicles resulting in the transfer of £1.4m to the EV and Fleet purchase budget. Of the three planned building lease extensions, only two will likely take place this year. This has resulted in £0.7m of the lease budget being transferred to fund additional work elsewhere, including the NaCE capital programme.
TOTAL: NRW	36.6	37.5	1.0	63.7	43%	64.6	

Contingency and over-programming budgets

Rag status



Balances (contingencies and programme under/overs)	Nov-25 £m	Jan-26 £m	Movement £m	Confidence Level (RAG Status)	Comments
Contingencies and provisions					
Pay Award Provisions	4.2	0.0	-4.2	Green	Pay award was paid and distributed in December.
Other staff contingency	0.6	0.3	-0.3	Green	Budget distributed for market forces and increments. Contingency held for flexible resource pool, although it is unlikely that the whole of this contingency will be required as budget transfer is approximately £45k per month.
Central Contingencies	0.2	0.3	0.1	Green	Central balance for unfunded pressure bids, that is not going to be required. Both this and the other pay contingency will be used as part of our year end budget management in trying to bring NRW in on the revised forecast.
Infrastructure (additional WG GiA funding) (SPE Directorate)	0.0	0.0	0.0	Green	The previous residual balance has now been removed.
Staff Budget Undistributed (Directorates)	1.6	0.5	-1.1	Green	Budgets have reduced considerably since the last reporting period and will continue to do so as positions are set up by the recruitment team.
Capital Contingency	0.0	3.5	3.5	Yellow	The balance comprises of the Kilvey Hill lease surrender (£1.5m) along with core GiA underspend; reduced fleet purchases (£0.6m), budget set aside for disaster recovery (now classed as revenue - £0.8m) and St Mellons lease extension (£0.4m). We are proceeding with land purchase options to utilise this funding.
Over-programming					
Central over programming (revenue)	-1.0	-1.8	-0.8	Green	Based on a review of our likely year end position, we increased our central over programming to £3.8m. This allowed us to cover the timber income shortfall and reduce the IR35 liability (subject to confirmation by WG) by £4m. In January, £2m of budget returns were actioned, reducing the over programming to £1.8m. We anticipate a balanced position by year end but there are risks.
Overprogramming (Directorates)	-0.5	0.0	0.5	Green	Both the previous land stewardship and flood over programming have now been removed.
Under programming (Directorates) WG Grant	-0.1	0.0	0.1	Green	The over programming relates to Wales Coastal Path project, where we anticipate not all costs will come to fruition, hence the slight over programming.
Flood Risk Capital (Directorates)	-0.2	-0.5	-0.3	Green	The overall programme position has changed a number of times over the last few months, from an initial surplus to a slight deficit. We anticipate that we will not need all the capital funding and estimate a return of circa £0.5m. We have already informed WG a return of £0.3m. Next financial year, we will begin the year with a prudent level of over-programming.
NaCE (Directorates)	-0.6	-0.1	0.5	Green	The overprogramming has reduced through the year and we expect a balanced position by the end of March.
Under-programming					
Water Resources Capital (Directorates)	0.2	0.0	-0.2	Green	Following a further review of the programme, £0.6m has been returned to balances for use in future years.
Awaiting distribution					
NRW 2030 (Directorates)	1.4	0.0	-1.4	Green	All budgets have now been distributed.

Note

All contingencies/over programming are held centrally unless indicated otherwise.



NRW Board Paper Q3 Performance

Date of meeting:	18 th March 2026
Title of Paper:	Business Plan Performance Report: Quarter 3
Paper Reference:	26-03-B05
Paper sponsored by:	Prys Davies (Executive Director Strategy, Policy and Evidence)
Paper prepared by:	Sarah Williams (Head of Corporate Strategy and Programme Management Office) Corporate Planning and Performance Team
Paper presented by:	Sarah Williams (Head of Corporate Strategy and Programme Management Office)
Purpose of the paper	Board is asked to approve the Business Plan Performance Report.
Summary	<p>The format of this performance report has been revised this quarter in response to Board Member feedback. For the first time we have included performance metrics related to key services. This will continue to evolve in Quarter 4 as we include other services.</p> <p>Quarter three performance:</p> <ul style="list-style-type: none"> • Business Plan Commitments performance: <ul style="list-style-type: none"> ○ Q3 Actual: 0 Red, 10 Amber, 18 Green. ○ Last Quarter: 0 Red, 11 Amber, 17 Green ○ All Amber areas have agreed Pathways to Green in place. • Internal performance: <ul style="list-style-type: none"> ○ Q3 Actual: 0 Red, 1 Amber, 7 Green, 1 Grey ○ Last Quarter: 2 Red, 0 Amber, 6 Green, 1 Grey ○ Ambers items areas have agreed Pathways to Green in place. • Service Metric information is provided in full as Annex 3 with a focus in this paper on Amber metrics.

Introduction

1. This paper reports on our quarterly performance for Q3.
2. It presents the Q3 2025/26 position, covering:
 - The Annual Business Plan 25/26 and progress against 28 commitments and their associated key deliverables
 - A selection of internal performance measures
 - A selection of key service metrics
3. Performance is assessed against both the previous quarter and the anticipated position at year end. This paper concentrates on those commitments reporting Red or Amber.
4. The planned addition of a fourth Well-being Objective, originally expected in Q3, has been deferred to the start of the new financial year.

