

Agenda

Title of meeting:	NRW Board Public Meeting
Date of meeting:	Thursday 27th November 2025
Time of meeting:	13:00 – 16:00

Time	Item
13:00 (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
13:05 (5 mins)	Item 2. Review Minutes and Action Log 2A. Review Minutes from Public 9th October Meeting 2B. Review Public Action Log Sponsor and Presenter: Neil Sachdev (Chair) Summary: To APPROVE the minutes of the previous meeting and the Action Log
13:10 (10 mins)	Item 3. Update from the Chair Sponsor and Presenter: Neil Sachdev (Chair) Summary: To NOTE the Chair's update to the Board
13:20 (10 mins)	Item 4. Report from the Chief Executive Sponsor and Presenter: Ceri Davies, Interim Chief Executive Summary: To NOTE the current position and update the Board on key activities

Paper Ref: 25-11-B08

**13:30
(20 mins)**

Item 5. Update Reports of Committees and Forums

Sponsors and Presenters: Committee Chairs

- Audit and Risk Assurance Committee – 17th October (ARA)

Paper Ref: 25-11-B09

- Evidence Advisory Committee – 16th October

Paper Ref: 25-11-B10

- Finance Committee – 6th November

Paper Ref: 25-11-B11

- Protected Areas Committee – 15th October

Paper Ref: 25-11-B12

- Wales Land Management Forum
- Wales Fisheries Forum
- Wales Water Management Forum – 13th November (Verbal)
- National Access Forum for Wales – 5th November

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

**13:50
(20 mins)**

Item 6. Finance Performance Report

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

Presenter: Mark Collins, Business Finance Team 2 Manager

Summary: To APPROVE the latest financial position

Paper Ref: 25-11-B13

**14:10
(15 mins)**

Break

**14:25
(50 mins)**

Item 7. Business Plan Performance Dashboard Quarterly Update Q2

Sponsor: Ceri Davies, Interim Chief Executive

Presenter: WBO leads; Sarah Williams, Head of Corporate Strategy and Programme Management Office; Sue Ginley, Lead Specialist Advisor, Corporate Planning and Performance

Summary: To SCRUTINISE the Quarter 2 report

Paper Ref: 25-11-B14

15:15
(5 mins)

Item 8. AOB

15:20
(10 mins)

Item 9. How did we do in this meeting?

Sponsor: Neil Sachdev, Chair

Summary: Review of the meeting

15:30

Close Meeting

15:40
(20 mins)

Public Q&A

16:00

Close Public Meeting

Unconfirmed Minutes

Title of meeting:	NRW Board Meeting
Location:	Cardiff and Teams
Date of meeting:	8 October 2025
Members present:	Prof Steve Ormerod, Deputy Chair Ceri Davies, Interim Chief Executive Karen Balmer (13:30-15:30) Dr Hushneara Begum Dr Rebecca Colley-Jones Dr Pete Fox Dr Calvin Jones Lesley Jones Prof Rhys Jones Mark McKenna Helen Pittaway Adam Taylor
Executive Team Members Present	Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Rachael Cunningham, Executive Director of Finance and Corporate Services Gareth O'Shea, Executive Director of Operations Dominic Driver, Acting Executive Director of Evidence, Policy and Permitting
Attendees present:	Phil Williams, Head of Governance and Board Secretary (All items) Meinir Wigley, Head of Communications and Digital Transformation (All items) Rob Bell, Head of Finance – Item 6 Sue Ginley, Lead Specialist Advisor, Corporate Planning and Performance – Item 7 James Cornelius, Senior Specialist Advisor, Corporate Planning and Performance – Item 7 Mark Jones, Specialist Advisor, Corporate Planning and Performance – Item 7

	Elaine Barker, Advisor, Corporate Planning and Performance – Item 7 David Letellier, Head of South Central Wales Operations – Item 8 Andy Robinson, Team Leader, People and Places, South Central – Item 8
NRW Observers present:	None
Public Observers present:	Kim Waters
Apologies:	Sir David Henshaw, Chair Karen Balmer (15:30-16:30)
Secretariat:	Natalie Williams, Deputy Board Secretary and Board Secretariat Team Leader Rhiannon Spencer, Board Secretariat Team Deb Lee, Board Secretariat Team Sian Johnston, Board Secretariat Team

Item 1. Open Meeting

Sponsor and Presenter: Prof Steve Ormerod, Deputy Chair

1. The Deputy Chair opened the meeting and explained the conduct of the meeting. There were no declarations of interest to note and apologies were noted as above.

Item 2. Review Minutes

Sponsor and Presenter: Prof Steve Ormerod, Deputy Chair

Item 2A. Review Minutes from the 16th July Meeting

2. The minutes from the public Board meeting on 16th July were reviewed and agreed with amendments.

Item 3. Update from the Chair

Sponsor and Presenter: Prof Steve Ormerod, Deputy Chair

3. There were no recent updates, the Deputy Chair noted that the Board had provided a presentation in the private meeting and had thanked the Chair for his leadership and contributions over the previous seven years. The Deputy First Minister had also attended this morning's meeting.

Item 4. Report from the Chief Executive

Sponsor and Presenter: Ceri Davies, Interim Chief Executive

4. The Interim Chief Executive provided an update on items in addition to the written Report. The Board were reminded of the by-election in Caerphilly, and that as NRW were a non-political organisation, rules had to be abided by in the pre-election period. The pre-election period for the Senedd election would begin on 8th April 2026. Staff had been provided with guidance on how to work during this period, which included not making major policy decisions or announcements whilst ensuring that they abided by their statutory duties.
5. The decision on the proposed National Park would be made by Board in a public meeting in January. The next State of Natural Resources Report (SoNaRR) would be produced by the end of December and published in January. ITV Wales news had produced a piece on the wider performance of NRW but with a focus on water quality. The Interim Chief Executive expressed disappointment with the balance of the coverage but noted that constructive discussions had since taken place with ITV Wales news to improve future collaboration and transparency.
6. The Stephenson Street Flood Scheme had been launched, the biggest one delivered yet which would protect 2000 businesses and homes in Newport. The 'Be flood ready' campaign had also been launched. NRW were urging the public to look at the guidance and sign up to the Flood Warning Information System. The Interim Chief Executive had also attended a Welsh Government Local Association meeting with the Executive Director of Operations. It was noted how much the relationship had improved by NRW and Councillor Andrew Morgan, leader of Rhondda Cynon Taf (RCT) Council.
7. The Deputy Chair welcomed the Stephenson Street project and invited discussion from the Board. In response to a query on the ecological resilience networks in Gwent, it was confirmed that the Gwent Programme was unique due to the strategic Public Services Board structure, but lessons were being shared across Wales.
8. Clarification was sought on the Timber Industrial Strategy and NRW's Commercial Strategy. It was noted that the Timber Strategy was launched by Welsh Government, with NRW contributing significantly. NRW's Commercial Strategy was in pre-engagement phase, with stakeholder consultation ongoing.
9. A discussion took place regarding waste permitting and regulatory responsibilities. It was clarified that NRW's permits covered site activities, but broader waste management was governed by duty of care and other legislation. NRW retained oversight of waste disposal routes and had the authority to revoke permits where sites were deemed unfit for purpose.
10. Visitor centre operations were discussed, particularly the transition to community-led management at Ynys Las. It was noted that complaints had significantly reduced and that marketing plans for Coed y Brenin and Bwlch Nant yr Arian were being finalised, with expressions of interest being sought in November. A detailed report could be provided on the complaints if desired.
11. Questions were raised about NRW's use of artificial intelligence (AI), including governance, sustainability impacts, and carbon footprint. It was confirmed that

Copilot was the primary AI tool in use, with other platforms restricted. NRW was taking a cautious approach due to environmental concerns and was gathering evidence and liaising with similar organisations to inform future use.

12. The Quarter 1 Customer Hub Report was commended, and although further information was requested, its use to the Board was questioned. The Report was scrutinised by the Executive Team (ET) and would continue to evolve.
13. The Acting Executive Director of Evidence, Policy and Permitting (EPP) added an update not included in the Chief Executive's Report. The Incident Preparedness Assessment had been completed; this was an annual exercise which informed the Minister's Winter Statement. ET had agreed to have an annual strategic forward looking discussion on the Assessment from 2026. Two Strategic Risks were tied to the Assessment, and the Board would be able to provide scrutiny via this route. NRW were reasonably well prepared and good progress had been made including training for Duty Tactical Managers.

Item 5. Update Reports of Committees and Forums

Sponsors and Presenters: Committee Chairs

14. Helen Pittaway, Chair of the Finance Committee (FC) provided an update from the meeting held on 10th September. Discussions were summarised on financial performance, budget planning, and risk-based contract management. The charges consultation had been noted, and the governance route had been changed so that the consultation would only be brought to Board if there was a high-level reputational risk.
15. Prof. Steve Ormerod, Chair of the Evidence Advisory Committee (EAC) noted that the next meeting would take place on 16th October, with the main item being SoNaRR. The Board were informed that Dr Michael Gerardo had been appointed Head of Knowledge and Evidence.
16. Karen Balmer, Chair of the Audit and Risk Assurance Committee (ARAC) provided an update on the meeting held on 11th September. There was a slight delay with the signing of the Annual Report and Accounts and it would be reviewed on the 17th October ARAC meeting. Positive feedback had been received from Audit Wales on the good working relationship with the Finance team.
17. The publication of an Audit Wales Report into NRW's designation approach to Sites of Special Scientific Interest (SSSIs) was delayed, and this would be discussed in the December meeting. An unsatisfactory internal audit report on the use of NRW vehicles was noted, and a deep dive was scheduled for ARAC's December meeting. Members of the Protected Areas Committee (PrAC) would be invited to the SSSI discussion and members of the People and Customer Committee (PCC) would be invited to the internal audit report discussion.
18. Dr Pete Fox, Chair of the Flood Risk Management Committee (FRMC) updated the Board on the joint FRMC and Land Estate Committee (LEC) meeting held on 2nd

October. He reported on Capital Programme progress and concerns regarding delays in the Telemetry Improvement Project. Assurance was provided that operational telemetry would be maintained throughout winter.

19. Dr Calvin Jones, Chair of LEC, also updated the Board on the joint FRMC and LEC meeting. He reported on the Commercial Strategy and peatland restoration. The Committee discussed potential green finance opportunities and agreed to hold another joint meeting with FRMC in July 2026. The Board queried when they would discuss green finance, and an update on NRW's work to date in this area was provided.

20. Mark McKenna, Chair of the People and Customer Committee (PCC) provided an update on the meeting held on 25th September in person. A site visit was held in Waterfall country, with the local team outlining the challenges. Discussions were summarised on recruitment, Wellbeing, Health and Safety (WHS), and customer hub data. Improvements in recruitment systems and data availability were noted.

21. PCC had endorsed the WHS Report and the Modern Slavery Statement and approval was now sought from the Board. The number of injuries to staff had increased in Q1 and this was queried. The Executive Director of Corporate Strategy and Development (CS&D) would follow this up with the WHS Manager and respond outside of the meeting.

ACTION: The Executive Director of Corporate Strategy and Development (CS&D) to follow the increase in injuries to staff in Q1 up with the WHS Manager and respond to Dr Rebecca Colley-Jones outside of the meeting.

22. The Board approved the Modern Slavery Statement, subject to minor wording amendments to clarify NRW's preventative approach. A deeper review of supply chain risks would be undertaken and the Board would be kept updated. A discussion could also be held at PCC to follow up on actions that were being undertaken such as awareness training of modern slavery. It was also suggested that PCC could approve the Statement in future, and the governance would be reviewed.

ACTION: The Governance and Risk Manager to review the PCC Terms of Reference, to include approval of the Modern Slavery Statement.

DECISION: The Board approved the WHS Q1 Report.

DECISION: The Board approved the Modern Slavery Statement 2025-26.

23. Prof Rhys Jones, Chair of the Wales Land Management Forum (WLMF) provided an update on the meeting held on 15th September in person with a forestry themed meeting. Naomi Matthiessen, Welsh Government (WG), had attended and had provided an update including the tree and woodland elements of the Sustainable Farming Scheme (SFS). The meeting had been useful and had provided a good discussion on forestry.

24. Prof Steve Ormerod, Chair of the Wales Fisheries Forum (WFF) and the Wales Water Management Forum (WWMF) provided an update on these meetings. The Board took the papers as read.
25. Lesley Jones provided an update on the National Access Forum for Wales and noted that a presentation had been received on the Stephenson Street Flood Scheme and the Dark Skies good practice guidance. The next meeting would be face to face.

Item 6. Finance Performance Report

Presenter: Rob Bell, Head of Finance

26. The Executive Director of F&CS introduced the item. The Head of Finance presented an overview of the latest financial position; approval was sought for the latest forecast change from £299.5m to £303.2m. Additional funding had been provided by WG to invest in Electric Vehicles (EVs) and infrastructure, a bond had also been drawn on due to the operator going into liquidation and the funds were being used to address issues at the Palleg site. There were risks on spend but there was no risk on the additional funding.
27. The vacancy level was at 15%, resulting in savings being generated in staff costs. Recruitment was ongoing, but this was sustainable and was supported by good management information. There were some underspends in Operations and the Flood Risk Programme; the Flood Risk Programme was flagged as an area of potential risk due to the lower levels of over-programming. The timber income forecast had been reduced, and the Head of Finance had discussed with WG that they would supplement as per the agreement. The ring-fenced funding forecast had improved since the previous forecast.
28. Most risks had been mitigated, and there was a key opportunity to use the salary budgets elsewhere. ET and FC had discussed this opportunity, and this would be explored further with WG.
29. The Board discussed the Finance Report and the Chair of FC highlighted that FC had thoroughly discussed the underspend and mitigations. The underspend in NRW2030 was queried, and it was explained that there were plans in place to spend including the customer platform proceeding. The funding being reallocated from staff to non-staff budgets would be on a non-recurring basis for this financial year, and a discussion would be needed if this were to happen for the next financial year. The Board approved the latest financial position.

DECISION: The Board approved the latest financial position, including the changes to the latest forecast from £299.5m to £303.2m.

Item 7. Business Plan Performance Dashboard Q1 Report

Presenters: Executive Team

Attendees: Sarah Williams, Head of Corporate Strategy and PMO; Sue Ginley, Lead Specialist Advisor, Corporate Planning and Performance; James Cornelius, Senior Specialist Advisor, Corporate Planning and Performance; Mark Jones, Specialist Advisor, Corporate Planning and Performance; Elaine Barker, Advisor, Corporate Planning and Performance

30. The Interim Chief Executive introduced the item and provided key messages from the Dashboard. Performance had improved, with five of the 12 commitments previously rated Amber at Q4 2024–25 now reporting Green. The single Red commitment had moved to Amber with a clear pathway to Green by year-end. The new e-recruitment system had shortened hiring times and simplified the process. Many internal staff had moved into new roles, and external recruitment was increasing. The Board were assured that recruitment was being managed to avoid overstaffing and ensure financial sustainability over the next three years.
31. The Acting Executive Director of EPP provided an update on commitments under Wellbeing Objective (WBO)1. The Nature Networks Programme received a positive review from the National Heritage Lottery Fund. The integration of nature recovery evidence into National Park planning was progressing well. SoNaRR was on track for publication in December. A new Procurement and Contract Strategy was being developed to support NRW as a nature-positive organisation. The SFS recruitment was improving. The marine protected areas condition reporting was delayed due to resource reallocation but was progressing.
32. The Executive Director of Communications, Customer and Commercial (CCC) provided an update on commitments under WBO2. There had been improvements in the National Peatland Action Programme from Amber to Green, with specific support for new and emerging peatland contractors and an 8-year contractor framework in place to provide stability for smaller contractors. There was progress for guidance for the seagrass network. The pre-application guidance had been enhanced and the Marine Customer Platform for licensing would go live in April 2026. The metrics relating to the Flood Warning Information System and telemetry had moved to Amber, but the challenges still posed a risk.
33. The Executive Director of Operations provided an update on commitments under WBO3. A new officer had been recruited to work on fly-tipping on the Welsh Government Woodland Estate (WGWE). Good progress had been made on the agricultural pollution inspections, with the team now at full capacity. Water quality and compliance work was progressing, with some delays due to recruitment and prioritisation of high-risk sites. The new approach for incident response was being implemented, this was a cultural issue and a six month review was planned.
34. The wording under the measure for pollution incidents was queried, and the new approach to incident response was explained. The Board acknowledged the challenge in the culture change for this but suggested the wording needed to be amended, there was a lack of understanding on NRW's part of the drivers of pollution incidents across Wales.

35. The long-term implications for the slowing down in work for the business plan due to the Case for Change (CfC) was raised. The Board were informed that there was an ongoing piece of work to ascertain where NRW were on the steps to take. Additional resource would be acquired, and the review would also consider what steps to take would be the most impactful. This review would have been completed sooner if it were not for the CfC.
36. Board requested more narrative and impact-focused reporting alongside metrics. Suggestions were made to include qualitative analysis and trend comparisons. An emphasis on distinguishing between activity (outputs) and actual environmental or societal outcomes (impacts) would also be beneficial. Board level Key Performance Indicators (KPIs) were being worked on, but this had also been delayed due to the CfC.
37. The Executive Director of CS&D provided an update on the Internal Performance Report. There was strong performance in customer service, procurement, ICT and Finance, all reporting Green. The declaration of interest compliance was Amber but was improving, with new starters and internal movers were reported as the reason for the Amber. There were two Red measures, the WHS near miss reporting and Sgwrs. The WHS team were working with Operations teams to ensure that reporting was taking place. Staff would be encouraged to use Perform for their Sgwrs. It was hoped that both Red measures would improve to Green by year end.

DECISION: The Board approved the Business Plan 2025-26 Q1 Dashboard and the Internal Performance Report Q1.

Item 8. Place Presentation

Presenter: David Letellier, Head of Operations South Wales Central; Andy Robinson, Team Leader, People and Places, South Central

38. The Executive Director of Operations introduced the item and the Head of Operations and the Team Leader, People and Places, South Central gave a presentation that provided a strategic overview of the South Central Wales area. Despite being NRW's smallest geographical patch, it had the highest population density and had the fastest growth, this presented unique environmental and social challenges.
39. Three key themes of the presentation were outlined, these included, connecting people with nature, working with water and building resilient ecosystems. The focus on stakeholder engagement on PSBs and that PSBs had matured in this area were noted.
40. Work included climate change risk assessments being integrated into PSB agendas to increase NRW's influence. The Urban Rivers approach was outlined and the aim to develop an integrated catchment-wide partnership approach to address complex issues was highlighted. Nature-based solutions were also being explored and collaboration with external partners was emphasised. There was an emphasis on

moving from reactive to preventative approaches, aligned with the Future Generations Commissioner's Framework.

41. The Board welcomed the presentation and the work of the team. A discussion took place around the potential for catchment-based approaches and the sharing of best practices across other regions, which was assured would continue. Consideration should be given around urban nature, green infrastructure and environmental justice to work towards having a holistic approach. Collaborative working with local partners and local authorities would be beneficial.
42. The DFM's position on catchment approaches was noted and NRW would continue to encourage PSBs to see the scale of the issues. NRW's supportive role was emphasised and the importance of joint working to ensure plans were developed.

Item 9. AOB

43. There was no AOB discussed.

Item 10. How did we do in this meeting?

Sponsor and presenter: Steve Ormerod, Deputy Chair

44. The Board appreciated the opportunity to meet and greet staff. The use of Welsh language in the private session as well as the public session was encouraged. In response to a query about equal representation for North and South Wales, the North Wales Place team would present at a future Board meeting. Board made suggestions for future agendas and this would evolve.

Meeting Closed

Public Q&A

45. The Chair introduced the public Q&A session.
46. There had been no questions received by the public prior to or during the meeting.

Public Meeting Closed

Board Meetings										
Action No.	Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
20	Public	08/10/2025	5	21	Committee Chairs	ACTION: The Executive Director of Corporate Strategy and Development (CS&D) to follow the increase in injuries to staff in Q1 up with the WHS Manager and respond to Dr Rebecca Colley-Jones outside of the meeting.	Prys Davies, Executive Director of CS&D	27/11/2025	Completed	Email exchange during the meeting.
21	Public	08/10/2025	5	22	Committee Chairs	ACTION: The Governance and Risk Manager to review the PCC Terms of Reference, to include approval of the Modern Slavery Statement.	Vicky Painter	27/11/2025	Completed	Confirmed that the Act is specific that the approval of the Modern Slavery Statement would sit with the Board.