Business Plan 2025/26 Quarter 3 Performance Report

5. This Quarter there are no Red, ten Amber and 18 Green Commitments. The dashboard with the full set of commitments is included in **Annex 1**
6. Table 1 shows those commitments at Red or Amber at Q3, together with the anticipated year-end position and the Pathways to Green.
7. Table 1: Red / Amber Business Plan Commitments at Q3

Commitment	Q2 actual	Q3 actual	Anticipated Year End
WBO1 Nature is Recovering			
C2: Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target	Amber	Amber	Amber
Pathway to Green will not be realised until Q1 2026/27: Work was temporarily reprioritised to focus on responding to the Audit Wales Sites of Special Scientific Interest (SSSI) report, which has slowed progress on the revised SSSI Handbook. Work to develop our costed SSSI notification programme will also continue into 26/27 as resolving complexities within the notification process has required more specialist input than originally anticipated. We now have robust data on likely notification priorities for next year and through to 2030, and this is being analysed to develop a fully costed programme.			
Commitment	Q2 actual	Q3 actual	Anticipated Year End

WBO2: Communities are Resilient to Climate Change			
C11: Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based	Amber	Amber	Amber
Pathway to Green will not be realised until Q1 2026/27: Delivery of flood asset maintenance work using the Risk Based Revenue Allocation Model (RBRAM) remains on track. However, completion of the multi-year Assets Facing Change (AFC) analysis will extend into next year, due to the need for additional technical input and dependencies on shoreline management plan policy work. While progress has been slower than planned, the work remains strategically important rather than business-critical and resources will be realigned to ensure continued delivery in 2026/27.			
C13: Improve the Flood Warning Service and Telemetry System to deliver efficiencies and maintain continuity of service to customers	Amber	Amber	Amber
Pathway to Green will not be realised until Q1 2026/27: Supplier performance issues earlier in the year delayed the Telemetry Replacement project. The Go Live did not go ahead at the end of Q3, as originally planned. Go-Live is now scheduled for March 2026 with project closure expected in June. Risks to achieving this deadline remain and relate to weather, staffing and capacity within DDaT. Continuous improvement activity for the Flood Warning Information System for Wales (FWISfW) has also progressed more slowly, meaning we are not yet realising the full benefits of the new system. Both areas will carry forward into 2026/27. It is important to note that the core flood warning message sending functionality is in full operational use.			
C14: Development of advice, guidance and tools on low carbon techniques and infrastructure, including Carbon Capture and Hydrogen, to improve the quality of applications submitted by industry and reduce the length of time to determine individual permit applications	Amber	Amber	Amber
Pathway to Green We have successfully completed a first of a kind in the UK carbon capture permit determination for a cement works, with all other Final Investment decisions (FID) programmed and on target. We have also provided a Report to Welsh Government identifying opportunities to change policy and legislation in relation to increased integration of low carbon technologies and Environmental Management Systems. Although key deliverables are reporting Green this quarter, the overall commitment is anticipated is Amber at year end. Work has started on documenting our approach to providing advice and guidance on new technologies, but late submission of technology details has delayed full completion. There is a risk that this may not be completed by year end.			
Commitment	Q2 actual	Q3 actual	Anticipated Year End

C15: Enhance evidence, guidance and pre-application advice to improve the quality of submissions for planning permissions and permit/licence applications	Green	Amber	Amber
Pathway to Green for some deliverables will not be achieved until 2026/27: We have maintained our service levels for determining marine renewable permit applications at 95%, with this element of our work rated as Green. Good progress has been made in a number of high priority evidence needs. However, less than 40% of high priority guidance will be progressed by the end of Q4 due to capacity constraints. Appointment of a Guidance Co-ordinator and a scaled-up delivery programme for 26/27 will accelerate progress.			
WBO3: Pollution is Minimised			
C18: Undertake farm inspections under Agriculture Pollution Regulations, in line with the enforcement sanctions policy to reduce pollution	Amber	Amber	Red
Pathway to Green is not achievable in 2025/26: 98 compliance visits have been delivered during the quarter against a quarterly target of 165. A critical factor in meeting our delivery target is the continued scale of non-compliance with Agricultural Pollution Regulations on farms: this remains at around 50% of all inspections. Two years of compliance inspections has identified over 400 farms with non-compliance and requires officers to follow-up and reinspect to maintain progress. We need to consider a revised target for 2026/27, which will need agreement from Welsh Government as part of an updated Service Level Agreement.			
C21: Provide challenge and advice to water companies to ensure their investment programmes reduce the risks and impacts of their operations on the environment	Amber	Amber	Amber
Pathway to Green for some deliverables has been deferred to 2026/27: We have submitted three advice reports to Welsh Government on the water company Statement of Response public consultations for DCWW (Dwr Cymru Welsh Water), HD (Hafren Dyfrdwy) and Albion Eco's drought plans, and have also provided advice on further actions for the finalised plans. We have worked with DCWW and HD to improve tracking AMP8 (Asset Management Period 8). Preparatory work for PR29 (Periodic Review 29) has started, but we have not yet established priorities. The Operator Self Monitoring audit will not be undertaken this year; instead, delivery planning for a full audit programme in 2026/27 is underway. Recruitment to a full team of 10 officers will be completed by the end of Q4, improving delivery capacity.			
Commitment	Q2 actual	Q3 actual	Anticipated Year End

C23: Embed changes to incident management approach and ways of working to enable a prioritised response to incidents focussing resource to those which cause the most harm	Amber	Amber	Amber
<p>Pathway to Green is not achievable in 25/26: much of this commitment is medium / longer term, and will take time to embed across the whole organisation. We have been strengthening our understanding of low/no-impact incident demand. Most attended incidents (58%) show no impact, are unsubstantiated, or fall outside our remit. So, we are shifting towards more planned regulatory work and embedding this approach consistently across the organisation. It will take time to become fully established and work will continue into 26/27. Meanwhile, our review / response to high importance incidents remains consistently above our agreed service level (95%) at 96%. We also continue to work towards completing all incident reports within 30 days: backlogs, capacity pressures and WIRS (Wales Incident Reporting Scheme) competencies are not consistent across all teams and competing priorities can limit closure activity. Again, this work is moving in the right direction, but will take time to complete. Our pathway to Green is to continue embedding our new approach to low impact incidents and records completion work into 26/27.</p>			
C24: Enhance our understanding of the drivers of pollution incidents across Wales to inform the actions needed to minimise pollution and ensure our incident response is targeted and effective in support of that aim	Amber	Amber	Amber
<p>Pathway to Green for some deliverables will not be achieved until 2026/27: We have completed a draft analysis report, improving our understanding of the scale and distribution of incident types across Wales. Standard Operating Procedures (SOPs) have been published, but the more complex functional SOPs require additional specialist input and testing. Specific pilots (e.g., septic tanks/small discharges first, then misconnections, agricultural and water-industry incident types) has started but this work will continue into 26/27.</p>			
C26: Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping	Green	Amber	Amber
<p>Pathway to Green for some deliverables will not be achieved until Q1 2026/27: Three Regional Partnership Groups have been established across Wales (SE, SW and North) and our evidence and evaluation capability has strengthened. However, the updated Fly tipping protocol has been delayed due to internal capacity constraints. Internal engagement has started, and needs to be completed before engaging with external partners. We are unlikely to have a version ready by the end of Q4 and this element of our work will continue into 26/27.</p>			

Internal performance report

8. For Q3 there are no Red, one Amber and seven Green items. Table 2 shows those commitments at Red or Amber at Q3 and the anticipated year-end position as well as Pathways to Green. More detail can be found in Annex 2.
9. Table 2: Red / Amber Internal performance reporting at Q3

Internal measure	Q2 actual	Q3 actual	Anticipated Year End
Sgwrs in place (HR)	Red	Amber	Amber
Pathway to Green Collective action is being taken by staff and managers across our organisation to work with and ensure all staff have Sgwrs (an individual member of staff's work and development plan) in place.			

Service Metrics

10. Inclusion of the Service Metrics is new this quarter and will continue to evolve in Q4. The RAG rating definition varies across each Service and differs from the approach used for the Business Plan Commitments. We will move to a standardised approach in 2026/27.
11. All regimes within the permitting service are showing an improvement in the length of the queues. However 6 of the 7 regimes are reporting red or amber in Q3. Pathway to green actions have been introduced but we are unlikely to achieve green by Q4. Greater use of consultant support, cross-team assistance, targetted overtime and priority recruitment are strengthening the resilience of the teams and this will result in continued performance improvements in the new financial year.

Risks, Risk Appetite and opportunities

12. We have summarised the key risk themes identified in the returns from Leadership Team Reporters:
- **People Resources Pressures** remain the most widespread risk noted within returns, with vacancies, diverted staff and slow onboarding affecting delivery across several commitments (C2, C11, C13, C15, C18, C21).
 - Some of the **People Resources Pressures** highlighted are linked to teams diverting resource to deal with reactive casework and incident-related workloads (C2, C24).
 - Some commitments returns have included resource pressures linked to the long-term or complex delivery requirements of their key deliverables such as multi-year asset analysis (C11) and the 7-year telemetry replacement project (C13) which has a resource issue linked to a dependency (DDAT resource).

Next Steps

13. Leadership Team with the ET Well-being Objective Leads will continue to monitor the planned Pathways to Green, .

Recommendations

14. The Board is asked to Approve Quarterly Report, Internal Performance report, Service Metrics and note Risks.

Index of Annexes

Annex 1 – Performance table and charts for Business Plan dashboard

Annex 2 – Internal Performance Report

Annex 3 – Service Metrics Detail

Approval / Consultation process

• Responsible	Sarah Williams (Head of Corporate Strategy and PMO) and Prys Davies (Executive Director Strategy, Policy and Evidence)
• Accountable	NRW Board
• Consulted	Leadership Team (Commitment Owners) / Executive Team
• Informed	Leadership Team / Executive Team / NRW Board