NRW Board Paper

Date of meeting:	27 November 2025
Title of Paper:	Chief Executive's Report (Public Session)
Paper Reference:	25-11-B08
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. The highlight of the last month has undoubtedly been the success of the 44th Plenary of the Network of the Heads of European Environmental Protection Agencies (EPA Network), held in Cardiff during October. We welcomed over 60 delegates from some 28 European countries for a busy and engaging 2 day conference. The Deputy First Minister welcomed everyone to the event and gave a keynote on the Welsh government priorities and our progressive Welsh legislation. Followed by updates from the European Commission's Director-General for Climate Action and the European Environmental Agency. Discussion sessions ranged from the development and implementation of effective environmental policy and law, to the opportunities presented by artificial intelligence and the use of social media to reach young audiences with environmental and climate messaging. Delegates shared case studies that brought to life the practical challenges of environmental management and regulation. We were delighted to lead a keynote session on industrial legacy, sharing the challenges of regulating our industrial legacy and regeneration in Wales. The two-day plenary concluded with a boat trip on Cardiff Bay and the River Taff and was a great way to showcase the regeneration of rivers, our capital city, Welsh culture and hospitality.
2. Following the plenary meeting, we hosted Leena Ylä-Mononen, Executive Director of the European Environmental Agency, who presented to a group of NRW colleagues, WG officials and representatives from the Joint Nature Conservation Committee and the Future Generation Commissioner's (FGC) office on the State of Nature in Europe, including the key messages and conclusions of Europe's Environment 2025 report. This report, produced every five years, provides environmental decision-makers with a comprehensive assessment on environment, climate and sustainability in Europe. It therefore has many similarities with our own State of Natural Resources Report and the FGC Report for Wales. Good working connections were made to ensure we work

together on the common compelling messages contained in both the European and Welsh reports.

3. In the same week, I attended the Statutory Nature Conservation Bodies autumn gathering in Peterborough. These regular meetings allow me to catch up with peers at Natural England, NatureScot, the Northern Ireland Environment Agency and the Joint Nature Conservation Committee. Our agenda included a discussion of strategic solutions for nature and growth, and reflection on the challenge of diverging legislative and policy frameworks. We enjoyed a site visit to the Chilterns Beechwood Special Area of Conservation and the National Trust's Ashridge Estate, where infrastructure solutions have been developed to allow people to visit while nature and wildlife continue to thrive.
4. With NRW colleagues, I attended a discussion with WG officials regarding the new Self-Assessment Model (SAM) for Wales, which helps us to look at and report our governance, efficacy and accountability in a structured way. The underlying model has been developed by the UK Government and tailored by WG for public bodies in Wales. The initial requirement is the completion of a detailed desk-based questionnaire, which will then be reviewed by our WG colleagues, with follow-up action determined by the assessment findings. Our WG Sponsorship team are providing guidance and a meeting with Jane Richardson, Chief Executive of Amgueddfa Cymru, in November allowed me to understand their experience of SAM Wales and how to maximise our learning from the assessment.
5. During October, I have had meetings with Gail Davies-Walsh of Afonydd Cymru, and with Peter Perry and Roch Cheroux, the outgoing and incoming Chief Executive at Dŵr Cymru Welsh Water (DCWW). Water quality and water company performance remain high-profile with the release this month of our annual reporting on water company environmental performance (more on this below) and our recent annual attendance at Hafren Dyfrdwy and DCWW Board meeting's. I also met Andrew White, Director of Wales at the National Lottery Heritage Fund (NLHF). Andrew provided helpful advice as we prepared to submit a bid for NLHF funding in connection with the Teifi Demonstrator Programme.
6. We progressed the various processes to ensure our Annual Report and Accounts (ARA) could be signed off by Audit Wales and laid before the Senedd in late October. I am grateful for ongoing support from the team at Audit Wales and to all the hard work by Finance and Governance colleagues to produce the ARA and bring it through all the necessary stages of approval.
7. Separately, in early November, I met Audit Wales officers in connection with their audit report on our approach to designating Sites of Special Scientific Interest (SSSIs). Such sites have a central role in Wales's biodiversity strategy and the purpose of the audit was to determine whether we have an effective approach to identifying, prioritising and designating SSSIs, and whether our governance and oversight arrangements support delivery. The review also explored how we balance short-term pressures with long-term environmental outcomes, and how we use our resources to maximise impact. The final report identified a number of significant challenges and constraints and we have welcomed the scrutiny and the recommendations to improve our approach, which we will incorporate into updated working practices and our strategic planning.

8. During October I met with Victoria Bond of the County Landowners Association and in November, at the Royal Welsh Winter Fair, I met John Mercer, Director of National Farmers Union Cymru, and Farming Union of Wales President Ian Rickman. These were timely conversations, following on from discussions at the Royal Welsh Show in July and the publication of WG's Sustainable Farming Scheme (SFS), which will launch on 1 January 2026 and gradually replace the existing Basic Payments Scheme. One significant area of involvement for NRW will be in the development of Designated Site Management Plans where farmland includes or overlaps with a designated site such as an SSSI. We will have a new dedicated team for this work and recruitment is now underway for these roles and others connected with the implementation of the SFS.
9. The Royal Welsh Winter Fair also allowed me to catch up with Steve Griffiths, the Director for Wales at the British Association for Shooting and Conservation, and Elaine Harrison, National Manager for Wales at Confor.
10. The Executive Team and I have shared our new Executive Team structure with colleagues across the organisation. The retirement of Gareth O'Shea, Executive Director for Operations, has also been announced. Our first steps in rolling out the new structure will be recruitment to interim director roles to ensure Gareth can handover and support the changes within the Operations directorate before he leaves us in January. While we are working with affected departments and teams to support the change process and understand where issues might arise, we anticipate that, for most, a change in directorate (and therefore line management and senior leadership) will be the only adjustment needed.
11. The recruitment process is also continuing for the Chief Executive role. The application deadline has now passed and sifting will take place during December.
12. Congratulations to all those involved in our Tranquillity and Place Sound Environment programme, which has been highly commended by the Noise Abatement Society at their John Connell Awards ceremony, held in London in October. The awards recognise the importance of sound quality in our lives and champion the reduction of noise pollution and its negative impacts. Our award in the Sustainable Development category was for our innovative work on mapping tranquillity in Wales, bringing landscape assessment and acoustics together and creating a unique, data-driven approach to soundscape management.
13. My thanks to all of our colleagues who have helped us fulfil our Civil Contingencies Act duties through our incident response work. November has already seen significant flood events with south west Wales affected during week commencing 3 November, necessitating the issuing of very many flood warnings and alerts, and a severe flood warning, meaning danger to life, issued for the river Ritec in Tenby. The severe flood warning remained in place for a couple of days. Our operational colleagues were deployed to key locations helping to keep communities safe.

Strategic Updates

Caerphilly By-Election

14. Plaid Cymru won the Caerphilly by-election in October. Our Head of South East Operations has written to successful candidate, Lindsey Whittle, to congratulate him on his election.
15. It was a record turnout of 50.4%, higher than the turnout for the Senedd election in 2021.

The loss of Caerphilly takes the Labour party down to 29 Senedd members. Passing legislation, and crucially the WG Budget in January, will be more difficult. The support of the lone Liberal Democrat, Jane Dodds, will no longer be enough to reach a majority, and as opposition parties look to distance themselves ahead of the election in May, they will have big asks of the Finance Minister in any Budget negotiations.

Operational Updates

Marine Special Areas of Conservation Advice and Assessments

16. In June, we published the updated conservation advice packages and the condition assessments for the marine Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) located entirely in Wales. The key nutrient affecting marine SAC features is Dissolved Inorganic Nitrogen (DIN; there are no phosphorus targets). The updated condition assessments have concluded that a small number of nutrient-sensitive features at some sites are in unfavourable condition for both chemical (DIN) and biological (phytoplankton and opportunistic macroalgae) indicators of nitrogen enrichment. Investigations have previously shown that diffuse sources (agricultural run-off, pollution incidents and private non-treated sewage) are responsible for a large proportion of nitrogen inputs.
17. The interim advice requires nutrient neutrality for nitrogen in the catchments listed below and will need to be a consideration both in planning and permitting decisions for all competent authorities:
 - Milford Haven Inner (Pembrokeshire Marine SAC)
 - Burry Inlet Inner (Carmarthen Bay and Estuaries SAC)
 - Cemlyn Lagoon (Cemlyn Bay SAC)
 -
 - We are proactively supporting the three affected local authorities to undertake their assessments and fulfil their statutory responsibilities.

Drought in 2025

18. During the March to May period, the cumulative rainfall was only 50% of the expected long-term average (1981-2010) for Wales for that time of year, making it the sixth driest equivalent period in 190 years and the driest since 1990. The Wye catchment saw its driest three months on record, receiving only 36% of expected rain for the spring period. Wales also recorded the driest six-month period (February to July) since the drought of 1976.

19. The exceptionally dry spring led to us declaring “prolonged dry weather” status across whole of Wales on 23 May. Our main concern was the pressure the prolonged dry weather placed on the environment including fisheries, land and agriculture across Wales, as well as reports of fish in distress and algal blooms. The Usk and Wye recorded high river temperatures that threatened fish populations.
20. Even now, we remain in “recovery from drought” in South East Wales, North Wales and Upper Severn and “recovery from prolonged dry weather” in South West Wales. Whilst we received some significant rainfall during September, receiving 170% of expected rainfall for the time of year, some rivers and groundwater levels are low for the time of year. While this rainfall has alleviated concerns for the environment, groundwater levels remain a concern as recovery could take a few months. We will continue to monitor the situation, particularly for groundwater, through the autumn and winter.
21. We will also undertake a post-incident review, including identification of lessons learned and a review of our drought plan and liaison with external organisations.

Monmouthshire and Brecon Canal

22. The return of wetter weather in September has meant that the Canal and River Trust (CRT) has not requested any releases of support water from Usk Reservoir since early September. Improvements are being made to their infrastructure with a new flow gauge at Brecon to measure abstracted volumes and an intention to improve the automation of their sluice controls. We will continue to work with CRT and other partners on the Deputy First Minister’s Task and Finish Group to consider more secure options for alternative water sources to support the canal.

Water Company Environmental Performance Assessments

23. We review water company performance and report on it annually. In October, we published reports on the environmental performance of Dŵr Cymru Welsh Water (DCWW) and Hafren Dyfrdwy in 2024. Regrettably, DCWW achieved a two-star overall company rating for the third consecutive year, indicating that their performance “requires improvement.” We are disappointed that they continue to hold red status for serious pollution incidents; the rising number of sewerage pollution incidents is also concerning, with 2024 marking their worst performance to date. The decline in pollution performance reflects a real deterioration and cannot be attributed to the tightening of Environmental Performance Assessment (EPA) thresholds introduced in 2021.
24. Due to its small size, we cannot apply the same metrics and thresholds to Hafren Dyfrdwy, but we use similar themes to demonstrate their performance. In 2024, they had no serious pollution incidents and achieved 100% compliance with numeric water discharge permit limits. However, we noted an increase in total pollution incident numbers and decline in incident self-reporting.
25. Every five years we review our methodology to focus attention on how the water companies are meeting their statutory obligations and our performance expectations. Our conclusions from our review of the methodology for the next five years (2026 to

2030), and the revised methodology document, were published in October. Refining the annual EPA is one of the measures we take to make our reporting clearer, provide a better overall picture of the impact water companies have on the environment, and strengthen our regulatory response. The published methodology describes the updated EPA and includes revised definitions and thresholds for existing metrics, as well as the new metrics.

Reservoir Regulation

26. We have issued our biennial report on our regulation of reservoirs from 1 April 2023 to 31 March 2025. Compliance with the Reservoirs Act 1975 remained high with most key indicators showing an improvement. Of 405 registered reservoirs, 9.9% were recorded as non-compliant at period end. All but one of eight requirements show an improvement since last report or maintained at 100% with only “statutory maintenance” showing a small decrease to 98.9% (three reservoirs non-compliant).
27. Monitoring and records and safety measures were the commonest non-compliant activities (“safety measures” includes requirements for investigations or surveys, so non-compliance does not equate with being unsafe). We used enforcement powers on a few occasions where non-compliance appeared entrenched or due to abandonment (two reservoirs) or being orphaned with no known undertaker (two reservoirs). For NRW-owned reservoirs, we are pleased to report that we have achieved 100% compliance by the end of the reporting period.
28. Separately, we are working with WG, the Environment Agency and Defra on a consultation on reform of the reservoir regulatory regime, to start in November. This comes in part from recommendations and lessons learnt from the Toddbrook spillway incident in 2019.

Decarbonisation and Renewable Developments

29. We have issued the necessary environmental permit for Heidelberg Materials Cement at Padeswood, Flintshire to operate a carbon-capture facility that enables fully decarbonised cement production. This is a significant milestone not only for Wales, but for the UK. As the first of its kind, it demonstrates what is possible when innovation and environmental protection are brought together through effective collaboration, and the result is something to be proud of. This permit is far more than a procedural step: it is an example of how our regulation can enable progress, navigate complex and unfamiliar territory, and show that we have both the capability and the mindset to lead in permitting for emerging technologies. While not always straightforward, this is work that drives meaningful change. Ongoing permitting work will consider a species licence application for the conservation of bats for building demolition ahead of plant construction.
30. Two other major carbon capture projects in North Wales, the Connah’s Quay low-carbon gas-fired power station and the Parc Adfer Energy from Waste facility project, are already progressing through the permitting pre-application and determination stages. We are focused on ensuring that every decarbonisation project in Wales is properly supported and that we continue to play a central role in enabling the transition to net zero.

31. We are also seeing promising developments in green hydrogen, with projects from RWE and Impala in Pembrokeshire nearing the end of permit determination. These are important steps forward, and we are working closely to ensure the regulatory framework is ready to support the ambition to open up the hydrogen market in Wales. Beyond permitting, we are making good use of the Target Operating Model funding model which allows us to bring in external expertise and meet tighter deadlines, giving the flexibility and capacity needed to keep pace with the scale and urgency of the decarbonisation agenda.

New Once in Wales Waste Group

32. Drawing together five teams from ten key work areas across our waste regulation remit, the new group, established in September, is led by an Operations Manager reporting to the South East Wales Head of Operations. The group combines new work to operationalise emerging duties from WG's programme of waste reforms, aligned with the Beyond Recycling and Net Zero Wales strategies. These include extended producer responsibility, workplace recycling and waste tracking, which are now integrated with existing regulatory work areas (such as hazardous waste, international waste shipments, and our fly-tipping programme, Fly-Tipping Action Wales (FTAW)).
33. The group aims to consolidate, streamline and synergise delivery, with governance and performance measures in place to ensure effective links are forged and maintained across all operational areas. It will collaborate closely with Waste Policy and Waste Regulatory Reform Programme colleagues as new duties continue to appear under the strategic waste reform agenda. A key element is to maintain the innovative arrangements involving partnership working (as with FTAW) alongside new approaches to delivery, such as utilising waste placements to embed new and existing waste regulation duties into operations.

Risca Flood Wall Update

34. Work has now commenced to install a temporary flood bund around the damaged section of flood wall and is to be completed by the end of October. This temporary bund will be monitored during the coming autumn / winter period and a more permanent repair will be planned as part of the wider maintenance / capital programme.

Gwent's Climate Change Risk Assessment and Adaptation Planning Project

35. Gwent's Climate Change Risk Assessment (CCRA) and Adaptation Planning Project have now started, with the first Steering Group meeting held in October to develop and agree key milestones and deliverables. These include stakeholder mapping, delivery of communications and engagement materials, a workshop delivery plan and CCRA reporting. Work is now underway to further refine the first of three Gwent Public Service Board leadership workshops, to be held from November onwards.

Stephenson Street Flood Risk Management Scheme

36. The Stephenson Street Flood Risk Management Scheme was formally opened by Huw Irranca-Davies MS, the Deputy First Minister and Minister for Climate Change and Rural Affairs, in early October. The £25 million project, which has been one of

the largest and most complex we have delivered, has contributed to our Well-being Objectives, the Sustainable Management of Natural Resources duty and biodiversity duty under the Environment Act and our duty under the Water Framework Directive Regulations.

37. The environmental assessment influenced the design and construction methods to avoid impact on the Usk Special Area of Conservation and Site of Special Scientific Interest, and to deliver enhancements such as accessible circular walks in Coronation Park, an improved surface to the Wales Coast Path (1.4 kilometres), seating, bins and signage. The scheme was supported by planting including trees and shrubs, wildflower, grassland and reedbed mixes. The landscaping contract is still in progress and will take time to establish, with landscape maintenance continuing for five years post construction to ensure it establishes and functions as it was designed to.
38. The Stephenson Street project received the Bill Ward Award for Sustainability at the Institution of Civil Engineers conference in Cardiff in September – a testament to the hard work of the team and everyone who has supported the project over the years to deliver this scheme.

Llyn Celyn Reservoir Safety Works

39. Since September 2022, our Hydrology, Geomorphology and Water Resources team in North East Wales have been working in partnership with DCWW to support reservoir safety works at Llyn Celyn near Bala. To enable the work to proceed, the team – who also manage the day-to-day operations of the Dee regulation scheme – had to review existing reservoir drawdown requirements to enable the works to be carried out safely, taking careful consideration of risks to the environment, public water supply, flood mitigation, recreation and tourism.
40. The team were able to maintain reduced reservoir levels throughout the winter periods and restricted the discharge from the reservoir so that valves and pipework within the dam could be replaced. The construction of a new auxiliary spillway followed and this work was completed in September this year, gaining final reservoir panel engineer sign off in October. The project recently won Water Project of the Year at the British Construction & Infrastructure Awards. Co-operation and partnership working between NRW and DCWW over the last three years has ensured the success of this £345 million scheme.

Species Reintroduction in Wales

41. In September last year, the Deputy First Minister announced that WG supports moving towards the managed reintroduction of European beavers in Wales. His statement indicated that, to help balance the ecological advantages of reintroduction and the needs and concerns of stakeholders, a collaborative approach would be developed to ensure early engagement with stakeholders.
42. Following that engagement, WG recently announced that they will make legislative amendments to ensure beavers are recognised as a native species in Wales and receive legal protection as a European Protected Species. NRW will licence releases into the wild and will have authority to issue management licences to mitigate any

adverse impacts. In addition, a Wales Beaver Forum will be established to help manage issues connected with potential impacts, land use and water systems. Details of the first meeting of the forum and membership are expected in due course. Professor Steve Ormerod will be the chair.

43. WG and NRW continue to work together to determine the next steps for the future of beavers in Wales and stakeholder engagement will continue to form an important element to this. We have already received a licence application for the wild release of beavers at one site in Wales. Our Species Permitting team is reviewing the information submitted, including against the International Union for Conservation of Nature (IUCN) Conservation Translocations guidelines.
44. We have also received a licence application from Eagle Reintroduction Wales (ERW) for the reintroduction of white-tailed eagles in southeast Wales. Assessment of the application, including against the IUCN Conservation Translocations guidelines, is ongoing. Further information is available on the ERW website.

Electric Fishing Demonstration for BBC

45. We hosted presenter Iolo Williams and a BBC film crew recently to film electrofishing in progress on the Afon Sawdde in Carmarthenshire. NRW staff from Evidence, Policy & Permitting and Operational teams spent the morning with the film crew and were interviewed about current salmon stocks and conservation, allowing us to set out some of the challenges in managing salmonids across Wales and beyond.
46. Iolo Williams and the film crew were complimentary about how we went about the surveying and receptive to our conservation work. It was good to showcase how we gather important evidence on fish stocks and to highlight the fish species themselves. The footage will be used in the upcoming BBC series *Iolo's River Valleys*.

Commercial Updates

Commercial Energy Projects

47. Trydan Gwyrdd Cymru, operating under the remit of WG, is tasked with developing and delivering renewable energy projects – starting with the Welsh public estate – to maximise long-term economic and social benefits for the people of Wales. Public consultation for Glyn Cothi and Carreg Wen wind farms in South West Wales, began in mid-October and will continue until mid-November. We continue to collaborate with Trydan Gwyrdd Cymru to support these objectives on the Welsh Government Woodland Estate (WGWE).
48. The planning decision for the Y Bryn wind farm, classified as a Development of National Significance and therefore to be determined by Planning and Environment Decisions Wales, is expected this autumn. The proposed development, located entirely within the WGWE in the Neath Port Talbot local authority area, comprises eighteen wind turbines with a projected capacity of approximately 130 megawatts. This is expected to generate enough renewable energy to power over 87,500 homes. If planning permission is granted, the developers plan to begin tree clearance for site investigations in autumn 2026.