Annex 1 - Performance table and charts for Business Plan dashboard

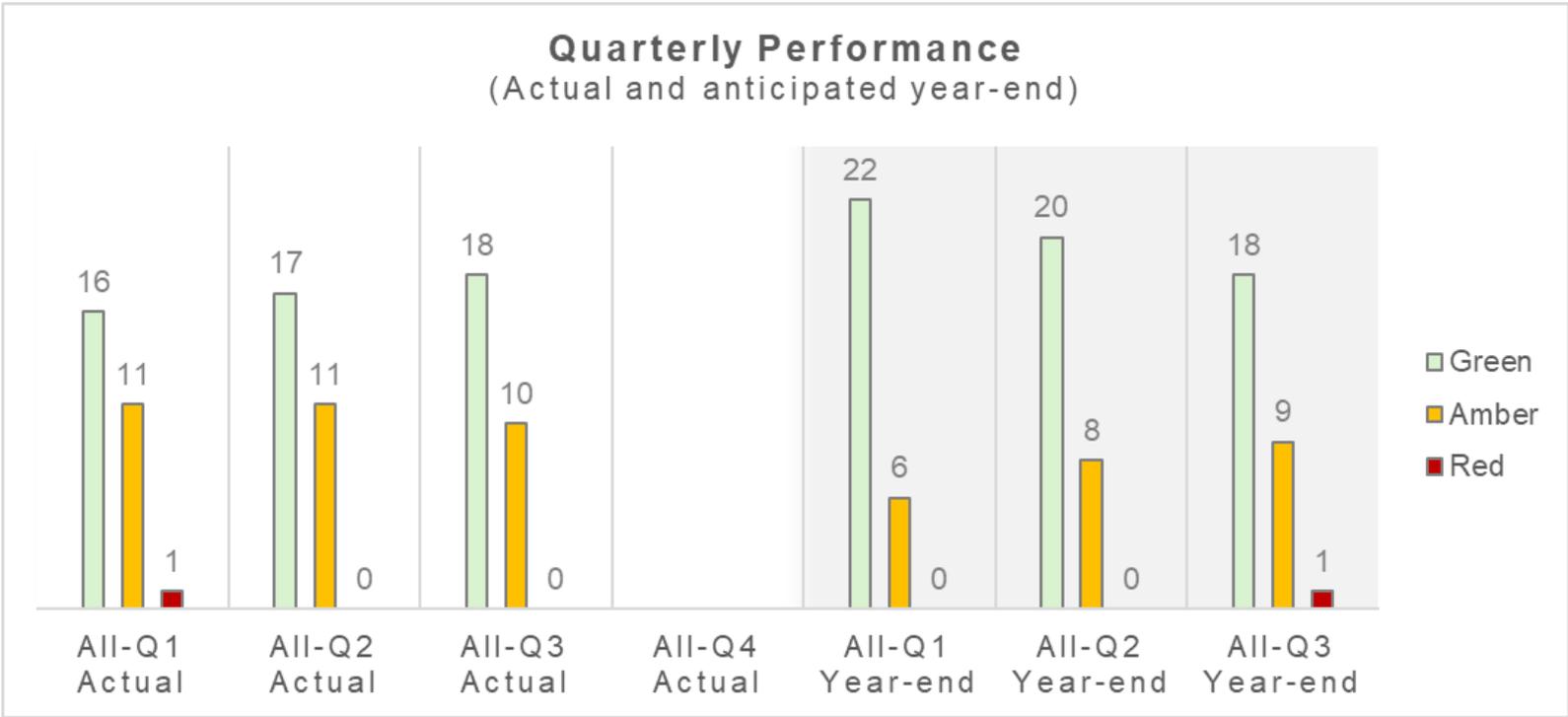
Table 1: Overall dashboard for 2025/26 Business Plan – Actual Reported Position

	2025/26 Business Plan commitment:	2025/26			
		Q1	Q2	Q3	Anticipated Year end
WBO1: Nature is recovering	C1: Implement priorities in the NRW Nature Networks programme to maintain and improve the effective management of protected sites	Red	Green	Green	Green
	C2: Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target	Amber	Amber	Amber	Amber
	C3: Review the Natur am Byth partnership programme's 4-year delivery plan to evaluate, and as appropriate, refine, action for species most at risk of extinction in the final two years of programme	Green	Green	Green	Green
	C4: Communicate and build understanding of the condition of the Marine Protected Area Network to inform targeted action and improvements	Amber	Green	Green	Green
	C5: Integrate nature recovery evidence into the proposed new National Park process and management of existing AONBs and National Parks to improve decision making for nature	Green	Green	Green	Green
	C6: Develop the capacity and capability within NRW to ensure the successful implementation of the Sustainable Farming Scheme, delivering multiple benefits and opportunities for nature and people	Amber	Amber	Green	Green
	C7: Implementing No Mow May, piloting new approaches to working with nature on the land and assets that we manage, identifying prioritised recommendations	Green	Green	Green	Green
Cross cutting	C27: Advocate and support the use of the latest climate, nature and pollution evidence (including the interim SoNaRR Report 2025) in decision making amongst our public and third sector partners to facilitate a collaborative approach to delivery.	Green	Green	Green	Green
	C28: Increased awareness and understanding of opportunities to drive action for nature, climate and pollution minimisation via our suppliers and partners delivered through our Procurement and Contracts Strategy	Green	Green	Green	Green
WBO2: Communities are resilient to climate change	C8: Invest in capacity building to enable delivery in 2025-26 and future expansion of the National Peatland Action Programme	Green	Green	Green	Green
	C9: Strengthen capacity and evidence informing spatial prioritisation to enable effective future restoration within marine and coastal habitats	Green	Green	Green	Green
	C10: Develop an integrated catchment approach in the Taff using the 'Taff Catchment Strategic Flood Management Plan' to facilitate collaborative action to support communities at risk of flooding	Green	Green	Green	Green
	C11: Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based	Amber	Amber	Amber	Amber
	C12: Deliver capital projects and sustain levels of protection for properties to reduce flood risk	Green	Green	Green	Green
	C13: Improve the Flood Warning Service and Telemetry System to deliver efficiencies and maintain continuity of service to customers	Amber	Amber	Amber	Amber
	C14: Development of advice, guidance and tools on low carbon techniques and infrastructure, including Carbon Capture and Hydrogen, to improve the quality of applications submitted by industry and reduce the length of time to determine individual permit applications	Amber	Amber	Amber	Amber
	C15: Enhance evidence, guidance and pre-application advice to improve the quality of submissions for planning permissions and permit/licence applications	Green	Green	Amber	Amber
	C16: Prioritise actions with the greatest cost benefit on carbon dioxide equivalent (CO ₂ e)/ greenhouse gases (GHGs) to deliver our annual prioritisation within the Net Zero Plan	Green	Amber	Green	Green
C17: Implement prioritised actions in the NRW Net Zero Delivery Plan 2025-30 (relating to scope 3 emissions in our supply chain)	Green	Green	Green	Green	

	2025/26 Business Plan commitment:	2025/26			
		Q1	Q2	Q3	Anticipated Year end
WBO3: Pollution is minimised	C18: Undertake farm inspections under Agriculture Pollution Regulations, in line with the enforcement sanctions policy to reduce pollution	Amber	Amber	Amber	Red
	C19: Undertake compliance visits at prioritised regulated sites to reduce pollution	Green	Green	Green	Green
	C20: Implement targeted regulatory activities for key business sectors and waste service providers to improve compliance with the Workplace Recycling Regulations	Green	Green	Green	Green
	C21: Provide challenge and advice to water companies to ensure their investment programmes reduce the risks and impacts of their operations on the environment	Amber	Amber	Amber	Amber
	C22: Set the ambition for water quality improvements at a catchment scale to build collaboration and deliver prioritised action	Amber	Amber	Green	Green
	C23: Embed changes to incident management approach and ways of working to enable a prioritised response to incidents focussing resource to those which cause the most harm	Amber	Amber	Amber	Amber
	C24: Enhance our understanding of the drivers of pollution incidents across Wales to inform the actions needed to minimise pollution and ensure our incident response is targeted and effective in support of that aim	Amber	Amber	Amber	Amber
	C25: Undertake investigation and enforcement action to minimise environmental harm	Green	Green	Green	Green
	C26: Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping	Green	Green	Amber	Amber

Key: Green = achieved; Amber = partially achieved; Red = missed

Chart 1: Actual reported position for each quarter (along with anticipated year end position from each quarter)



Annex 2 – Internal Performance Report

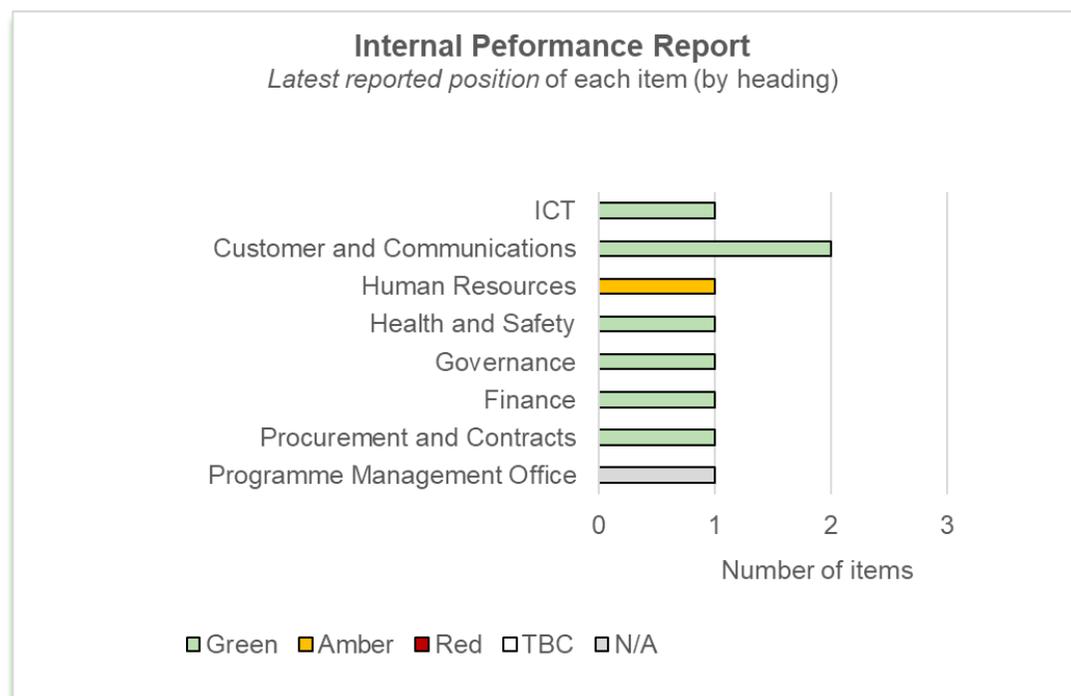
The following pages provide the performance snapshot at the end of quarter three in relation to key measures relating to the 'health' of our organisation.