Timber sales and marketing

49. The current timber marketplace is relatively modest with average production performance this year. With a levelling of timber prices during the last year, alongside a continued reduced offer of timber to market, we have reported a forecast income reduction for the remainder of the financial year. The October e-sale for timber is due for award next year and this will indicate the supply chain values and market demand.
50. Our Mid Wales Operations team recently hosted a site visit to Garwnant and Coed Taff forest in Bannau Brycheiniog National Park, for our WG Sponsorship team. The visit gave us the opportunity to showcase and discuss our work and some of the issues of managing the WGWE, to support them in decision-making around future funding opportunities. They are now keen to attend further visits, to include our timber harvesting activities and renewable energy programme.

Visitor Centres

51. Ynyslas visitor centre is now operated by the local community under a two-year trial lease period, with early positive feedback.
52. The visitor centres at Bwlch Nant yr Arian and Coed y Brenin are now at final stage in readiness for a marketing launch in November, following open days held at each site in October. To ensure we attract a broad range of bids from micro, small and larger establishments, the opening bid stage will last for twelve weeks followed by evaluation of bids and competitive dialogue stages. This could impact on our plan for an ambitious opening date, with a new franchise lessor at each site by Easter 2026, and we will need to ensure the sites remain open and a minimum offer for visitors is established.

Cwmcarn Forest Drive Market Approach

53. Following a joint approach to market by NRW and Caerphilly County Borough Council (CCBC), five submissions to manage the Forest Drive and CCBC's visitor centre were received. An evaluation and scoring exercise have been carried out in conjunction with CCBC, with two submissions taken forward for further scrutiny through an interview process. There are several areas that require further clarification from the potential operators and these will be discussed during the interviews. We anticipate this next step will conclude during January.

Growth and Value Strategy

54. A review of our Growth and Value Strategy, formerly known as the Commercial Strategy, is underway. The revised strategy will underpin our existing work with plans for timber sales and marketing, renewable energy, recreation and business development. The business development plan is gaining much interest across internal and external parties, including WG, and it is here that we will need to ensure good communication, buy-in and robust due diligence.

Internal Updates

Senior Recruitment

55. Executive and senior leadership recruitment continues to be supported by Odgers, our appointed executive search partner. They are currently assisting the Chair and WG with the recruitment of the Chief Executive Officer. The Chair will be supported by the selection panel to undertake the shortlisting process; formal assessments are planned to take place in December and January.
56. We have also started recruitment for three leadership roles: Head of People, Head of Natural Resource Management Policy and Head of Strategic Projects. These roles will be advertised for a four-week period, with interviews expected to take place in January.

Annual Regulation Report for 2024

57. Since 2016 we have published a report of regulatory performance on our website in the form of an Annual Regulation Report. This report stems from a requirement to publicise our use of enforcement undertakings and to demonstrate our adherence to the Regulator's Code, which requires regulators to ensure their approach to their regulatory activities is transparent.
58. We published the report for calendar year 2024 in mid November. It contains information showing trends in dealing with incidents relevant to regulation, compliance and enforcement with mainly positive indications about increased and increasingly effective activity. Key messages include:

Compliance

- Our water discharge checks increased to 1,243 in 2024, a 91% increase compared to 2023.
- The number of waste and installations compliance visits in 2024, increased by 13% and 7% respectively, compared to 2023.

Enforcement

- In 2024, we concluded 876 cases, a 98% increase from 2023 (442), with a further 417 that were still ongoing at the end of the 2024 calendar year.
- Our enforcement activity in 2024 resulted in 2,427 separate charges, a 92% increase from 2023. The increase in charges is mainly due to our inspections programme under the Water Resources (Control of Agricultural Pollution) Regulations 2021, which led to 1,047 charges during the year.

Communications

Corporate Communications

59. The Communications Team supported the launch of the recruitment process for our next Chief Executive with clear messaging that emphasised the importance of the appointment and the organisation's continued strategic direction. This period also saw the culmination of our IR35 discussions with HMRC. Our communications internally and externally focused on the lessons learned and the processes put in place to minimise any future risks.

60. The team also supported the launch of the statutory consultation on the proposed Glyndŵr National Park, encouraging public engagement and highlighting the extensive evaluation and stakeholder input that has shaped the proposal.

Internal Communication and Engagement

61. The Internal Communication and Engagement team has been working on how communications can support better connection with colleagues and improved engagement, motivation and performance. A key development is the creation of a single, clear organisational narrative. By bringing together different strands of our work – processes, priorities and ways of working – into a cohesive story, we aim to make things simpler and more meaningful for colleagues.

Incident Communications Centre

62. We have started integrating the Incident Communication Centre (ICC) into the Customer Hub, creating a more cohesive and resilient customer service model. This alignment strengthens our ability to manage escalations swiftly, share expertise across teams and support critical workstreams such as WB03 Minimising Pollution. Through targeted workshops on culture, roles and responsibilities and training, we have laid the foundation for a unified approach. Recruitment is now complete, ensuring the ICC is fully resourced ahead of winter. Training is underway to broaden capability across both teams, with a focus on improving efficiency and embedding shared knowledge. By year-end, teams will be fully cross-trained, and our focus will shift to refining processes, measuring performance and turning insight into action.

Communities are Resilient to Climate Change

63. Confirmation that parts of Wales previously affected by drought had moved into recovery status was supported with clear messaging about our ongoing monitoring commitments to inform how we plan for the months ahead. This helped to reinforce our role in climate resilience and environmental stewardship.
64. The official opening of the Stephenson Street flood risk management scheme in Newport, and our Be Flood Ready campaign also contributed to our climate resilience narrative. Communications around the launch of the Stephenson Street scheme focused on the benefits to the local economy, job security and climate adaptation, with strong messaging around our delivery role and partnership with WG. We worked closely with the Met Office to promote our flood readiness campaign, emphasising the importance of proactive flood risk management and community preparedness in the face of increasingly extreme weather.
65. Our commitment to work in partnership to deliver climate solutions in urban spaces was highlighted through the RainScape project, illustrating the importance of creating places where nature and people thrive side by side. The launch of the second round of the Peatland Restoration Grant provided a platform to highlight the role of peatland in carbon storage and climate mitigation, and the opportunity for partners to contribute to Wales's nature and climate emergency response.

Pollution is Minimised

66. Managing proactive and reactive communications around our regulatory work and on water quality was a key focus during this period. Successful prosecutions of illegal waste operators and enforcement undertakings for watercourse polluters led to widespread coverage. While recognising the disappointment colleagues who worked on the prosecution of DCWW would feel following the court's decision to reduce the fine, we ensured our internal and external messaging reinforced our commitment to enforcement and pollution prevention. This messaging was carried through in our communications around the annual performance reports of water companies, the upcoming changes to how we measure and report on water company performance and the launch of the River Basin Management Plan consultation. Communications focused on transparency, accountability and strengthening our regulatory response.
67. We continued to support the work of the LIFE projects in tackling pollution, including efforts to reduce farm plastic waste and improve water quality. These stories were shared across media and digital channels to reinforce our role in pollution prevention and partnership working.

Nature is Recovering

68. This period saw a number of positive stories highlighting nature recovery across Wales. A key highlight was the rediscovery of a rare caddisfly species at Cors Goch on Anglesey. Coverage was secured across local and national media that celebrated the success of the collaborative work of the Natur am Byth programme and its partners.
69. World Rivers Day provided an opportunity to showcase our long-term commitment to river restoration through the LIFE Dee River and Four Rivers for LIFE projects. Communications highlighted the pressures facing Welsh rivers and the positive signs of recovery being seen through partnership-led interventions. We also celebrated the first anniversary of the Upper Wye Catchment Restoration Project, sharing stories of practical action and community involvement that are helping to build resilience and restore habitats.
70. We supported the launch of a public consultation on the future of the Dee Estuary cockle fishery, working with partners to encourage stakeholder input. Messaging focused on the success of the current Regulating Order and the importance of sustainable harvesting practices and habitat protection.
71. We also shared a story from the Clwydian Range and Dee Valley National Landscape, where Young Rangers learned traditional scything techniques to help manage wildflower meadows at Coed Nercwys. This hands-on conservation work was used to highlight the value of traditional skills, community involvement and biodiversity enhancement.

Summary of Complaints, Commendations and Correspondence

72. We continue to respond to detailed and complex enquiries regarding Kronospan in Chirk, particularly around environmental concerns such as noise, dust and odour monitoring. These enquiries require coordinated input across several teams. To support a consistent and informed response, the Central Correspondence team provided a proactive update for the Head of North-East Operations to share with

ministers and issued targeted correspondence to residents who have been in frequent contact, clarifying appropriate channels for engagement. Central Correspondence team involvement has ensured that responses are accurate, aligned with regulatory responsibilities and reduce duplication of effort across the organisation.

73. The team has also managed high-profile correspondence relating to waste regulation issues in Coedpoeth, Wrexham. Residents, councillors and WG officials had been contacting multiple colleagues about this site. The Correspondence Team clarified the planning status of the site, including the refusal of a traveller site application and Wrexham County Borough Council's enforcement actions, which include prosecution and consideration of an injunction. They explained NRW's involvement and that further action under the Environmental Protection Act would not add value. Residents were again reminded of the appropriate communication channels for reporting incidents and complaints.
74. We have received a particularly noteworthy commendation this month. The National Centre for Learning Welsh has thanked us for our enthusiasm and contribution in helping make a real difference to the use of the Welsh language in the environmental sector and in communities across Wales. The recognition of our flexible approach to learning and the confidence it builds in staff when working with communities and partners, is a testament to the dedication of teams across the organisation. It is inspiring to see how our collective efforts are helping to strengthen bilingualism in our sector and beyond.

Forward Look

- Thursday 4 December – People and Customer Committee
- Tuesday 9 December – Audit and Risk Assurance Committee
- Wednesday 10 December – Board Update Call
- Monday 12 January – Extraordinary Board Meeting
- Wednesday 14 January – Board Update Call
- Thursday 15 January – Flood Risk Management Committee
- Thursday 22 January – Land Estate Committee
- Wednesday 28 January – Evidence Advisory Committee
- Tuesday 3 February – Finance Committee
- Thursday 12 February – February Board Meeting

NRW Board Paper

Date of meeting:	27 th November 2025
Title of Paper:	ARAC Update for Board
Paper Reference:	25-11-B09
Paper sponsored by:	Karen Balmer, Chair of ARAC
Paper prepared by:	Board Secretariat
Paper presented by:	Karen Balmer, Chair of ARAC
Purpose of the paper	Information
Summary	To provide an update to the Board in respect of 17 October 2025 ARAC meeting.

Background

1. This update for the Board is in respect 17 October 2025 Audit and Risk Assurance Committee (ARAC) meeting.

Update

Audit Wales

2. Audit Wales provided an update on key matters of their audit of the Annual Report and Accounts (ARA) 2024-25.

Annual Report and Accounts 2023-24

3. An update was provided on key matters for the ARA. ARAC welcomed the ARA and suggestions were made prior to submission to Board. ARAC were content for the Accounting Officer and the Chair of ARAC to sign the letter of representation. They were also content to give assurance to the Accounting Officer to sign the accounts, and to be taken to the Board for approval. ARAC thanked everyone for their work.

NRW Board Paper

Date of meeting:	27 th November 2025
Title of Paper:	Evidence Advisory Committee (EAC) Update
Paper Reference:	25-11-B10
Paper sponsored by:	Steve Ormerod, Chair of EAC
Paper prepared by:	Board Secretariat
Paper presented by:	Steve Ormerod, Chair of EAC
Purpose of the paper	Information
Summary	To provide an update to the Board in respect of 16 th October 2025 EAC meeting.

Background

1. This update for the Board is in respect of the 16th October Evidence Advisory Committee (EAC) meeting. Board members can access all Committee papers and minutes via the Diligent portal.

State of Natural Resources Report (SoNaRR) 2025

2. EAC were presented with an update on the State of Natural Resources Report (SoNaRR) 2025, which included the key messages and next steps for the upcoming launch. The evidence base for the Report had been drawn from multiple sources across Wales, and included both national and sector specific opportunities for action. Also presented was the rationale for adopting a systems approach.
3. The Committee acknowledged the good balance between conveying urgency and the positive ongoing actions, including the need to amplify the consistency across the key messages. The plans for the launch of the Report were outlined and NRW were in discussions with the Wellbeing of Future Generations Commissioner in relation to a summary for SoNaRR.

Annual Review of Terms of Reference

4. The Committee were presented with the proposed changes to the EAC Terms of Reference (ToR). EAC discussed the Committee membership and expertise and suggested that there be a periodic review to ensure the Committee had all required skills to better support NRW.
5. EAC endorsed the Terms of Reference.

EAC Governance

6. The Chair of EAC highlighted the imminent arrival of a Wales-wide report on Site of Special Scientific Interest (SSSI) Notifications, and suggested that EAC could provide external scrutiny of the evidence base and processes.
7. The next EAC meeting would be in-person at the Swansea labs to discuss future analytical requirements, facility planning, emphasising the need for strategic horizon scanning and resilience in laboratory services.

NRW Board Paper

Date of meeting:	27 th November 2025
Title of Paper:	Finance Committee Board Update
Paper Reference:	25-11-B11
Paper sponsored by:	Helen Pittaway, Board Member
Paper prepared by:	Board Secretariat
Paper presented by:	Helen Pittaway, Board Member
Purpose of the paper	Information
Summary	To provide an aid to the Chair to update Board on the Finance Committee (FC) – 6 th November 2025

Background

1. This paper provides an update to the Board following the Finance Committee (FC) meeting on 6th November 2025. The minutes from these meetings can be made available to any Board member interested.

Financial Performance Update

2. The key messages from the Financial Performance update were presented including a reduction in timber income, primarily due to operational challenges in extracting timber. The headcount cap was discussed, and a narrative had been drafted for staff for clarity. The new and additional funding was described, and the Committee welcomed the detail on this. An update on contingent liabilities was provided, and clarity provided on their financial impact on the current financial year.

2026-27 Budget Update

3. An update on the 2026-27 budget setting was provided, and the recommendations would be presented to the Executive Team in December. The effort to integrate business planning, financial planning and the Wellbeing Objectives was emphasised, noting that prioritisation would be necessary due to the limited available funds.

4. The Committee discussed the importance of focussing on a small number of strategic priorities to maximise impact. The budget allocations and investment decisions would be discussed further at a future meeting.

Financial Approvals

5. Endorsement was sought for one Section 83 (s.83) agreement and an overview of the proposal was provided. A discussion took place on the biodiversity, woodland management and local employment benefits the proposal could provide, and evidence of delivery would be required.
6. The s.83 agreement was endorsed to proceed to Board. The need for ongoing scrutiny of environmental and social impacts was noted for future reporting.

Annual Review of the FC Terms of Reference

7. An overview of the changes of the FC Terms of Reference (ToR) was outlined. The Committee discussed the need for greater resilience in the Committee's membership. The ToR was endorsed subject to minor wording adjustments.

Forward Look

8. The Committee reviewed and agreed the forward look.

NRW Board Paper

Date of meeting:	27 th November 2025
Title of Paper:	Protected Areas Committee (PrAC) Update for Board
Paper Reference:	25-11-B12
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 15 th October 2025.

Background

1. This update for the Board is in respect of the 15th October Protected Areas Committee (PrAC) meeting. Board members can access all Committee meeting documentation via the Diligent portal.

Sites of Special Scientific Interest (SSSI) Designation – SSSI Review Evidence Report and update on the Protected Sites Programme

2. PrAC welcomed that the SSSI Review Final Report had been published on the NRW website and looked forward to receiving updates on progress against the recommendations. The Committee noted the paper and would consider future content but the value of the information was appreciated. The ongoing work to reinstate a Natural Resource Management Service Plan to align with the Corporate Plan and Wellbeing Objectives was acknowledged.
3. The PrAC Chair outlined potential ways to correlate interrelated items. The importance of understanding progress, pipeline challenges, and resource needs, including technology and staffing in site designations was highlighted.
4. The preferred evaluation approach, and the pilots that were underway to evaluate protected sites and potential Other Effective Area-based Conservation Measures (OECMs) were noted. There was a need to consolidate existing tools and evidence to assess overall impact, and the importance of a holistic strategy with clear delineation of responsibilities and impact was emphasised.

Sustainable Farming Scheme (SFS) / Land Management Agreements (LMAs)

5. PrAC welcomed and discussed the presentation provided on the SFS and LMAs. The different components, NRW's role, and how the SFS would operate were outlined and an overview of the current LMAs and the implications of the SFS were explained. PrAC welcomed the internal discussions on the prioritisation of designated sites management plans. PrAC queried budget and resources and the reporting governance and were assured that NRW would support land owners who needed help using the system and that discussions were ongoing with Welsh Government (WG) on how to build connections between farmers and their land, to improve conservation efforts.

PrAC Terms of Reference and Governance

6. PrAC reviewed and endorsed the revised Terms of Reference. PrAC also discussed and agreed the Forward Look and would consider locations for a site visit in May 2026.

AOB

7. A verbal update was provided on the proposed new National Park. The consultation period was underway concluding on 8th December 2025 with public engagement events underway. Dr Hushnara Begum shared reflections from attending a consultation event.
8. PrAC noted and welcomed the paper for information on the 'Update on Marine Special Area of Conservation and Special Protection Area Conditions Report and Nutrient Impacts.'

NRW Board Paper

Date of meeting:	27 November 2025
Title of Paper:	Finance Performance Report
Paper Reference:	25-11-B13
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:	Mark Collins, Business Finance Manager
Purpose of the paper:	Approval (change in forecast) / Discussion (Financial Performance)
Summary	To approve: Change in the latest forecast from £303.2m to £302.5m. To scrutinise: Financial performance to the end of September 2025.

Background

1. 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 (July).
 - Performance to the end of September 2025.

Key Points

2. Income to date is £123.8m, and is on profile at the end of September. We anticipate meeting our full year forecast (£302.5m). The 3 main variables are:
 - Energy income, the forecast is more prudently assessed and has recently been updated. We have implemented new measures to get more frequent updates from operators.

- Timber income, we have recently amended the forecast to £31.4m from £32.5m and have requested budget cover from Welsh Government in line with our agreement.
 - Utilisation of our external income (mainly from Europe and Heritage Lottery) – again, this has been revised in line with programme expectations.
3. Expenditure to date is £103.4m and is 5% behind profile at the end of September. Although we are showing a full year forecast of £302.5m, we have requested that Welsh Government use £5m of that budget to reduce the repayment of the budget cover provided by them for the IR35 HMRC tax liability. If approved, it will reduce the repayment term to less than 3 years after this financial year.
4. The main risks to the utilisation of our budget this year are:
- Not utilising our salary budgets and as a result budgets have been re-diverted into (1) delivering our priorities through other mechanisms (mainly procurement) (2) transfer to capital (3) the request to Welsh Government to reduce the repayment of budget cover provided for IR35. There is still a risk that there will be further salary underspends.
 - Capital projects, spend to date of £14.7m against a full year forecast of £65.4m. No significant underspends have yet been confirmed with budgets being reprioritised where appropriate. There is a risk in utilising our full year forecast in the flood capital programme, where budgets cannot be re-diverted to other programmes. The Executive Team have now agreed that we should use more over-programming in that programme in future.
 - In our non-staff budget, Operations are currently £0.9m behind profile in the Land Stewardship programme. We are still forecasting full spend and we are ahead of where we were this time last year.

Risks and opportunities

5. 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

6. Executive Team will continue to monitor the principal risks within the budget.
7. This report is produced every two months for the Board and Executive Team.

Recommendation

8. Board to approve changes to the latest forecast, from £303.2m to £302.5m.
9. Board to scrutinise financial performance to the end of September 2025.

Index of Annexes

Annex A – Financial Performance Report



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



NRW Board – November 25

Financial Performance Report – September 2025

Content and Key Messages

Update will cover:

Update on the latest forecast changes as at September 2025, compared to the approved budget as at July 2025 - a decrease of £0.7m from £303.2m to £302.5m.