Summary

The performance position* (at the end of quarter three, December 2025) for the measures covered by this report is:

- Seven green
- One amber
- None red
- One grey

(see next page for detail)



* Key: Green - achieved; Amber – partially achieved; Red – missed; Grey – N/A (Not applicable)

Amber or Red

(or measure has become Green in this quarterly report having been Amber or Red last quarter)

Human Resources:

- **Sgwr's in place** (staff priorities and development agreement) remains Amber at the end of the quarter, at 64%. This has been discussed at Executive Team. Collective action is being taken by staff and managers across our organisation to address this. Amber is anticipated by the end of 2025/26

Health and Safety:

- **Health & Safety Near Miss reporting** is now Green with 17 near miss reports for December, which is an increase from December last year. Last quarter this item was Red. Green remains anticipated by the end of 2025/26 (i.e. more than 25 near miss reports anticipated in March 2026)

* Key: Green - achieved; Amber – partially achieved; Red – missed; Grey – N/A (Not applicable)

Green

(measures not Amber or Red in the last quarterly report)

ICT:

- **Information Commissioner's Office (ICO) reported incidents** is Green at the end of the quarter with no investigations ongoing and none requiring ICO reporting during the quarter.

Customer and Communications:

- **Access to Information requests** responded to within 20 days remains Green at the end of the quarter at 91%.
- **Complaints** responded to within service level is Green at the end of the quarter at 95%.

Governance:

- **Declarations of Interest** (where people working for us declare when their official and/or private interests may be perceived to conflict with NRW's work) is Green at 94% at the end of the quarter.

Finance:

- **Payments performance** to our suppliers remains Green at the end of the quarter at 98%.

Procurement and Contracts:

- **Retrospective orders** Green at the end of the quarter with 6% of purchase orders being retrospective.

Programme Management Office:

- **Programmes and Projects Management** is Grey, as this item does not report a performance status as it is focussed on risk to delivery. Last reported at the end of September, there remain no (zero) high-rated risks or critical issues across the portfolio.

* Key: Green - achieved; Amber – partially achieved; Red – missed; Grey – N/A (Not applicable)

Annex 3 – Service Metrics Detail

2025/26 Quarter 3

Performance of NRW Services

This section sets out the metrics demonstrating the performance of:

- Development Planning Advice Service (DPAS)
- Permitting Service
- Regulatory Enforcement Service

Development Planning Advice Service¹

Key messages

The land use planning system is a key strategic delivery mechanism for managing the environment and natural resources sustainably. We are a specialist or statutory consultee in the development management process. This means that applicants, and authorities determining planning applications, should consult us on proposed schemes, which meet one or more of the criteria for where we are identified as a specialist or statutory consultee. When consulted we are required to provide a substantive response within prescribed statutory timescales.

In Quarter **two** we

- **responded to 100%** of all formal consultations related to **Developments of National Significance and Nationally Significant Infrastructure Projects** within required timeframes, these include major renewable energy schemes.
- **responded to 100%** of Town & Country Planning act “**major**” **statutory preapplication** consultations from developers within the required timeframes.
- **responded to 99%** of the Town & Country Planning Act “**major**” **consultations** from Planning Authorities within required timeframes. These include large housing schemes.
- **Responded to 99%** of Town & Country Planning Act “**minor**” planning consultations from Planning Authorities within the required timeframes.

In order to meet the statutory timescales we often rely on agreeing extensions to deadline.

¹ data relates to quarter two 2025/26

		Quarter 2 2025/26				Quarter 1 2025/26			
	Default statutory timeframes to respond, unless extension agreed with customer	Numbers received during the quarter	Numbers responded to in the quarter	Number late (outside of default/agreed extension)	% compliance	Number received	Number responded to	Number late (outside of default/agreed extension)	% compliance
Town & Country Planning Act (TCPA) Minor Applications	21	1431	1426	16	99%	1414	1390	20	99%
Town & Country Planning Act (TCPA) "Major" Statutory Pre-applications	28	80	72	0	100%	72	80	6	92%
Town & Country Planning Act (TCPA) Major	21	302	307	4	99%	347	356	6	98%
Wales Infrastructure Consent (WIC): Statutory request for Pre-application service	29	Reporting starts Quarter 3							
Development of National significance (DNS)/ Wales Infrastructure Consent Formal (WIC) Statutory pre-application	42	8	5	0	100%	9	13	0	100%
Development of National significance (DNS)/	35	22	15	0	100%	21	23	0	100%

		Quarter 2 2025/26				Quarter 1 2025/26			
	Default statutory timeframes to respond, unless extension agreed with customer	Numbers received during the quarter	Numbers responded to in the quarter	Number late (outside of default/agreed extension)	% compliance	Number received	Number responded to	Number late (outside of default/agreed extension)	% compliance
Wales Infrastructure Consent (WIC)									
Nationally Significant Infrastructure Projects (NSIP)	42	12	7	0	100%	7	4	0	100%
Local Development Plan	varies	12	13	0	100%	9	12	0	100%

To note: this data is only indicative at this point in time. The data requires assurance through the DPAS governance. Data related to Marine Case Management is excluded will be integrated into future reporting.

NRW is required to produce an Annual Report on its Planning performance to Welsh Ministers by 1 July. In order to mirror this reporting cycle and to allow for adequate assurance time (it is a large data set) the intent would be to report in year performance to Sponsorship one quarter in arrears – Q3 report would include Q2 data.

The number received in a Q differs from the number responded as consultations span periods. Numbers reflect consultations received as there can be multiple consultations on the same application.

The Wales Infrastructure Consent regime goes live 15 Dec 2025.

Permitting Service

Key messages

In quarter three we:

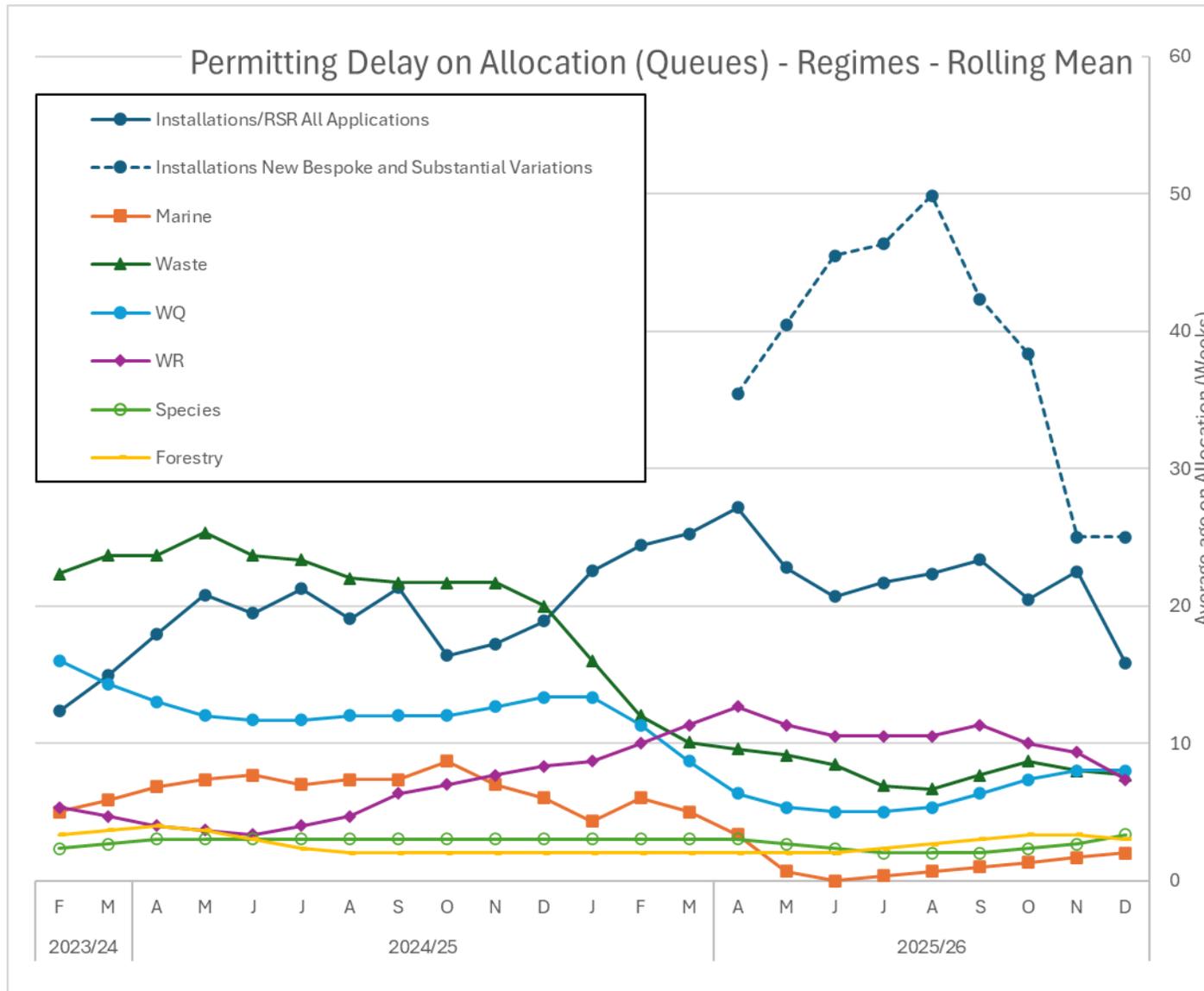
- **Maintained high performance** for marine, species and forestry permit applications compared to statutory timescales/ agreed level of service. Waste applications are also maintained in amber with short allocation times. In these regimes, there are increasing performance pressures resulting from new vacancies and recruitment.
- **Installations/RSR applications** has show a significant improvement with the length of the queue falling from 12-15 months to 9 months now. Although this is outside our level of service and the service is reporting Amber in Quarter 3, we've take a number of actions to secure a pathway to green - use of consultant support, cross-team assistance, targeted overtime and priority recruitment – however we will continue to report Amber in Q4.
- **Water Resources performance has moved to amber from red last quarter** showing a general improvement with queue times reducing to under eight weeks. Full recovery will be dependent on our ability to respond to forecast increased work demand from ongoing permit renewals and Water Company (National Environment Plan) improvement programme. Between 2023 and 2025 130 time-limited abstraction licences came up for renewal. This planned renewal allows new evidence on environmental sensitivity to be considered. The pathway to green includes on-going recruitment to vacancies and developing new staff recruits so they can operate at full capacity, alongside securing additional support from other permitting teams and limited use of overtime to address peak workload. With these interventions we anticipate the queues will have recovered by the end of this financial year.
- **Water Quality performance has moved from green to red this quarter**, due to a large number of planned water company applications that required a policy steer before finalising the determination. The customers were aware of the position. The policy steer has now been received and the permits have been determined. We anticipate an improvement in performance in Q4 and beyond but there are risks that we are actively managing as a result of late-programme surge in AMP8 applications from the water companies. Detailed workload planning is underway to mitigate this risk.