Financial Performance as at September 2025

Update on contingencies and under/over programming

The main risks and opportunities to our budget this year.

Messages:

Commercial & Other, European & Charge income have reduced by £0.3m, £1.9m and £0.7m respectively and are offset by additional Grant in Aid (GiA) & Grants (£1.3m) and a draw on charge balances (£0.8m). The commercial element reflects the reduced timber income forecast (£-1.1m), which has been offset by additional wind energy income for Pen Y Cymoedd habitat management work (£0.5m) and an additional draw on the financial provision bond of a landfill site we regulate (£0.4m). European and External Income reflects the reduced LiFE project programme, which will be utilised in future financial years. The charge income reduction will be offset by a draw on charge balances. The GiA changes reflect additional funding inline with the £33m timber income guarantee (£1.1m), along with an additional grant allocation for the Vale of Glamorgan Bathing Waters (£0.2m).

Income is ahead of profile by £0.1m. Charge income is now inline with profile after reporting it being £1.5m ahead at July. The forecast for the year has been updated. European and external income is £0.2m ahead of profile whilst commercial income is £0.2m behind profile. Timber income was re-forecasted to £31.4m (median between £29.9m and £32.9m) and re-profiled accordingly - at September it's £0.3m behind which suggests that there is a risk that we will not achieve £31.4m. Expenditure at the end of September was £103.4m, and was below the planned expenditure profile by £5.4m (5%). That's an increase of 1% between now and July. Though the reason is mainly related to staff costs, we have also seen an increase in the level of under spend in non staff costs. Non staff under spend increased from £0.7m to £1.1m. Capital projects has remained at £0.8m. If there is any risks in non staff costs then its the responsibility of Budget Manager / LT / Director to flag those risks to Finance. In respect to staff costs, the decisions made by ET to re-allocate some of the staff salary savings costs and make the request to WG to reduce the IR35 liability have NOT been actioned. This is mainly due to us waiting for WG's decision which we expect by end of October. Also, we are undertaking a detailed salary re-forecast which is not yet complete.

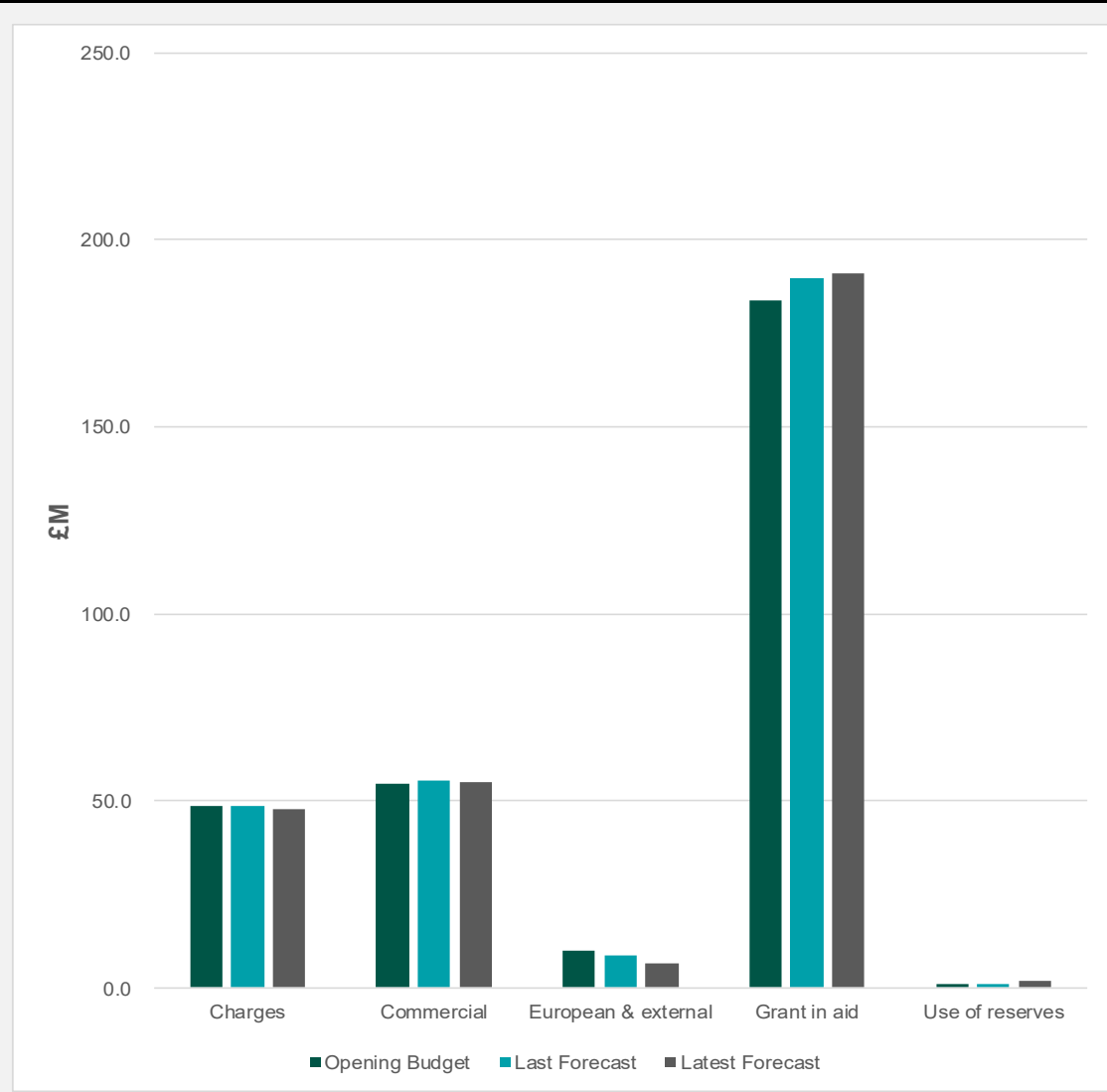
There is further detail on contingencies and overprogramming later in the report. We have central provisions for pay award, Flexible Resource Pool and any potential corrections required to the staff budget, along with a central contingency which has been nearly fully allocated, with just £0.2m remaining. We also hold general overprogramming of £1m plus specific over-programming held against various programmes - these amount to £1.7m, a significant reduction from the last reporting period, where it stood at £3.2m. Within NRW 2030 programme, there is still £3.4m awaiting project set up and profile distribution. The Flood and Water Resources programmes have moved into an under-programming position and are considered a real risk of under spend.

The main issue is around our anticipated salary underspend. We are awaiting a decision from WG on our proposal to use the under spend to reduce the IR35 liability and transfer an element to capital. There is still a risk that we will not use all of our additional ring fenced funding. There are no other risks that will have a significant impact this financial year which we are aware of (and consulting the Organisational Risk and Issues Log). Use of the temporary investment fund has been identified and Finance are in the process of allocating that based on more granular level information.

Risks & Opportunities

Type	Description	Expenditure Category	Value/£m
Risks US tariffs, geopolitical issues and exchange rate fluctuation Ongoing legal cases Retainable & surrenderable energy income Timber income	Potential increased costs, particularly within ICT hardware, licenses and oil/fuel. We are not receiving any feedback regarding this at the moment, so will remove from the next report.	Revenue & capital	TBD
	All claims are being regularly monitored.	Revenue	TBD
	Additional measures put in place this year to highlight fluctuations in a more timely manner, however the volatility of the wholesale market and weather conditions will still be outside of our control, leading to fluctuations through the year. The retainable element will have a direct impact on NRW, with any shortfall needing to be met within our current budget allocation. Surrenderable will have a greater impact on WG. The latest income forecasts were recently adjusted for the latest, prudent forecasts so the risk should be mitigated.	Revenue	TBD
	Susceptible to economic pressures. A further revision of the income forecast has produced a broader range than previously reported; £29.9m - £32.9m (using median of £31.4m). Using the mid point, we have submitted a request to WG for £1.6m, in line with our £33m agreement. At September we are £0.3m behind the revised profile.	Revenue	£0.1m - £3.1m
Opportunities Salary underspend, temporary investment fund and other capital investment. Fleet infrastructure bid General underspends	In September, we undertook a high level forecast of our likely salary underspend, temporary investment fund and our ability to deliver further capital investment, with the premise we would transfer revenue savings to capital. The outcome indicated a possible surplus of £5.8m, of which £0.8m could be reinvested within capital. The residual £5m we are proposing to use against our IR35 liability and await WG approval.	Revenue & capital	£5.3m
	We have successfully ordered circa 160 electric vehicles, which have come in significantly cheaper than expecting (price war amongst suppliers meaning each car came in c.£5k less than quoted). This means that we are c £500k - £700k underspent against the original estimate. We are discussing with WG about whether these funds should be returned to them or available to re-use in NRW.	capital	£0.5m - £0.7m
	There is a risk with so much recruitment that there maybe general underspends whilst focus is away from delivery. There is a level of over-programming that is mitigating that (£1m). Both Flood and Water Resources capital programmes have moved into an under-programming position and considered to be real risk of under spend.	Revenue & capital	TBD
Neutral Additional grant funding from Welsh Government	The revised position indicates we will be able to fully utilise some of the additional funding allocated by WG but not all.	Revenue / Capital	-

Financial Performance – Income Forecast



Charges

Following the recent charge income review, the forecast has reduced by £0.7m mainly across EPR & Water Resources charging regimes. The reduction has been offset by a draw on charge balances. The main change is a reduction in AMP 8 Water Quality applications - the work being delayed due to recruitment etc.

Commercial & Other

Overall, commercial income has reduced by £0.3m. Following the latest timber income forecast, the full year budget has been reduced by £1.1m. We have requested an additional £1.6m from WG inline with our £33m timber income agreement.

This has been offset by additional wind energy income for Pen Y Cymoedd habitat management work (£0.5m) and an additional draw on the financial provision bond at a landfill site we regulate (£0.4m).

European & Other External

European and other external income has reduced by £1.9m almost solely linked to the LiFE project programme. This funding will be utilised in future years. Due to a delay in the delivery of project outcomes, partially linked to planning permission, the three remaining LiFE projects have had approval to extend for another year, taking the delivery date to December 28.

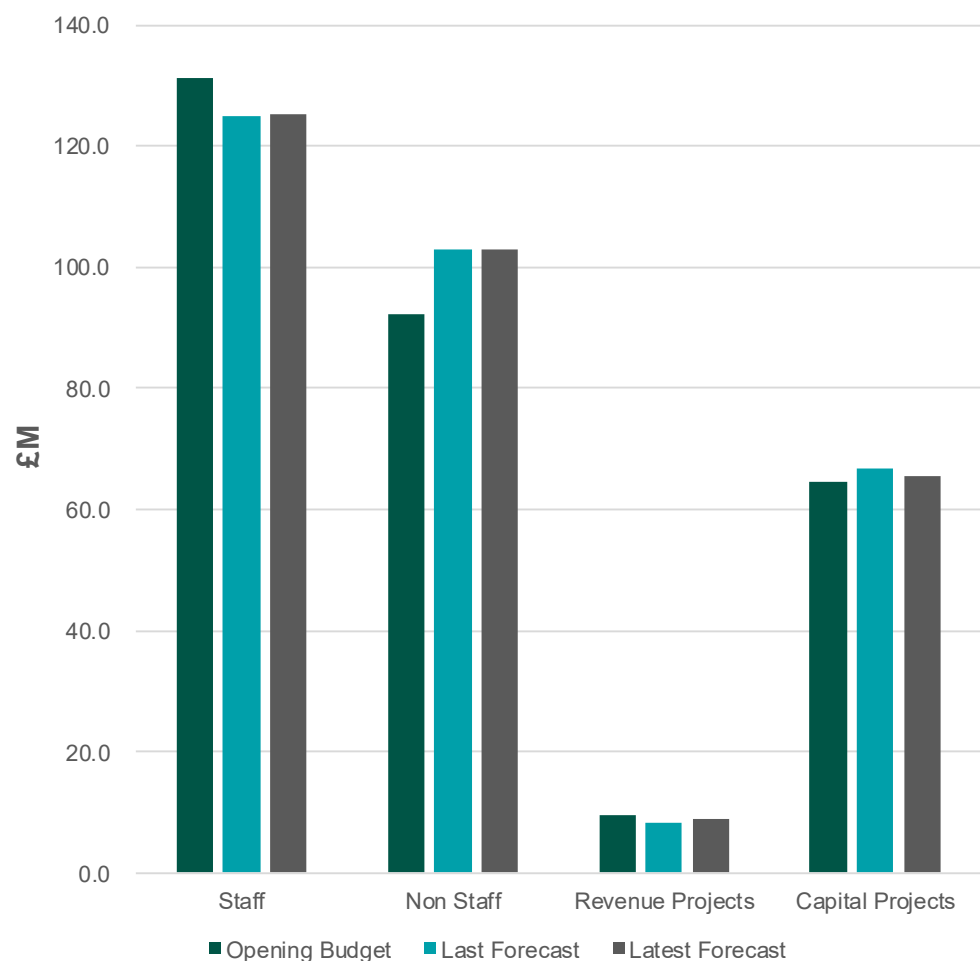
Grant in Aid

Grant in Aid has increased by £1.3m. £1.1m reflects the revised timber income forecast along with an additional grant allocation for the Vale of Glamorgan Bathing Waters (£0.2m).

Use of balances

Overall the draw on balances has increased by £0.8m, £0.7m following the charge income review along with £0.1m to fund additional IDD (internal drainage districts) work.

Financial Performance – Expenditure Forecast



Staff

Staff budgets have increased by £0.4m since July. These are predominantly due to an additional allocation to allow staff to meet in person along with funding for Case for Change costs that we were unable to accrue last financial year. Both of these were funded from central contingencies.

Non Staff

Overall non staff budgets remain at the same level as July, however, there were a number of movements over the last 2 months. We received additional WG Grant funding for the Vale of Glamorgan Bathing Waters (£0.2m) along with a further draw on the financial provision bond at a landfill site we regulate (£0.4m). These were offset by the staff changes mentioned above from central contingencies (£0.4m) along with a transfer to capital projects as part of our WG Water Enforcement allocation (£0.2m).

Revenue Projects

Revenue projects have increased by £0.4m largely due to additional wind energy developer income for Pen Y Cymoedd Habitat Management Plan, which is offset by a reduction of £0.1m within the LiFE project programme.

Capital Projects

Overall capital project budgets have reduced by £1.4m, predominantly linked to the revised externally funded LiFE project programme (£1.7m), which is offset by the movement from non staff of £0.2m as part of the WG Water Enforcement allocation. The LiFE funding reduction will be utilised in future years. Due to a delay in the delivery of project outcomes, partially linked to planning permission, the three remaining LiFE projects have had approval to extend for another year, taking the delivery date to December 2028.

Financial Performance - Income

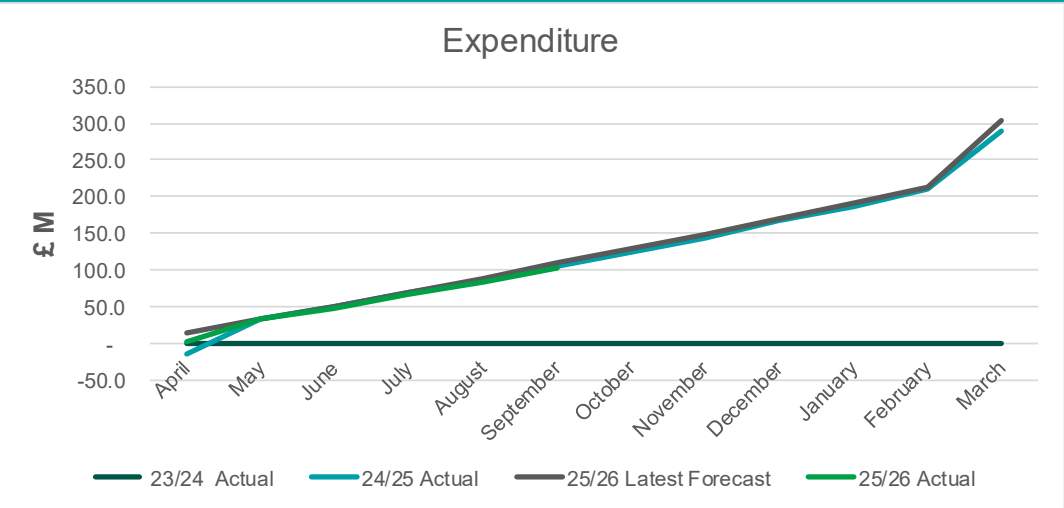
INCOME	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
by Account Type	YTD £m	YTD £m	YTD £m	FY £m	FY %	FY £m	
Charges	31.6	31.5	0.0	47.7	34%	48.4	Previously (July) we reported a potential increase in charge income, however this has now moved in line with profile and the forecast has been revised downwards by £0.7m, following a review by the Regulation Management Team. The main change is a reduction in AMP 8 Water Quality applications - the work being delayed due to recruitment etc.
Commercial	29.9	30.1	-0.2	55.1	46%	54.5	The timber forecast was reduced from £32.5m to £31.4m following analysis of timber sales to date and the projection of timber sales by the Commercial team. This analysis estimated full year income of between £32.9m and £29.8m and it was decided to take the mid way point between these forecasts. Following the reforecast and reprofile however, there remains a variance of £0.3m in respect to timber sales. Finance will continue to monitor timber income projections in conjunction with the Timber Sales and Marketing manager to identify trends and reforecast accordingly if appropriate.
European & external	2.1	1.9	0.2	6.6	69%	9.8	The £0.2m variance is due to the WG funded NFM (Natural Flood Management) schemes - Dwyran and Dinas Powys. The LiFE project programme has received approval to extend until December 2028. Project change papers have been drafted. This extension will not affect WG funding, as current agreements expire in March 2026. From 2026/27 onwards, the projects will draw down income from the £8m held in the deferred income accounts.
Grant in aid	60.2	60.2	0.0	191.1	68%	183.8	In line to profile.
Use of balances	0.0	0.0	0.0	2.0	100%	1.1	The movement in the use of balances between the original budget and the current full year forecast has increased due to the reduction in charge income forecast. Once we have completed the salary re-forecast we will expect the use of balances to reduce due to staff salary savings linked to charge funded activities.
TOTAL: NRW	123.8	123.7	0.1	302.5	59%	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	56.5	59.9	3.4	125.4	55%	130.3	The underspend of £3.4m is mainly due to the number of vacant posts whilst recruitment is progressing (In September net numbers increased by 18.8 ftes). The number of staff below the headcount cap for non ring fenced and ring fenced posts is 6% and 18% respectively. 3 directorates are below the cap whilst the remaining 2 are just above. The importance is to not be above the headcount cap going into next financial year. We have undertaken a high level forecast and forecasted a further £3.3m underspend will materialise in the staff budget. A more detailed forecast is scheduled to complete by the end of October. We have asked WG if we could use £5m of expected salary underspends to reduce the IR35 liability and transfer £0.8m to capital. Salary savings that ET confirmed is not required within their Directorates plus any savings between September and March will be used to reduce the IR35 liability (if Welsh Government agree to it).
Non Staff	29.7	30.8	1.1	103.0	71%	93.2	Underspend of £0.9m on Land Stewardship Operation activities - which will be re-profiled, not identified as a risk at this time. The balance of the underspend is on the Waste Regulatory Reform programme on workforce recharges due to vacancies. This is funded by WG grants and Welsh Government are aware of the situation and a formal reduction in forecast will be submitted soon. In terms of expenditure, the Land Stewardship position is further advanced than at this point last financial year, where we had spent £0.8m less with 70% of the full year allocation remaining. We current have 66% remaining this financial year.
Revenue Projects	2.5	2.6	0.1	8.8	71%	9.5	All programmes are in line to budget apart from internally funded, where there is a minor variance of £0.1m within reservoir compliance. No concerns at present.
Capital Projects	14.7	15.5	0.8	65.4	78%	64.6	The key variances relate to the flood and externally funded programmes, which are currently underspent by £0.3m and £0.5m respectively. The flood variance is split across multiple projects with both under and over spends evident across the programme. The externally funded variance is almost solely linked to the WG grant funded electronic waste tracking work with Defra, where we were anticipating utilising the majority of the budget at the end of September. There is a risk of underspend in the Flood Risk programme. All programmes have a considerable proportion of their full year allocation still to be utilised, with just 22% spent to date. The NRW2030 programme has £2.6m awaiting project setup.
TOTAL: NRW	103.4	108.8	5.4	302.5	66%	297.6	

Financial Performance – Expenditure Trends

EXPENDITURE TRENDS



Commentary:

Expenditure at the end of September 2025 is £103.4m which equates to 34% of the full year forecast of £302.5m. This is behind where we were last financial year, when spend was £105m against a full year budget of £273m, equating to 38%.

The current year forecast is £20m more than the full year expenditure for 24/25 which stood at £282.6m.

So, the concern currently is whether we are able to spend our full year allocation.

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	1.1	1.1	0.0	3.1	65%	3.1	On profile, no significant issues.
Internal Funded	0.7	0.8	0.1	2.2	67%	1.6	On profile, no significant issues. The overall approved forecast increased due to additional wind energy developer income for Pen Y Cymoedd Habitat Management Plan.
NaCE	0.3	0.3	0.0	1.5	80%	1.6	On profile, no significant issues.
NRW 2030	0.4	0.4	0.0	1.2	70%	2.3	On profile, no significant issues.
Grants	0.0	0.0	0.0	0.8	97%	0.9	On profile, no significant issues.
TOTAL: NRW	2.5	2.6	0.1	8.8	71%	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	1.5	1.4	-0.1	6.6	78%	6.0	Whilst the current position is in line to profile, there still remains £2.6m awaiting project setup.
External Funded	3.6	4.1	0.5	12.2	70%	14.4	The current variance is almost solely linked to the WG grant funded electronic waste tracking work with Defra, where we were anticipating utilising the majority of the budget at the end of September. The LiFE project programme has reduced by £1.7m, with the reduction being utilised in future years. Due to a delay in the delivery of project outcomes, partially linked to planning permission, the three remaining LiFE projects have had approval to extend for another year, taking the delivery date to December 2028.
Flood Risk	5.1	5.4	0.3	17.9	71%	17.6	The variance is split across multiple projects with both under and over spends evident across the programme. Over/under programming has moved from a deficit position to a £0.1m surplus, increasing the risk of a potential under spend.
Internal Funded	0.8	0.9	0.1	7.8	90%	3.6	Broadly in line to profile. The key programmes are EV fleet purchase (£4.4m) and the Water Resources programme (£1.8m). Fleet are on track to achieve the objectives of the proposal and have been able to secure better prices - therefore we are predicting that we be at least £0.5m under budget. We are in discussion with WG about the use of that funding. However the Water Resources programme has moved into a surplus position (£0.3m) from a previous deficit (£0.2m). We will look to reallocate, potentially bringing planned work from next year into this but there is a risk of underspend, with that being returned to balances.
NaCE	3.7	3.8	0.1	20.1	82%	20.2	Broadly in line to profile. Overall funding has increased by £0.7m compared to the approved forecast shared in the July report. This is due to funding transferred from the lease capital budget. Overprogramming has reduced from £2.5m in July to £1.1m and we expect this to continue as we move through the year, similar to previous years.
IFRS 16 Capital Leases Only (non-cash)	0.0	0.0	0.0	0.7	99%	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 within the NaCE capital programme.
TOTAL: NRW	14.7	15.5	0.8	65.4	78%	64.6	

Contingency and over-programming budgets



Balances (contingencies and programme under/overs)	Jul-25 £m	Sep-25 £m	Movement £m	Confidence Level (RAG Status)	Comments
Contingencies and provisions					
Pay Award Provisions	4.2	4.2	0.0		Budget held centrally at 3%. Welsh Government pay remit is 3.75%, however they will fund the difference. The pay award proposal is using the full 3.75% and if approved should be paid in December.
Other staff contingency	1.3	0.8	-0.5		Budget distributed for market forces and increments. Contingency held for flexible resource pool and any corrections required to the opening budget. It is likely that the whole of this contingency will not be required. The movement predominantly reflects case for change costs that we were unable to accrue last financial year and staff within the flexible resource pool.
Central Contingencies	0.2	0.2	0.0		Central balance for unfunded pressure bids.
Infrastructure (additional WG GiA funding) (EPP directorate)	0.6	0.1	-0.5		The previous residual balance has now reduced, following a review of the programme.
Staff Budget Undistributed (Directorates)	2.7	2.1	-0.6		Budgets have been distributed to posts associated with new funding in June/July. The balance will continue to reduce as positions are set up by the recruitment team.
Over-programming					
Central over programming	-1.0	-1.0	0.0		As per the opening budget. This will most likely be retained until Quarter 4.
Overprogramming (Directorates)	-0.5	-0.5	0.0		In addition to the land stewardship overprogramming £0.3m, there is also additional funding agreed to support Mid Wales Integrated Workforce £0.2m. The Integrated Workforce element will be cleared through the allocation of the Operations reinvestment fund.
Under programming (Directorates) WG Grant	0.1	-0.1	-0.2		The over programming relates to Wales Coastal Path project, where we anticipate not all costs will come to fruition, hence the slight over programming.
NaCE (Directorates)	-2.5	-1.1	1.4		The overprogramming has reduced from July and we expect this to continue as we move through the year, similar to previous years.
Under-programming					
Flood Risk Capital (Directorates)	-0.1	0.1	0.2		Following a further review of the programme, we have moved to a slight surplus as anticipated. There is a risk we may not utilise our full year allocation.
Water Resources Capital (Directorates)	-0.2	0.3	0.5		The balance has now moved into a surplus position following a review of the overall programme. We will look to reallocate, potentially bringing planned work from next year into this.
Awaiting distribution					
NRW 2030 (Directorates)	3.7	3.4	-0.3		Once projects are set up, the budget will be distributed (revenue £0.8m and capital £2.6m).
Note All contingencies/over programming are held centrally unless indicated otherwise.					



NRW Board Paper

Date of meeting:	27 th November 2025
Title of Paper:	Annual Business Plan Performance Report: Quarter 2 and Internal Performance Report: Quarter 2
Paper Reference:	25-11-B14
Paper sponsored by:	Prys Davies, Executive Director of Corporate Strategy and Development
Paper prepared by:	Sarah Williams, Head of Corporate Strategy and PMO and Corporate Planning and Performance Team
Paper presented by:	CEO and Executive Team Wellbeing Objective Leads
Purpose of the paper	Approval
Summary	This Performance Report reports on progress by the end of Quarter 2 against the 2025/26 Annual Business Plan and also reports on Internal Performance. To approve: Quarter 2 performance positions for all Business Plan commitments and internal measures

Background

Business Plan and performance

1. Each financial year, the Minister sends NRW a formal statement of its budgetary provision. In response to this, each year we have to prepare a business plan setting out the level of service to be achieved in key areas and the performance and output information to be collected to monitor progress.
2. The Chief Executive is responsible for advising the Board on organisational performance. Evidence of scrutiny of performance is set out in the NRW Annual Report and Accounts. The Welsh Government Framework document states that NRW must operate systems which enable review of performance against objectives in a timely and effective manner. Agreed monitoring information must be shared with the Welsh Government Partnership Team at agreed intervals to demonstrate progress, ensure targets are being achieved, and metrics are within acceptable levels.
3. At publication of the Corporate Plan, Executive Directors were identified as Leads for each Wellbeing Objective (WBO) with responsibility for performance, assurance and

risk for their respective WBO, as well as integrated scrutiny across the three WBOs to ensure a holistic view of progress.

2025/26 Business Plan

4. The 2025/26 Business Plan sets out what we will do specifically in 2025/26 to deliver against the three WBOs to meet our Corporate Plan by 2030 and help achieve our vision – Nature and People Thriving Together.
5. Due largely to the impacts of our Case for Change, most commitments have been carried forward from 2024/25 to this year. We ended last year with a number of commitments that had a Red or Amber status, with the pathway to Green being dependent of filling staff vacancies and embedding staff in new roles. We have rolled these commitments forward, together with revising those that were Green at the end of the year. We also have two new commitments for 2025/26.
6. Across the three WBOs, the business plan identifies the steps to take we will progress in 2025/26. From these, we have identified 28 specific commitments that we will take forward this year (seven for WBO1: Nature; ten for WBO2: Climate, nine for WBO3: Pollution, and two cross-cutting that deliver integrated solutions for nature, climate and pollution). This represents approximately 30% of the total steps to take in the corporate plan. Each of the 28 commitments consists of up to three key deliverables, showing how that commitment will be achieved. Many of these are aligned to priorities in the Term of Government Remit Letter and specific outputs defined by Welsh Government and other funding body grant award letters

Business Plan 2025/26 Quarter Two Performance Report

7. The Business Plan 2025/26 Quarter Two Performance Report can be seen in Annex 1. A synthesis of progress against the WBOs is provided in the report alongside the RAG (Red, Amber, Green) status of each commitment to show progress for this quarter and the anticipated year-end position.
8. In summary, we are making good progress across all 28 commitments in this year's Business Plan. At the end of Quarter Two, 17 commitments are reporting Green and 11 are reporting Amber, with no commitments currently rated Red. Of the 12 commitments that reported Amber or Red at the end of Quarter Four last year, five have now moved to Green, six remain Amber, and one has improved from Red to Amber. This reflects steady progress across all three WBOs, with improvements in areas such as nature recovery, peatland restoration, and pollution compliance. However, some commitments continue to face challenges linked to resource pressures within teams or supporting teams, particularly capacity in DDaT is proving critical. The year-end forecast has also been revised: while Quarter One anticipated 22 Greens and 6 Ambers, Quarter Two now projects 20 Greens and 8 Ambers. The details of these shifts are shown in Table 1 in Annex 1.
9. **Under the Nature WBO**, seven commitments – including two cross-cutting – are rated Green at the end of Quarter Two, reflecting continued progress since Quarter One. Key developments include the expert review of species recovery assessments under the *Natur am Byth* programme, statutory consultation on National Park reforms, and stakeholder engagement on how we will embed requirements for nature, climate and

pollution minimisation in a new Procurement & Contracts Strategy. Notably, two commitments have improved their RAG status this quarter: the Nature Networks Programme has been redefined and upgraded from Red to Green, and marine protected area work has progressed from Amber to Green. Two commitments are currently Amber, with the 30:30 target work expected to remain so at year end due to resource constraints and slower progress on evidence synthesis. Our work on the Sustainable Farming Scheme is forecast to move to Green following improvements in planning and communications.

10. Under the **Climate Change WBO**, six commitments are rated Green at the end of Quarter Two, reflecting strong progress. Notable achievements include the launch of a new integrated catchment approach for the Taff, operational delivery of the peatland restoration framework, and early success in reducing carbon emissions through procurement. Progress is also evident in marine and coastal restoration, flood risk capital projects, and improvements to planning and permitting guidance. Four commitments are currently rated Amber, with three expected to remain so due to challenges around capacity, technical complexity, and resource pressures. Notably, improvements to flood asset management and the flood warning system are underway but face delays linked to recruitment and DDaT system interdependencies.
11. Under the **Pollution WBO**, four commitments are rated Green at the end of Quarter Two, reflecting continued strong progress in delivery. Notable achievements include targeted compliance visits at high-risk sites and the creation of a dedicated Water Quality Compliance team, as well as sustained action to prevent fly-tipping through integration of Housing Authority Data into the Flymapper system. Five commitments remain Amber of which one is expected to improve to Green through redirection of staff time and recruitment, while the others face slower progress due to unfilled roles and reprioritisation of workload within teams.

Internal performance report

12. Alongside the business plan quarterly reporting we also review management information related to our internal performance.
13. The Internal Performance Report can be found in Annex 2 and covers nine internally focused measures, with their current (Quarter Two) RAG status. This report is a subset of more detailed management information, collected monthly and shared with all Executive Directors for scrutiny with their senior leadership teams. For these measures, the positions at the end of Quarter 2 are: 6 Green, 2 Red, and one Grey.
14. At the end of Quarter Two, measures continue to show strong performance in ICT, customer service, procurement, finance, and governance, with six measures rated Green. These include high response rates to complaints and access to information requests, strong supplier payment performance, and low levels of retrospective orders. Declarations of interest compliance has also improved to Green. Programme and project management remains Grey, with no high-rated risks reported. However, challenges persist in Sgwrs reporting (Red), where we will be following up on the low level of reporting that staff have Sgwrs objectives in place by managers. This has since been discussed by the Executive Team (ET) and there will be collective action by staff and managers across the organisation to address this. Health and safety near miss

reporting remains Red, where we are rolling out further training and improving reporting access for ops staff to achieve green status.

Risks, Risk Appetite and opportunities

15. If the performance information provided does not accurately reflect progress towards delivery of the Business Plan, and the operation of NRW as an organisation, then ET and NRW Board will be unable to fulfil their role to scrutinise delivery.
16. Risk associated with achieving our commitments are aligned to our top level Risk Registers. Delivery risks related to ICT have been escalated to the ORIL (Organisational Risk and Issues Log).

Wider implications

- (a) **Finance:** There are no significant financial implications in providing the performance report itself, however part of our quarterly review considers allocation of our resources and finance and performance papers are therefore closely linked
- (b) **Equality:** The relevant Equality Impact Assessment covers our Corporate Plan 2030, Well-being Statement and Business Plan 2025/26.

Next Steps

17. Following NRW Board approval, both Performance Reports will be discussed with Welsh Government and submitted to the Minister for Climate Change and Rural Affairs. They will be published on the Natural Resources Wales website
18. Feedback will be provided to reporters and Leadership Team and shared with staff via our intranet.

Recommendation

19. The Board approve the Business Plan 2025/26 Quarter Two Performance Report and the Internal Performance Report.

Index of Annexes

Annex 1 – Business Plan 2025/26 Quarter 2 Performance Report – Synthesis of progress against the Wellbeing Objective.

Annex 2 – Internal Performance Report: Quarter 2

Approval / Consultation process

Approval/consultation process	Sarah Williams (Head of Corporate Strategy and PMO)
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Responsible: Who has developed the paper/process and who has had input?	Prys Davies (Executive Director of Corporate Strategy and Development)
Accountable: Who is accountable for the ultimate approval? Who will be or is being asked to approve?	NRW Board
Consulted: Who has been consulted to date? Where endorsement is required, is this in place? Will further consultation be required?	Leadership Team (Steps to Take Owners) Executive Team
Informed: Who has been informed or who needs to be further information about the work?	Leadership Team Planning & Resources Group Executive Team NRW Board

Annex 1: Business Plan 2025/26 Quarter Two Performance – Report of Progress Against the Well-being Objectives

Background

1. Across the three Well-being Objectives (WBOs), the business plan identifies the steps to take where we have identified 28 specific commitments that we will progress this year (seven for WBO1: Nature; ten for WBO2: Climate, nine for WBO3: Pollution, and two cross-cutting). This represents approximately 30% of the total steps to take in the corporate plan. Many of these are aligned to priorities in the Term of Government Remit Letter and specific outputs defined by Welsh Government and other funding body grant award letters.
2. Each of the 28 steps to take identifies a commitment for the year and is accompanied by up to three key deliverables to demonstrate how progress will be made in this year. Most of these commitments have been carried forward from 2024/25, with the addition of two new commitments for 2025/26.
3. We recognise that a breadth of other activity underpins our work on the three well-being objectives from environmental monitoring and reporting, responding to planning applications, issuing permits, undertaking compliance visits and where necessary taking enforcement action.

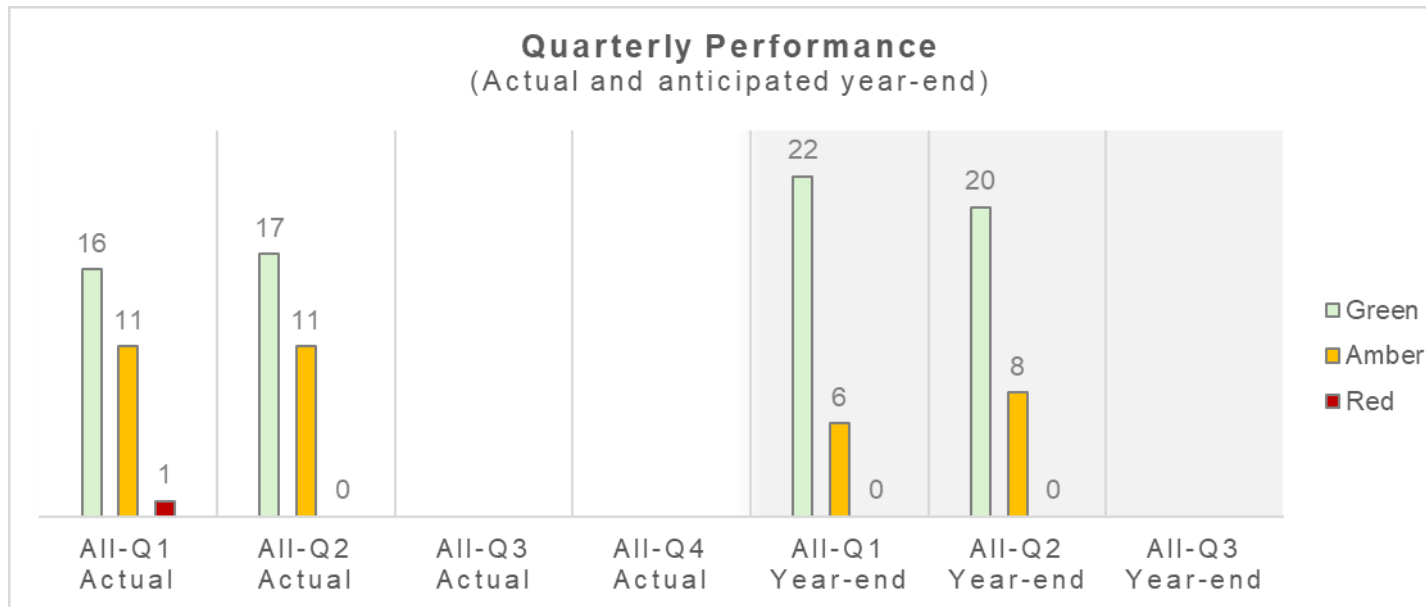
Overarching assessment of performance – emerging themes and risks

4. At the end of Q1, we had 16 commitments reporting Green, 11 Amber and one Red. At that point, teams were forecasting a strong year-end position of 22 Greens and just 6 Ambers. As of Q2, we've seen a modest improvement in current status, with 17 commitments now reporting Green and 11 Amber. However, the year-end forecast has been revised downward to 20 Greens and 8 Ambers.
5. We are now seeing the benefits of reopening permanent recruitment following the Case for Change, with our new recruitment system supporting a more streamlined and transparent process. Feedback from hiring managers has been positive—particularly the ease of advertising roles. Headcount controls introduced in April 2025 remain in place to ensure our headcount stays affordable and sustainable. As more vacancies are filled, we are focused on ensuring new colleagues receive the training and support they need to be effective in their roles and contribute to delivery at pace.
6. There is continued emphasis on using a mixture of delivery mechanisms including the use of contracts, grants, partnerships, and early career pathways. This is helping to maintain a focus on delivery despite internal capacity challenges in some areas.
7. Please note that the commitment C1 (Implement priorities in the NRW Nature Networks programme to maintain and improve the effective management of protected sites) has moved from Red to Green following a redefinition of the commitment for Q2 onwards. While commitments are normally fixed at the start of the year, this change was necessary to give a clearer and more accurate picture of NRW's direct delivery against the Nature Networks programme.

Performance Analysis

8. Fig. 1 illustrates 'RAG' quarterly progress and year-end predicted positions across all 28 annual commitments; Table 1 reflects progress for this first quarter and anticipated year end position for each annual commitment. Detail for each Commitment can be found in 'Appendix 1 of Annex 1'.