- **all permitting regimes are showing improvements, with a decline in the length of the queue**, with the most marked reduction in new bespoke installations and installations with substantial variations, where industries are implementing decarbonisation initiatives.

Regime	Permit Determination ²			Year to Date
	Quarter 3	Quarter 2	Quarter 1	
Waste	71% (amber)	74% (amber)	77% (amber)	74%
Installations/RSR	29% (red)	79% (amber)	60% (red)	57%
Water Quality	50% (red)	100% (green)	84% (amber)	69%
Water Resources	68% (amber)	33% (red)	57% (red)	48%
Marine	100% (green)	100% (green)	100% (green)	100%
Species	94% (amber)	95% (green)	96% (green)	95%
Forestry	92% (amber)	98% (green)	94% (amber)	95%
Overall	84% (numerical mean)	88% (numerical mean)	91% (numerical mean)	87%

Red = 0-60%; Amber = 61-94% ; Green = 95-100%

² We have statutory timescales for many of the permit types, where these don't exist we have agreed service levels. This information is in the public domain. "95% of applications are determined within statutory timescales or agreed service levels"



Regulatory Enforcement Service

Key messages:

NRW regulate a range of activities and apply a suite of enforcement responses for non-compliant or illegal activities to protect the environment, prevent pollution and ensure those we regulate prioritise environmental responsibilities. We undertake enforcement, to ensure that offences are dealt with consistently in a firm, fair and proportionate manner, with a focus on preventing and deterring further harm to the environment. We adopt a risk-based approach to enforcement, acting where there is evidence of an environmental offence and where there is public interest.

Key Messages Year to date (2025):

- Up to 6th October 2025, our enforcement activity in 2025 resulted in 846 enforcement cases, covering 1,263 separate breaches. We expect the number of cases to increase by the end of 2025, compared to the current year to date figure.
- While our enforcement effort this year is in line with previous years, the reduction between 2024 and 2025 is attributed to a change in the way we record advice and guidance issued in our inspections programme under the Water Resources (Control of Agricultural Pollution) Regulations 2021.
- We use the full range of enforcement and sanctioning tools available to us, in combination, to achieve the best outcomes. The choice of tool used is dependent on the severity and nature of the offence, the willingness of the offender to comply with regulatory requirements, the evidential threshold and public interest factors. While serious breaches may warrant prosecution, our primary objective is to protect the environment by driving long-term compliance with environmental regulations.
- As of 6th October 2025, NRW has almost 400 cases remaining open and under investigation. This is due to the nature of our investigative and enforcement work, given the time it can take to investigate an incident, identify potential offenders, obtain legal opinion, and update our systems on progress and enforcement outcomes. In addition, a number of cases are being investigated post-conviction under the Proceeds of Crime Act 2002.

Year	Total Cases	Total Offences	Offenders	Companies	Individuals
2021	871	1,277	922	336	586
2022	891	1,244	944	315	629
2023	871	1,371	873	330	543
2024	1,365	2,435	1,268	632	636
2025 (YTD)	846	1,263	826	385	441
Total	4,844	7,590	4,833	1,998	2,835

Enforcement output	2021	2022	2023	2024	2025 ***
Under investigation	42	77	194	281	399
No further action	99	60	72	32	32
Advice & guidance *	386	314	448	1,403	352
Warning letters *	525	509	435	480	334
Notices	85	82	48	64	35

Enforcement output	2021	2022	2023	2024	2025 ***
Fixed Penalty Notice	1	3	3		3
Permit revocation	2	2			3
Civil Sanctions **	17	6	1	7	8
Formal caution	40	34	26	36	28
Insufficient evidence		5	1	3	2
Prosecutions					
• Cases	33	62	87	81	50
• Charges	77	147	139	118	63
• Unsuccessful	3	16	13	7	
• Total fines	£342,594	£603,856	£716,820	£151,782	£403,423
• Costs awarded	£178,901	£144,450	£113,892	£95,542	£143,925

*This refers to advice and guidance or warning letters issued as an enforcement action. It therefore does not include informal advice, or advice, guidance or warnings that we issue during a compliance and monitoring activity

**NRW has a limited range of civil sanctions available currently