Fig 1: Quarterly Performance for Q2 25/26 and Anticipated Year End



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

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
	C2: Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target	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
	C4: Communicate and build understanding of the condition of the Marine Protected Area Network to inform targeted action and improvements	Amber	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
	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
	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
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
	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
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
	C9: Strengthen capacity and evidence informing spatial prioritisation to enable effective future restoration within marine and coastal habitats	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
	C11: Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based	Amber	Amber		Amber
	C12: Deliver capital projects and sustain levels of protection for properties to reduce flood risk	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
	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
	C15: Enhance evidence, guidance and pre-application advice to improve the quality of submissions for planning permissions and permit/licence applications	Green	Green		Green
	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
WBO3: Pollution is minimised	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
	C18: Undertake farm inspections under Agriculture Pollution Regulations, in line with the enforcement sanctions policy to reduce pollution	Amber	Amber		Amber
	C19: Undertake compliance visits at prioritised regulated sites to reduce pollution	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
	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

	2025/26 Business Plan commitment:	2025/26			
		Q1	Q2	Q3	Anticipated Year end
	C22: Set the ambition for water quality improvements at a catchment scale to build collaboration and deliver prioritised action	Amber	Amber		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
	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
	C25: Undertake investigation and enforcement action to minimise environmental harm	Green	Green		Green
	C26: Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping	Green	Green		Green

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

Synthesis of progress against each well-being objective

9. Below is a synthesis of progress against the well-being objectives. A detailed summary of progress for each commitment can be found in Appendix 1 of this Annex.

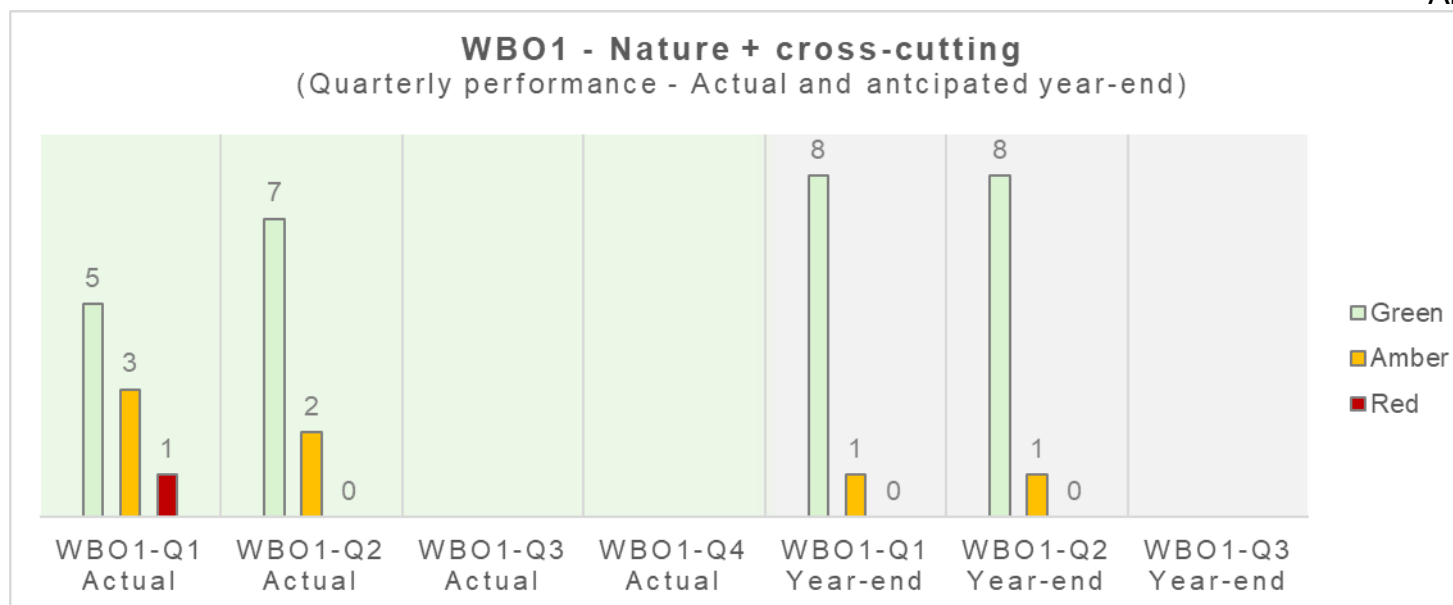
N.B. For reporting purposes only, we have now moved the two cross-cutting commitments (C27 – Advocate and support the use of the latest climate, nature and pollution evidence (including the interim SoNaRR Report 2025) in decision making amongst our public and third sector partners to facilitate a collaborative approach to delivery and 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) under WBO 1.

WBO 1: Nature is Recovering (and cross-cutting commitments)

Table 2: WBO1 dashboard - Nature is recovering (and cross-cutting commitments)

	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
	C2: Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target	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
	C4: Communicate and build understanding of the condition of the Marine Protected Area Network to inform targeted action and improvements	Amber	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
	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
	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
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
	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

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



10. Seven Commitments for WBO 1 have reported as Green at the end of Q2 (including the two cross-cutting commitments), with two reporting Amber. One commitment anticipates being Amber at year-end, with the other eight expecting to be Green.

11. We have made good progress with the seven Green commitments at Q2. Of particular note: for 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) all place-based project officers have now completed their first draft of the interim species recovery assessments and shared it with our contracted specialist for comment for final sign-off; for 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) we have gained Board approval to proceed to statutory consultation, completed our management plan guidance and have seconded expert staff to Welsh Government, and for 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) our main area of progress has been the development of a new Procurement & Contracts strategy, which has now been shared with key stakeholders for their input.

12. There are two commitments reporting Amber at Q2: C2 (Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target); and 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).

13. C2 (Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target) remains at Amber and is anticipated to be Amber at year-end. We have now completed the ['Sites of Special Scientific Interest: a review of the current series in Wales'](#) report. Nevertheless, we are not as far advanced as planned with the other deliverables under this commitment – developing an Operational Guidance Note, which is likely to be in draft form by the end of the year, and synthesising evidence for prioritising sites for SSSI notification / renotification. Resources instead have had to be diverted to tasks such as the statutory Habitat Regulations 9A General implementation report. We expect to have partial delivery of this commitment by year end, hence the Amber year-end status.

14. C6 (Develop the capacity and capability within NRW to ensure the successful implementation of the Sustainable Farming Scheme) also remains at Amber for this Quarter and is forecast to shift to Green by year-end. Our main area of progress has been to establish the operational readiness programme plan, including detailed milestones and a refresh of governance arrangements. We've also been supporting the Welsh Government with farmer roadshows which started late September and are continuing in Q3. Our communication strategy will be completed in Q3. Our pathway to Green includes developing all specifications and guidance needed and, in line with WG requirements and timeline, completion and implementation of the Communications and Training Plans and supporting the capacity building of incoming staff.

15. There have been two shifts in RAG status between Q1 and Q2, from Red to Green (C1) and from Amber to Green (C4), both with anticipation of reaching Green status by year-end .

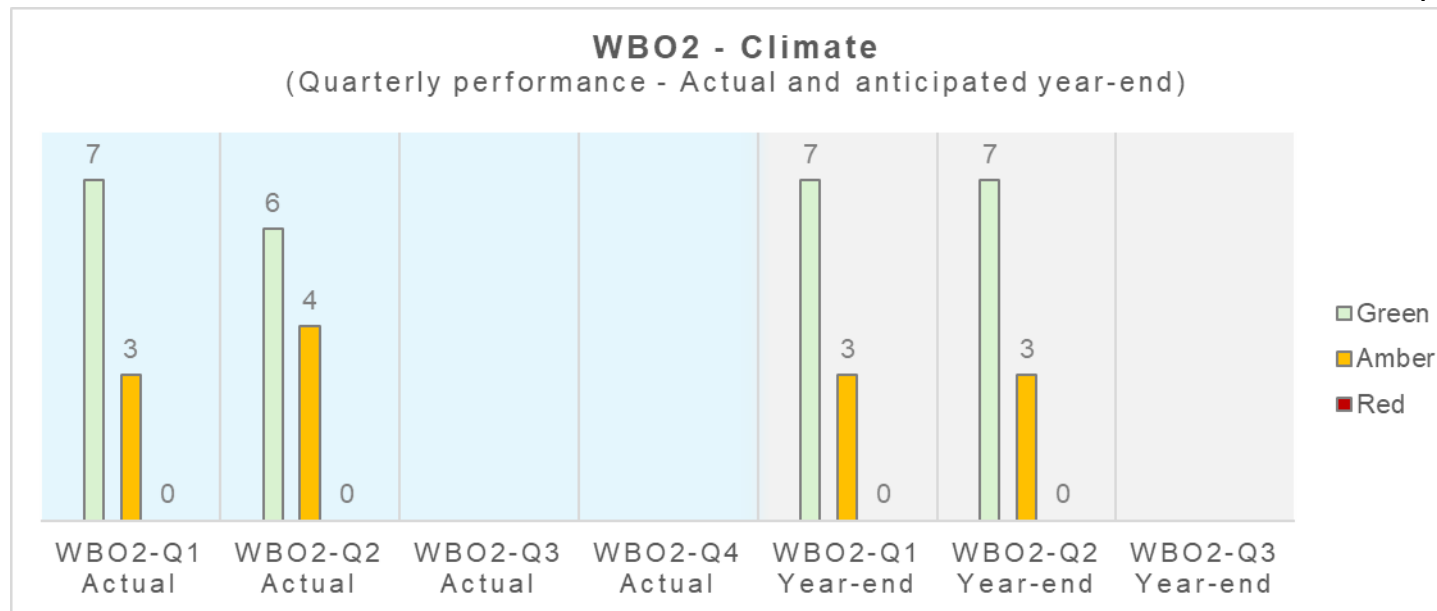
16. C1 (Implement priorities in the NRW Nature Networks programme to maintain and improve the effective management of protected sites) has shifted from Red to Green for Q2. This is because the whole Commitment and its deliverables have been rewritten for this Quarter onwards. This is exceptional: commitments defined at the beginning of the year are usually fixed. This change was necessary to give a clearer and more accurate picture of NRW's direct delivery against the Nature Networks programme.

17. C4 (Communicate and build understanding of the condition of the Marine Protected Area Network to inform targeted action and improvements) has shifted from Amber to Green and is anticipated to be Green at year-end. We are currently promoting condition assessment information internally and disseminating the outputs externally including with the Pembrokeshire Marine Special Area of Conservation (SAC) Relevant Authority Group and the Carmarthen Bay and Estuaries SAC Relevant Authority Group. The Severn feature pilot is also progressing well, with Natural England very interested in the NRW approach. Our 'pathway to green' for year-end is to programme more time in for completing our reports on specific declining species and habitats, including receiving comments from key staff so that we will hit our target by the end of Q4 and be able to set out our findings and recommendations.

WBO 2: Communities are resilient to climate change.**Table 3: WBO2 dashboard - Communities are resilient to climate change:**

	2025/26 Business Plan commitment:	2025/26			
		Q1	Q2	Q3	Anticipated Year end
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
	C9: Strengthen capacity and evidence informing spatial prioritisation to enable effective future restoration within marine and coastal habitats	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
	C11: Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based	Amber	Amber		Amber
	C12: Deliver capital projects and sustain levels of protection for properties to reduce flood risk	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
	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
	C15: Enhance evidence, guidance and pre-application advice to improve the quality of submissions for planning permissions and permit/licence applications	Green	Green		Green
	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
	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

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



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

18. Under WBO 2, six Commitments have reported Green at the end of Q2 with four reporting as Amber. Three commitments anticipate being Amber at year-end, with the other seven expecting to be Green.

19. We have made good progress in Q2, with notable achievements including the operational rollout of the peatland restoration framework C8 (Invest in capacity building to enable delivery in 2025-26 and future expansion of the National Peatland Action Programme) with publication of the five-year programme review and insights informing the next phase of the programme; the integrated catchment approach in the Taff 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) is making good progress. Flood risk reduction work C12 (Deliver capital projects and sustain levels of protection for properties to reduce flood risk) is progressing well, all projects are progressing through appraisal and development phases, and the capital maintenance programme is on track to meet its target of protecting 800 properties, with 617 already benefitting from work in locations such as Wentlooge Levels, Fairbourne, Port Talbot, Severn Vyrnwy Confluence, Treforest, Ynysybwl, Bridgend and Taffs Well. C17 (Implement prioritised actions in the NRW Net Zero Delivery Plan 2025–30 - relating to scope 3 emissions in our supply chain) is currently Green and expected to remain Green at year-end with new templates embedding carbon considerations introduced, and the target of increasing Carbon Reduction Plans by 50% already achieved.

20. Four commitments are reporting Amber (C11, C13, C14 and C16) at the end of Q2.

21. C11 (Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based) is currently Amber and forecast to remain Amber at year-end. In Q2, the Routine Maintenance Programme continues to perform strongly, with 8,458 actions delivered. A deep dive is underway to improve data quality. While the Assets Facing Change project remains delayed, a delivery plan is now in place for Q3. Resource issues are improving, but risks remain, and the commitment is reported as Amber on a precautionary basis.

22. C13 (Improve the Flood Warning Service and Telemetry System to deliver efficiencies and maintain continuity of service to customers) is currently Amber and expected to remain Amber at year-end. In Q2, critical bugs in the new prototype telemetry system we are developing have been resolved, allowing progress toward the 'Go Live date', now rescheduled for February 2026. Improvements to the Flood Warning Information System are ongoing, including work to enable integration with platforms like Google Alerts. Both deliverables will remain Amber due to delays and capacity constraints. Our current telemetry system continues to operate as we develop improvements.

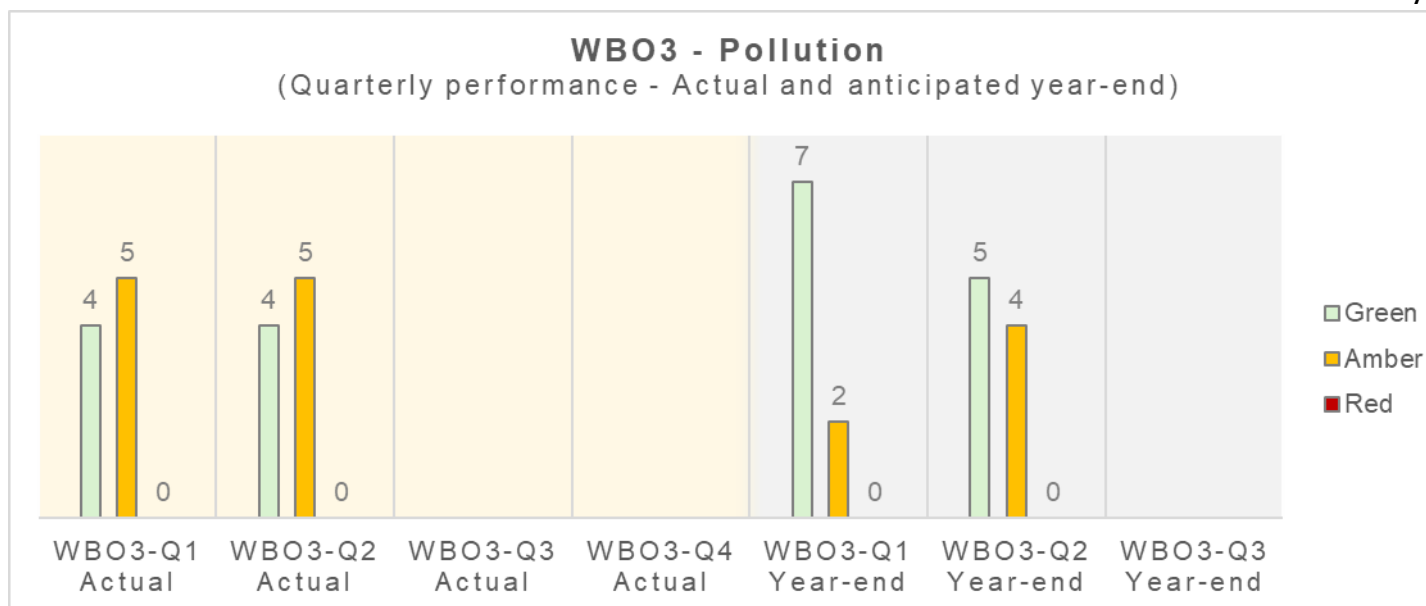
23. C14 (Development of advice, guidance and tools on low carbon techniques and infrastructure, including Carbon Capture and Hydrogen, to improve the quality of applications submitted by industry and reduce the length of time to determine individual permit applications) is currently Amber and expected to remain Amber at year-end. In Q2, key permit decisions have been made, including consultation on the Padeswood Carbon Capture permit. Legislative progress has been postponed due to the timing of the Senedd election. Audit delivery has slowed due to vacancies, and while efficiency improvements are being made, published guidance is unlikely to be available within the financial year.

24. C16 (Prioritise actions with the greatest cost benefit on carbon dioxide equivalent (CO₂e)/ greenhouse gases (GHGs) to deliver our annual prioritisation within the Net Zero Plan) is currently Amber but expected to return to Green by year-end. In Q1, we reported strong progress in embedding carbon tools in design and construction, and launching climate literacy training. In Q2, these practices have continued, and the training programme is now live and part of induction for new starters. However, uptake remains low among existing staff. Targeted promotion of the of the training is underway to meet the 50% staff completion goal.

WBO 3: Pollution is minimised:**Table 4: WBO3 dashboard - Pollution is minimised.**

	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
	C19: Undertake compliance visits at prioritised regulated sites to reduce pollution	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
	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
	C22: Set the ambition for water quality improvements at a catchment scale to build collaboration and deliver prioritised action	Amber	Amber		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
	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
	C25: Undertake investigation and enforcement action to minimise environmental harm	Green	Green		Green
	C26: Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping	Green	Green		Green

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



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

25. For this WBO, four commitments began the year as Green, and all remain Green in Q2. Notable achievements include continued strong delivery for C19 (Undertake compliance visits at prioritised regulated sites to reduce pollution), with the completion of follow-ups for all 45 Category 1 or 2 breaches. There is a continued focus on high-risk sites and poor performers, and the establishment of the Water Quality compliance team. C26 (Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping) shifted from Amber at Q4 last year to Green in Q1 and Q2, and is forecast to remain Green at year-end. The Flymapper system (used to record fly-tipping) now includes Housing Authority data – helping to build a more complete picture of fly-tipping. Following planned recruitment in the team during Q3 a review will be completed to assess if an updated Fly-tipping Protocol can still be completed this year.

26. Five Commitments began the year as Amber and all remain Amber in Q2: C18 (Undertake farm inspections under Agriculture Pollution Regulations, in line with the enforcement sanctions policy to reduce pollution) is currently Amber and is now anticipated to remain Amber at year-end. During Q2 vacant posts have been filled and although new team members are receiving training and mentoring it is likely to be Q3/Q4 before they are fully competent. Inspections are identifying low levels of on-farm compliance with the regulations, which is requiring greater than anticipated follow-up work by the team. This is impacting on their capacity to undertake new visits and thereby impacting on the achievement of the planned number of visits per quarter. The anticipated year-end position on this commitment has therefore been revised from Green in Q1 to Amber this quarter.

27. C21 (Provide challenge and advice to water companies to ensure their investment programmes reduce the risks and impacts of their operations on the environment) is currently Amber and is expected to remain Amber to the end of the financial year. As previously reported,

Q1 saw progress in establishing the baseline for the AMP8 (8th Asset Management Period in the water industry – 2025-2030) National Environment Programme and in Q2 we have been drafting advice to Welsh Government relating to water companies' drought plans. We continue to have four vacancies which we expect will be filled by February 2026. During the quarter we have had to reprioritise work and focus on areas of highest environmental risk. A planned Operator Monitoring Audit will not be delivered this year and we will focus on building team capability for this complex work to start in 2026/2027. Work on PR29 (Periodic Review 29) has not yet started.

28. C22 (Set the ambition for water quality improvements at a catchment scale to build collaboration and deliver prioritised action) is currently Amber but continues to anticipate moving to Green by year-end. Q2 has seen continued progress in Water Framework Directive (WFD) investigations and delivery through EU funded LIFE and Welsh Government funded Nature and Climate Emergency (NaCE) projects, with over 120km of riverine improvements delivered through a range of interventions. Work on nutrient issues in marine SACs continues with ongoing liaison with Local Planning Authorities, and delivery support and planning to (and with) others. To address this high priority work we have had to divert staff from other areas.

29. 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) is currently Amber and anticipated to remain Amber by the end of the financial year. This status reflects the complexity of our incident management work and the demand on expertise across our organisation to complete revised functional SOPs (Standard Operating Procedures). The further work on functional SOPs will build on the generic incident SOPs, completed during Q2. We are focussing on trialling approaches for particular incident types (septic tanks, misconnections and agricultural incidents) so we can roll out to all incident types. We have continued to meet the 4-hour response standard (for those incidents initially assessed as 'high' category), and incident data analysis has continued to inform targeted support around incidents proving hard to close down on the system. 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) is also currently Amber and has seen strong progress in embedding 'risk-based principles' and revising generic incident SOPs (as stated above).

Appendix 1 of Annex 1: Summary of progress for each commitment

Table 1: Wellbeing Objective 1 - Nature is Recovering

ET Owner: Dominic Driver

By 2030 the change we want to see: the decline in biodiversity is halted; effective regulation, habitat restoration and nature-based solutions contribute to increasingly resilient ecosystems enabling adaptation to change, benefiting people's well-being.

Area of Focus: Nature being protected

Step to take: Improving the condition of features at protected terrestrial, marine and freshwater sites through using our advisory and regulatory tools, financial incentives and undertaking monitoring to evaluate effectiveness (UFr1)

C1: Commitment for 2025-26: Implement priorities in the NRW Nature Networks programme to maintain and improve the effective management of protected sites (Lead: Huwel Manley).

Key deliverables:

1. Increased understanding of the effectiveness of the NRW Nature Networks programme through delivery of a pilot project by end of Q4.
2. Increased delivery of positive management interventions through work on 100 terrestrial sites and continuation of 9 Marine Protected Area projects addressing key issues and risks by end of Q4.

Next step for 2026-27: Prioritise actions which have the greatest impact on the condition of SSSI features.

C1: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Scoping of pilot project for evaluation of the Terrestrial programme has been initiated and Marine evaluation is underway. Whilst we have not commenced evaluation work there is no reason to believe that the work will not be completed by end of Q4.

For KD2: All 16 Environment Teams have identified priority capital works to be delivered on SSSIs (Sites of Special Scientific Interest) by the end of Q4. Current tracking information indicates more than 300 activities over 167 separate SSSIs; works are also been planned/implemented on National Nature Reserves (NNRs). Nine Marine protected area projects are continuing as per project plans.

This commitment is anticipated to be Green at the end of the financial year.

Q2

Green

Anticipated
Year end

Green

Step to take: Extending the protection and management of at least 30 per cent of land, freshwater and sea for nature through identifying opportunities to enlarge and better connect the series of Sites of Special Scientific Interest (SSSI).

C2: Commitment for 2025-26: Synthesise evidence to identify priorities for notification and renotification of sites contributing to the 30:30 target (Lead: Mary Lewis).

Key deliverables:

1. Increased the understanding of the extent and connectivity of the current SSSI series through completing an assessment of all sites by the end of Q2.
2. Increased advice to accelerate notifications and re-notifications through the publication of the SSSI Notification Handbook by the end of Q4.
3. Increased the effectiveness of the allocation of investment for delivering an enhanced notification programme by identifying, selecting and costing priority sites to contribute to 30x30 by the end of Q3.

Next step for 2026-27: Prioritise opportunities for notification of SSSIs and the use of other measures outside of the SSSI series.

C2: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Red at the end of September. For KD1: We have now completed the 'Sites of Special Scientific Interest: a review of the current series in Wales' task. This is NRW Evidence Report Number 878 and is available on the evidence reports page of the our website. For KD2: Our main area of progress has been restarting the task and finish group for the SSSI review and leading into the development of this internal facing Operational Guidance Note (OGN). We are now assessing the people resource and milestones to be targeted for delivery at year end. KD2 and KD3 are intrinsically linked and not sequential. We have not been able to spend as much time on this over the past quarter as key protected sites staff were tasked with coordinating other key deliverables including a focus on drafting the Habitat Regulations 9A General Implementation report which has a statutory deadline. For KD3: We have not progressed this deliverable due to the need to focus on external pressures such as the Habitat Regulations 9A General implementation report and a focus on delivery of KD1. At the end of Q2, Natural Resource Management Policy and Operations Service Leads have jointly commissioned the Environment Teams responsible for notifying and renotifying SSSIs to identify potential sites eligible for notification and renotification up to 2030. The questionnaire is an information gathering exercise to help inform prioritisation efforts. Alongside this, our subject matter experts in our Terrestrial Habitats and Species Teams have been preparing to review our existing repository of information about locations that are eligible for notification. We have not been able to allocate sufficient resource to oversee and develop the content of the deliverable, largely because of the range of commitments on the available lead technical staff, including Habitats Regulations 9A Reporting and SoNNaR drafting which have fixed deadlines. This commitment is anticipated to be Amber at the end of the financial year. At the end of September, we are not as far advanced as previously planned for KD2 or 3. Recruitment is proving successful so it may be possible to advance over the last two quarters to partially deliver (Amber) at year end and may well provide us with enough resource to develop and present a first iteration of KD2 and KD3 even if both require further work to finalise. We have been conservative in our end of year prediction, as subject to finalising recruitment and onboarding new staff we may be able to deliver KD2, however, this is optimistic and sensitive to any further staff changes.	Red	Amber

Step to take: Protecting species at the greatest risk of extinction through using our advisory and regulatory tools, working in partnership and monitoring to evaluate effectiveness.

C3: Commitment for 2025-26: Develop an understanding of the intervention impact of 11 of the place based Natur am Byth (NaB) partnership programme projects to refine conservation delivery (Lead: Huwel Manley).

Key deliverables:

1. Increased understanding of the effectiveness of the 11 Natur am Byth place-based projects through testing the impact measurement framework and refining the product.
2. Increased the skills of all relevant programme staff through the delivery of Species Recovery Assessment training (to prepare for full scale review of species recovery targets in 2025-26) (completed by Q2).
3. Increased understanding of the 67 Natur am Byth target species through the completion of the review of all ecological monitoring plans.

Next step for 2026-27: Within the Natur am Byth partnership programme, refine conservation interventions to those with the greatest impact on the 67 target species.

C3: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: All place-based project officers have now completed their first draft of the interim species recovery assessments and shared with our contracted specialist for comment for final sign off.

For KD2: The independent evaluators for Natur am Byth published their annual report in July praising the progress and pace of the programme. Four new recommendations were made to the partnership within the annual report, to focus on areas of work that staff must ensure particular attention on so as to maintain a positive trajectory for the programme. The programme team continue to work on the suite of documents expected by National Lottery Heritage Fund for the interim review meeting in December. These products are on track for completion in November.

For KD3: Interim review recommendations will be received from National Lottery Heritage Fund (NLHF) in early January 2026. The partnership has already received positive feedback from NLHF on our activity plan review approach in regards to post programme management and maintenance commitments. This is a critical task within each place-based project activity plan review, to ensure that roles and responsibilities are clear between landowners, sea users, eNGOs and NRW in the post programme period (September 2027 onwards). This commitment is anticipated to be Green at the end of the financial year. The theory of change model applied throughout the design and delivery of Natur am Byth has ensured non-negotiable deadlines for programme evaluation. The role of independent external experts in this process, plus scrutiny from National Lottery Heritage Fund, has ensured that partnership staff act upon evaluation and adapt their delivery plans continuously.

Q2
Green

Anticipated
Year end
Green

Area of Focus: Nature being restored

Step to take: Accelerating improvements to the condition of the Marine Protected Area Network through robust monitoring and investigations, evidence, advice and working with others on project delivery.

C4: Commitment for 2025-26 Communicate and build understanding of the condition of the Marine Protected Area Network to inform targeted action and improvements (Lead: Rhian Jardine).

Key deliverables:

1. Improved targeting of projects and programmes towards priority issues across the MPA network through effective communication of new condition assessments for Welsh only marine SACs and SPAs by the end of Q2.
2. Initiated work to progress condition assessments for cross border sites through working with Natural England on a pilot feature by the end of Q4.
3. Increased understanding into declines in specific species and habitats through undertaking investigations under the Marine Nature Networks programme, setting out findings and recommendations in a series of reports by the end of Q4.

Next step for 2026-27: Commit to progress all features of the Severn SAC to deliver completed condition assessments and conservation advice.

C4: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Green at the end of September. For KD1: We are promoting the condition assessment information internally and disseminating the outputs of the new condition assessments externally including with Pembrokeshire Marine SAC RAG and the Carmarthen Bay and Estuaries SAC RAG. (RAG -Relevant Authority Groups) For KD2: The Severn feature pilot is progressing well with both organisations collating data and starting the condition assessment. We have met to discuss the approach to the water quality assessment. NE (Natural England) are very interested in the NRW approach. We have met officers from Seven Estuary Partnership and ASEARA (Association of Severn Estuary Relevant Authorities) group to discuss how to incorporate their data in condition assessments and how to help their future work. For KD3: We are finalising reports for sign off by December 2025 and collating new investigation topics from IMCA (Improving Marine Conservation Advice) work for next phase of the project. We are starting the management measures under this project to address IMCA and Investigations management needs. The conclusion of the 2022-2025 report is taking longer than anticipated. This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this is to programme more time to completing the reports in key deliverable 3, including receiving comments in from key staff such that we will hit the target by end of Q4 and be able to set out findings and recommendations.	Green	Green
Step to take: Accelerating action for nature's recovery at a landscape scale through sharing our evidence and expertise with National Parks, National Landscapes and other partners.		
C5: Commitment for 2025-26: Integrate nature recovery evidence into the proposed new National Park process and management of existing National Landscapes and National Parks to improve decision making for nature (Lead: Rhian Jardine).		
Key deliverables:		
1. Established the case for a new National Park through completion of evidence reports and consultation exercise to inform a NRW Board decision on the statutory stage of the National Park Designation process by the end of Q4. 2. Increased integration of nature and climate action into the management plans of National Park and National Landscapes through the refresh of the Designated Landscapes Management Plan Guidance and NRW Grant aid by the end of Q4.		
Next step for 2026-27: Play our part in the National Park Designation		
C5: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Green at the end of September. For KD1: Our main area of progress has been gaining Board approval to proceed to statutory consultation, preparation of a detailed boundary map and description, a round of meetings with statutory consultees and key stakeholders, translation of evidence and preparations for consultation, commencement of statutory consultation. Specifically an Addendum to the 'Wales's New National Park Proposal-The Benefits of Nature Report' was prepared reflecting the amendments made to the draft National Park Boundary to form the proposed boundary for statutory consultation. For KD2: Management Plan guidance is complete - Summary of guidance is still in progress, due Q3. We have seconded expert staff to WG to support wider work and have recruited other staff to lead on the management plan work - Meeting with National Landscapes suggested all are on schedule currently - due an update in Q3 .	Green	Green

This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this commitment is to continue with the statutory consultation and to progress to a final Board decision on the making of the Designation Order in January followed by a Notification Period and submission to Welsh Ministers in February with all supporting evidence and objections and representations made to the Designation Order. A seminar will be held with the Designated Landscapes in Q3 to disseminate the summary of the Management Plan Guidance together with reviewing progress with Management Plan preparation and delivery of NRW Grant Aid.

Area of Focus: Nature is respected and valued in decision-making by

Step to take: Delivering multiple benefits and opportunities for nature, people and the rural economy through supporting Welsh Government in the development and implementation of the Sustainable Farming Scheme, providing evidence and expertise.

C6: Commitment for 2025-26: 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 (Lead: Mary Lewis).

Key deliverables:

1. Established operational readiness programme plan and communications strategy through the detailed planning, development, and internal dissemination of information to facilitate awareness of the scheme by the end of Q2.
2. Sustained support to Welsh Government's development of technical guidance and scheme ambassadors through translation of Habitat Wales Scheme into SFS ready schedules of work to support farmer action by the end of Q3.
3. Sustained capacity within NRW to support SFS implementation through handover of delivery from Programme Team to Operational Teams by the end of Q4.

Next step for 2026-27: Maintain ongoing support for designated sites management plans and woodland verification processes to ensure the continued delivery of outcomes for nature and people

C6: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: Our main area of progress has been to establish the operational readiness programme plan, including detailed milestones and refresh of governance arrangements. We've held a briefing for NRW staff in July to inform them on the wider scheme and preparations for delivery being made. We've also been supporting the WG with farmer roadshows which started late September and are continuing in Q3. Our communication strategy will be completed in Q3.

For KD2: We have an internal transfer procedure and guidance for transfer of existing Habitat Wales Scheme (HWS) holdings to a Sustainable Farming Scheme (SFS) Schedule of Works which is currently being finalised. We have identified a number of benefits for farmers and for NRW that would result from this transitional work, pending WG decision and steer on if/ how the transferred Schedules of Work should fulfil (some of) the requirement for a Designated Site Management Plan of Universal Action 7 (UA7) of the SFS. We are on track to complete preparations for the transfer by Q3 as planned. Transfer of schemes themselves is dependent on uptake and scheduled for Q4 for the majority of Schemes. There is a dependency on internal recruitment and training, and on HWS data availability to progress this work.

We have consistently fed into technical guidance for the wider scheme as requested by WG. We agreed a timeline with WG to input into remaining and specific elements of farmer-facing guidance and technical specifications for the universal layer of the SFS, which is ongoing at pace. This is on track for completion by end October. Dependency on internal recruitment and training, and on HWS data availability to progress this work gives a cautious amber rating, as this may impact on our pathway to green by year end.

Q2	Anticipated Year end
Amber	Green

For KD3: Significant progress has been made with recruitment for core team positions, with a project manager in post since July, the Placements Team Leader in post since mid August and an admin support officer who started in September. Recruitment for a Data Manager has completed and they will start in post early October. Recruitment for Placement Officers has been delayed with the posts being advertised late September and recruitment ongoing in Q3. We are expecting 8 Placements to start their roles late 2025. Recruitment timescales are behind where we would wish to be, hence amber, but with a focus on onboarding and training we are on track to bring this deliverable back to green by year end.

This commitment is anticipated to be Green at the end of the financial year. The pathway to green includes developing all specifications and guidance needed at pace and in line with WG requirements and timeline, completion and implementation of the Communications and Training Plans and supporting the capacity building of incoming staff.

Area of Focus: NRW as an exemplar nature positive organisation

Step to take: Ensuring nature's protection and recovery is integrated into NRW's financial and business decisions through applying the lessons learnt from others on effective tools and frameworks.

C7: Commitment for 2025-26: Implementing No Mow May, piloting new approaches to working with nature on the land and assets that we manage, identifying prioritised recommendations (Lead: David Letellier).

Key deliverable:

1. Decreased the amount of mowing on NRW flood risk management (FRM) assets by the end of Q4 through.
 - (a) 70% of assets not mown during No Mow May.
 - (b) identification of alternative approaches to reduce mowing and work with nature, initiating pilots at key flood risk management assets (number to be determined).

Next step for 2026-27: Implementing revised programme.

C7: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: We have embedded a mowing in May by exception only operating model for the second year running. Mowing has only taken place where the risk to the integrity of our flood defences is too high, or where our statutory obligations to comply with the Reservoirs Act 1975 is at risk.

A project is live in the Flood Risk Management Improvements Programme to look at adapting our practices on a permanent basis to encourage species rich habitats on and around our flood defences wherever we can.

We are in the process of setting up a meeting with Aberystwyth University to explore our requirements in terms of plant types, particularly around grasses, to help decrease the frequency of mowing, with a target of once a year.

This commitment is anticipated to be Green at the end of the financial year.



Q2	Anticipated Year end
Green	Green

Area of Focus: Within four areas of focus (Nature being respected and valued in decision-making; Nature, people and communities being reconnected; Sustained action on climate change being taken by people, communities and businesses; Sustained action to minimise pollution being taken by people, communities and businesses)

Step(s) to take:

(Steps repeated multiple times, within four areas of focus):

...Identifying opportunities to optimise the collective action and impact of the public sector through using SoNaRR and Area Statements to work with the Public Services Boards (PSBs), public health and local authorities

...Involving different communities and sectors in our work, through applying behavioural insights to inform our approaches.

...Ensuring a diverse range of people are taking action for nature/climate/pollution through sharing the vision and outcomes from Nature and Us to expand our networks and increase involvement (UFR115).

C27: Commitment for 2025-26: 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 (Lead: Steve Morgan).

Key deliverables:

1. Increased knowledge amongst sector bodies and wider stakeholders of how to optimise collective action on nature, climate and pollution through publishing the final SoNaRR 2025 by the end of Q3.
2. Greater partner engagement and collaboration through the creation of engagement tools and support for Public Service Boards using SoNaRR and Area Statements in their planning and decision-making by the end of Q4.

Next step for 2026-27: Accelerate the pace and expand the scale of public sector response to address the Climate and Nature emergencies

C27: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: All assessments are drafted and work is underway to finalise the content of SoNaRR.

For KD2: Our main area of progress has been continued collaborative working with partners, including Public Services Boards, using a variety of tools to support their use of SoNaRR and Area Statements in development planning, funding applications, project planning and delivery, community engagement, etc.

This commitment is anticipated to be Green at the end of the financial year.

Q2	Anticipated Year end
Green	Green

Area of Focus: NRW being an exemplar nature positive organisation

Step(s) to take: Ensuring nature's protection and recovery is integrated into NRW's financial and business decisions through applying the lessons learnt from others on effective tools and frameworks (UFR116)

C28: Commitment for 2025-26: 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 (Lead: Ian Mowatt).

Key deliverables:

1. Established the NRW Procurement and Contracts Strategy through its publication by the end of Q3.
2. Completed the review of good practice regarding opportunities to integrate nature, climate, and pollution minimisation into our supply chain and partners through the identification of key recommendations to inform our Procurement and Contracts Action Plan by the end of Q4.

Next step for 2026-27: Deliver in line with our Procurement and Contracts Action Plan.

C28: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Green at the end of September. For KD1: Our main area of progress has been that we have created a new Procurement & Contracts strategy, this is now being shared with key stakeholders for their input. The engagement includes internal customers, subject matter experts, and our team members across the Procurement and contracts function. Externally, we have had meetings with Welsh Government on the Social Partnerships and Public Procurement Act and our adherence with it, but also with Forestry England's Head of Commercial, where we talked through the strategy themes. We have also taken the opportunity to engage with our new Board members who have specific expertise in this area. For KD2: Our main area of progress has been that we have identified circa 10 subject matter experts that lead on a specific well-being objectives (nature, climate or pollution), for example encompassing Climate, Equality, Diversity and Inclusion and Environment Management System. Between now and November we will look to hold 1:1 or group meetings to gain feedback to inform our position. This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this is to get the strategy approved and launched, following good engagement with key stakeholders during Q3; and ensure timely input to the Action Plan for Q4.	Green	Green

Table 2: Wellbeing Objective 2: Communities are resilient to climate change

ET Owner: Sarah Jennings

By 2030 the change we want to see: sustained action on the causes, risks and impacts of climate change means nature and people are enabled and empowered to adapt, alleviating the effects on people's well-being.

Area of Focus: Nature based solutions being widely adopted

Step to take: Restoring peatland through the National Peatland Action Programme (NPAP) working with delivery partners, including on the land in our care, using a range of advisory and regulatory tools, financial incentives and undertaking monitoring to evaluate effectiveness

C8: Commitment for 2025-26: Invest in capacity building to enable delivery in 2025-26 and future expansion of the National Peatland Action Programme (Lead: Mary Lewis).

Key deliverables:

1. Increased the hectares of peatland that have undergone restoration activity through the completion of 600 hectares of restoration activity by the end of Q4.
2. Improved the effectiveness of our input into the land use planning system in reducing the negative effect of development on peatland through the production of an NRW policy position on Planning Policy Wales Edition 12 to effect change in 2026-27 by the end of Q4.
3. Strengthened the National Peatland Action Programme (NPAP) through the evaluation of programme delivery to inform priorities for the next 5-years by the end of Q2.

Next step for 2026-27: Expand the NPAP programme through collaborative work with partners across Wales to increase the hectares of peatland restored.

C8: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Green at the end of September. For KD1: At our last report, we outlined the development and implementation of our new restoration framework. This framework is now in use and we will shortly be awarding contracts. We have gone out to tender for restoration work on the land in our care. This framework also includes a dedicated development lot, designed to support contractors who are new to peatland restoration—providing them with opportunities to learn, build experience, and grow their capacity in this specialist area. For KD2: Natural Resources Wales (NRW) has now finalised its position on Planning Policy Wales (Edition 12), and we're currently working on documents to help us put this into practice. We also recently took part in a training session run by Planning and Environment Decisions Wales (PEDW), where we presented information about peatland categories and definitions. The session included planning inspectors and representatives from the industry. PEDW is part of the Welsh Government and is responsible for handling planning and land use cases that affect the public interest. It's currently rated as Amber because, although we're making progress on developing the guidance, things have slowed down. This is mainly due to a big increase in planning casework for renewable energy projects. We've brought in new staff to help, but they'll need some time to get up to speed. Until then, our senior peatland specialist is still heavily involved, which limits how much time they can spend on this work. For KD3: At our Q1 reporting, we noted that we were in the process of reviewing the first five years of the National Peatland Action Programme (NPAP) - celebrating successes and reflecting on lessons learned. That review has now been completed and published on our website. We are now applying the insights from that review to inform the development of the next five-year programme. Work is underway, with a view to having a draft ready by Q4.	Green	Green

This commitment is anticipated to be Green at the end of the financial year. As newly recruited staff settle into their roles, we will continue to provide them with support and training. This will ensure sufficient capacity to deliver both casework and the development of guidance relating to peat and development planning.

Step to take: Stimulating restoration of marine and coastal habitats such as saltmarsh, sand dunes, seagrass and native oyster reef through working with delivery partners, using a range of advisory and regulatory tools, financial incentives and undertaking monitoring to evaluate effectiveness (UFr39).

C9: Commitment for 2025-26: Strengthen capacity and evidence informing spatial prioritisation to enable effective future restoration within marine and coastal habitats (Lead: Mary Lewis).

Key deliverables:

1. Increased the success and efficiency of marine and coastal restoration in Welsh waters through consultation and publication of guidance on marine and coastal restoration projects by the end of Q3.
2. Increased the spatial targeting of marine and coastal restoration projects through refining existing opportunity maps for restoration of seagrass and native oyster by the end of Q4.
3. Established a cross-Wales saltmarsh restoration partnership and programme through convening partners and promoting key evidence by the end of Q4.

Next step for 2026-27: Work with others to enable effective restoration in the most suitable marine and coastal habitat locations

C9: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Our main area of progress is working with the Expert Group to revise the guidance. We are working to develop a checklist to sit alongside the wider guidance document.

For KD2: Our main area of progress is working with The Crown Estate to tender the contract. We recently assessed the submitted tenders and the contract has been awarded. We have not started work within the contract as contractual arrangements are still being finalised.

For KD3: Our main area of progress has been to attend an initial meeting of the newly formed 'Saltmarsh Network Cymru' at the recent UK Saltmarsh Forum. The North Wales Wildlife Trust gained funding to drive development of the network and a programme of action by end of March 2026. We are members of the network and await the next meeting.

This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this is to continue to finalise the guidance and ensure the evidence work with The Crown Estate is managed effectively through the Steering Group. We will also need to ensure we provide support to Saltmarsh Network Cymru and communicate our priorities for the MPA Network.

Q2

Green

Anticipated
Year end

Green

Area of Focus: Nature based solutions being widely adopted

Step to take: Mitigating the impacts of floods and droughts and improving water quality through identifying opportunities for integrated management of land and water at the catchment scale (UFr41)

C10: Commitment for 2025-26: 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 (Lead: David Letellier).

Key deliverables:

1. Established a collaborative project approach with Risk Management Authorities through identification of opportunities to improve ways of working together by the end of Q4.
2. Increased support for the Strategic Management Plan through engagement with communities and stakeholders by the end of Q3.
3. Established shared understanding of the opportunities in the Taff Catchment through publication of a high level summary of agreed next steps by the end of Q4.

Next step for 2026-27: Implement the collaborative approach to the Taff to progress the project and communities' shared ambitions

C10: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: The project team has initiated detailed task and finish working groups. The senior team is progressing closer working relationships with the Welsh Government's Flood Branch and following appointment of a Programme Manager which commences in November 2025, establishment of the Catchment Partnership which will commence during Q3.

For KD2: The project team will be working collaboratively with our newly appointed People and Places Catchment Programme Manager and will commence delivery of the external stakeholder engagement plan in Q3.

For KD3: A detailed action plan has been agreed by the NRW project board and is in delivery.

This commitment is anticipated to be Green at the end of the financial year.

Q2	Anticipated Year end
Green	Green

Area of Focus: The risks and impacts of climate change being managed and adapted to

Step to take: Reducing the risk to life from flooding through managing our flood assets and infrastructure for current and future flood risk, and planning for change through maintaining and adapting the flood assets and infrastructure we are accountable for (UFR45).

C11: Commitment for 2025-26: Review the prioritisation approach for flood asset maintenance and management to ensure our investment is risk based (Lead: Jeremy Parr).

Key deliverables:

1. Increased the effectiveness and efficiency of the allocation of routine flood maintenance revenue through the implementation of the Risk-Based Revenue Allocation Model (RBRAM), ensuring that we invest in communities at the greatest need by the end of Q4.
2. Increased the effectiveness and efficiency of the allocation of flood asset investment through the delivery of the Assets Facing Change (AFC) Project which will support our future understanding of adaptation needs by the end of Q4.

Next step for 2026-27: Develop the strategies and tools required to inform the long-term response to the need for flood asset adaptation

C11: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: Good progress continues across the Routine Maintenance Programme, to date 8,458 scheduled actions have been recorded as successfully delivered, this represents approximately 44% of the full RBRAM programme (recognising that full needs are beyond our existing capacity). Deep Dives have been undertaken on various areas identified for data improvements, these will influence work over the coming months to prepare for 2026/27 and improve the programme for next financial year.

Q2	Anticipated Year end
Amber	Amber

For KD2: Very limited progress has been made this quarter due to ongoing resource constraints linked to staff issues. Alternative delivery mechanisms have been considered and we now plan that work will initiate in Q3, allowing progress and delivery by the end of the financial year. We have not yet commenced the GIS analysis work required to review our asset data against future coastal change datasets and drivers.

This commitment is anticipated to be Amber at the end of the financial year. The Revenue Maintenance (RBRAM) component is anticipated to be Green at year end, but the Assets Facing Change component is anticipated to be Amber (currently) at year end. Whilst we have identified in Q2 the plan on how we now intend to deliver the work, we need to deliver on this in Q3, and so we are reporting Amber on a precautionary basis. The planning work and resolution of the staff issues that have been impacting the Assets Facing Change work should allow us to reach our intended aims for this commitment by the end of the financial year. We are reporting Amber though still because the plans need to be put into action and whilst the resources issues for this work are in a better position, there is still risk. The Revenue Maintenance (RBRAM) component of this measure is Green and is expected to stay Green to year end.

Step to take: Reducing the risk to life from flooding to people and communities from main rivers, reservoirs and the sea, through the delivery of flood alleviation schemes (UFR46)

C12: Commitment for 2025-26: Deliver capital projects and sustain levels of protection for properties to reduce flood risk (Lead: Jeremy Parr).

Key deliverables:

1. Reduced flood risk to communities through the development of new flood schemes this year in Cardigan, Pwllheli, Porthmadog, Tenby, these will reduce the risk of flooding to 1344 properties in these communities in future years by the end of Q4.
2. Sustained flood protection to over 800 properties through non-routine capital maintenance of existing assets/defences by the end of Q4.

Next step for 2026-27: Deliver prioritised capital works to reduce flood risk in line with programme priorities, reducing risk and sustaining flood protection to communities in Wales.

C12: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Progress is being made across all the projects listed. Each are in different phases of appraisal and development, and will lead to construction work and outcomes delivered in future years, as planned. At present, there are no concerns to raise with the progress of these projects.

For KD2: The capital maintenance programme continues to be delivered, new projects are identified throughout the programme year, we expect to deliver the 800 properties target and remain within budget for this work over the course of this financial year. To date, 617 properties have benefitted from our capital maintenance work, in locations including Wentlooge Levels, Fairbourne, Port Talbot, Severn Vyrnwy Confluence, Treforest, Ynysybwl, Bridgend and Taffs Well.

This commitment is anticipated to be Green at the end of the financial year. This commitment is on track to deliver.

Q2	Anticipated Year end
Green	Green

Step to take: Reducing the risk to life from flooding through issuing flood warnings that meet the changing needs of communities, and maintaining and improving the 24/7 Flood Warning Service (UFR47)

C13: Commitment for 2025-26: Improve the Flood Warning Service and Telemetry System to deliver efficiencies and maintain continuity of service to customers (Lead: Jeremy Parr).

Key deliverables:

1. Sustained delivery to all customers of telemetry data through migrating to the new Telemetry System, ensuring that we provide the evidence needed to support our key services by the end of Q3.
2. Improve the new Flood Warning Information System for Wales through development of prioritised enhancement plan by the end of Q3.

Next step for 2026-27: Evolve the Flood Warning Service, delivering enhancements, further efficiencies and improvements for customers.

C13: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Amber at the end of September. For KD1: Critical bugs and performance issues in the new prototype Telemetry system that were stalling progress have been resolved and we can now proceed to system configuration and training for Go Live. Good progress made in other areas of the project including the outstation replacement workstream and preparation of training material. The delays in our external supplier addressing both the fixing of system bugs and performance stability issues, means the project Go Live is rescheduled from October 2025 to February 2026, with final project closure expected in May 2026. We will not be achieving the original start of year target of new system fully in place by end of Q3, but we are on track to deliver this 7 year project into service in Q4, and hence status is reported as Amber. Project risks that may affect achievement of the Go Live date remain though, as this is a complex ,in-flight, technical project. For KD2: The newly formed Product Team for this service continues to evolve and deliver some improvements to the Flood Warning Information System for Wales (FWISfW), but there are further requirements and improvements that we are behind schedule on. Work has commenced to develop the capability to provide our flood warning data in a format which will enable it to be consumed and republished by tech giant platforms (e.g. Google Alerts) increasing the reach of our flood warnings to those at risk. Progress with delivery of the system improvements is slower than planned. Difficulties in recruiting to NRW ICT posts mean that we are more reliant on our external ICT partner and this is costing us more than it would if we had the internal resource in place. As well as the dependency on others which is not desirable long-term, this has financial implications which are manageable this financial year but which need to be addressed for future years. We also have had to reduce the Flood Warning team size by one FTE to meet budget reduction requirements (through Case for Change), and this has impacted this deliverable as reduced capacity means that the work is not progressing to the originally intended timeframes. This commitment is anticipated to be Amber at the end of the financial year. The Telemetry Replacement project measure is Amber because the Go Live target date in Q3 will not be met. It is Amber rather than Red because the project is delayed by 4 months rather than anything more serious. The Flood Warning (FWISfW) measure is Amber because of delays in delivering the improvements required, with a key contributory factor being redirection in capacity (to meet budget reduction requirements) in the flood team, and difficulties with recruitment to ICT posts. There is not a pathway to green by year end because the Telemetry Replacement project will not be delivered by Q3 and the project will very likely be Amber through to planned Go Live in February 2026 (and full project closure in May 2026) due to the number of complex risks it is carrying right through to Go Live. The project is now going well, but it is delayed. The Flood Warning (FWISfW) measure will also remain Amber because the work is delayed and the Q3 target date will not be delivered. This means that we are not delivering the full benefits from the new flood warning system and not delivering as full a service to the public as we planned for - although it is important to note that the core fundamental flood warning message sending functionality is in full operational use.	Amber	Amber



Area of Focus: Carbon emissions being reduced

Step to take: Stimulating adoption of alternative low carbon and carbon capture technologies in industry, through providing specialist advice and guidance to inform either planning permission or permit applications (UFR55)

C14: Commitment for 2025-26: 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 (Lead: Becky Favager).

Key deliverables:

1. 80% of permit determinations or draft determinations approved in line with agreed developer timescales through engagement with all known Final Investment Decision (FID) track projects by end of Q2.
2. Increased integration of low carbon technologies and EMS through completion of report identifying opportunities to change Welsh Government policy and legislation by the end of Q4.
3. Decreased the amount of landfill gas released directly from landfill through delivery of the key priorities of the Landfill Emissions Reduction Project by the end of Q4.

Next step for 2026-27: Implement changes to planning and permitting processes in relation to alternative low carbon and carbon capture technologies

C14: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: All UK Government Financial Investment Decisions (FID) requiring permit decisions have been approved. Padeswood Carbon Capture and storage permit is out to consultation and the FID has been made. Parc Adfer has been included in the track 1 funding, the FID for this will be in the 2026/27 period. No other FID are due by the end of Q2.

For KD2: We have provided Welsh Government with a Report completing this deliverable, however the UK Government have consulted on changes to the Environmental Permitting Regulations (for England) that include our legislative proposals, but due to the timing of the Senedd elections the progress on legislative change in Wales has been delayed into 2026. This will not be progressed further until a new government has formed post election.

For KD3: Six out twelve planned audits have been successfully completed in Q1 and 2, resulting in demonstrable improvements. However, the pace of progress of audits and follow up needed at Withy hedge and Hafod landfill sites has recently slowed due to ongoing vacancies within the team. Vacancies within the team have slowed the progress of audit delivery.

This commitment is anticipated to be Amber at the end of the financial year. Delays to projects and technical work focussed on determination of the first Carbon Capture & Storage permit, has meant that the associated guidance and tools have been delayed. Due to the shifting nature and technical complexities of the projects involved we anticipate we will not be fully able to deliver against this commitment by the end of this FY. Progress has been made on improving our efficiency of determining permitting applications through closer working with operators. New issues identified, such as the need to undertake in-combination assessment, and reliance on expertise within advisory services will

Q2	Anticipated Year end
Amber	Amber

prolong permit determination time. Utilisation of a mixed economy approach (using outside expertise) and funding from industry may help achieve shorter determination times, however it is unlikely that published guidance will be available within the time frame.



Area of Focus: Climate emissions being reduced

Step to take: Supporting the development of sustainable offshore and onshore renewable energy through our evidence, advice and regulation, building a common understanding of the standards required in the statutory planning and permitting processes (UFR56)

C15: Commitment for 2025-26: Enhance evidence, guidance and pre-application advice to improve the quality of submissions for planning permissions and permit/licence applications (Lead: Becky Favager).

Key deliverables:

1. Increased Marine Renewables guidance and evidence through delivery of initial stages of 40% of high priority guidance and evidence projects by end of Q4.
2. Improved the marine service to enhance user experience through delivery of 70% of the prioritised actions arising from the End to End Review of Marine Licensing (3 year programme) and development of the Marine Licensing public beta (customer platform) by the end of Q4.
3. Maintained service levels for determining marine renewable permit applications at 95% by the end of Q4.

Next step for 2026-27: Deliver the remaining prioritised actions arising from the End to End Review of Marine Licensing

C15: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: We filled the longstanding vacancy of the Marine and Coastal guidance lead role at the beginning of the financial year. The post holder is currently reviewing and updating the priority guidance list which includes the review of existing guidance to progress this deliverable. Our main area of progress for evidence has been to progress contracts for work to support two of the high priority evidence needs. We are working collaboratively to deliver another evidence need. Progress is being made through external organisations with remaining two. Progress for Delivery of Guidance is not yet back up to speed. We have re-established the internal group Marine and Coastal Guidance Group – an oversight group with representation from across the marine service to provide governance and steer to the guidance review and development work across the marine service. Alongside this the post holder has continued to work on a refreshed programme of work for marine and coastal guidance priorities across NRW marine service by engaging with specialists and teams across the organisation.

For KD2: Our main area of progress has been the commencement of the Marine Licensing Customer platform (Marine Beta) in July. We are working extensively with our delivery partners, and we have: begun building the Band 1 application process, developed a dashboard for customers to view and track their applications, built in bilingual support for our customer facing systems from the very start, designed the Marine Licensing Team (MLT) workflow at a high level, delivered dashboards for teams and individuals, introduced email functionality and templates to improve communication, created basic document generation from templates and streamlining case handling.

For KD3: Many Marine Renewable permit applications don't carry service level agreements due to their complex nature. We do however work with our customers through pre-application and determination to understand their timing aspirations for consent decisions and ensure clarity of message when requesting further information to ensure timeliness. Of note, the Marine Licensing Team positively determined Marine Licence; ORML2429T, Transmission Asset of Mona Offshore Windfarm, issued on 24 September 2025

Q2	Anticipated Year end
Green	Green

This commitment is anticipated to be Green at the end of the financial year. The Marine and Coastal Guidance Group are meeting this month to prioritise resources for current published guidance which is due for review.

Area of Focus: NRW being an exemplar organisation for a carbon neutral public sector

Step to take: Strengthening our strategic approach to decarbonisation through developing and delivering an organisation-wide net zero plan, building on the lessons learnt of partners (UFR72)

C16: Commitment for 2025-26: Prioritise actions with the greatest cost benefit on carbon dioxide equivalent (CO₂e)/ greenhouse gases (GHGs) to deliver our annual prioritisation within the Net Zero Plan (Lead: Mary Lewis).

Key deliverables:

1. Assess the whole life carbon impact of each design option at both outline and detailed design stage for all capital construction projects utilising the Environment Agency's (EA's) ERIC Carbon Modelling Tool to inform the selection of the final design and reduce carbon footprint by the end of Q3.
2. Assess the carbon impact of material and operational options, at construction stage, of all capital construction projects above £750k contract value (excluding VAT) utilising the Environment Agency's ERIC Carbon Calculator to reduce carbon footprint of the scheme by the end of Q3.
3. Increase the percentage of staff completing climate literacy training to more than 50% of all NRW staff, through the delivery of the Climate Literacy Training Programme and become an accredited Carbon Literate Organisation – Silver standard.

Next step for 2026-27: Expand delivery on priority actions within the Net Zero Plan.

C16: Latest position (to end of September):

This commitment is Amber at the end of September.

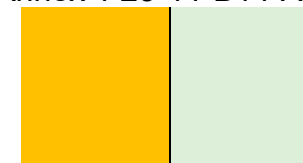
For KD1: The Projects and Programme Delivery Team have included the delivery of a carbon impact assessment in 100% of design scopes which have been issued this quarter. The assessment is consistently delivered by all of our framework designers via the EA's Carbon Modelling Tool. It is applied to the shortlisted options at outline design stage and to the preferred design at detailed design stage to inform option selection process and ensure that carbon impact is a priority factor.

For KD2: The Projects and Programme Delivery Team have included the delivery of the carbon calculator in 100% of construction contracts over £750k (Ex VAT) awarded in this quarter. The assessment is consistently delivered by all of our framework contractors via the EA's Carbon Calculator Tool. It is a live tool, updated throughout the construction phase with the results shared at construction completion.

For KD3: Our main area of progress has been to complete the contracting of the climate literacy training and to commence the first cohort of courses. We have also completed our submission for the Carbon Literate Organisation accreditation. As part of induction all new starters are required to attend the course, and many are now attending. The courses are now available for sign up and administered from our Learning Management System. We have not had good take up by staff, with the exception of new starters, which means courses are not full. This means that there is a risk of not meeting our objective of 50% staff completing the course. We are advertising the Carbon literacy training via the intranet and Managers Monthly Guide and plan to encourage managers and team leaders through targeted requests to get staff signed up for training to return the green by year end.

Q2	Anticipated Year end
Amber	Green

This commitment is anticipated to be Green at the end of the financial year. We anticipate being green at year end. We are advertising the Carbon literacy training via the intranet and Managers Monthly Guide and plan to encourage managers and team leaders through targeted requests to get staff signed up for training to return the green by year end.



Step to take: Ensuring actions for climate are driven throughout our supply chains, grant programmes and land management agreements through inclusion in our procurement and funding frameworks (UFR79)

C17: Commitment for 2025-26: Implement prioritised actions in the NRW Net Zero Delivery Plan 2025-30 relating to scope 3 emissions in our supply chain (Lead: Ian Mowatt).

Key deliverables:

1. 100% of formal procurement tender and quotation documents include carbon related requirements from suppliers by the end of Q3.
2. 50% increase in the number of Carbon Reduction Plans received for NRW procurement contracts and frameworks above £5 million or equivalent organisational emissions statement by the end of Q4.

Next step for 2026-27: Review the potential to extend the use of carbon reduction tools and plans into other funding frameworks.

C17: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Our main area of progress has been the introduction of the new templates and documentation (including Request for Quotation and the Invitation To Tender). Appropriate questions relating to carbon have been included, proportionate to the value of spend, and these have replaced the tender and quotation documents that were used by Procurement or Contract Managers within NRW up until May 2025. We have now completed Key Deliverable 1.

For KD2: We have achieved our original target of increasing the number of Carbon Reductions Plans (CRPs) by 50%. In addition the original two achieved last year, we have now included the request for CRPs in one of our largest areas of opportunities, which is the Peatlands Framework (£20m). However, we will now seek to identify further opportunities throughout the year.

This commitment is anticipated to be Green at the end of the financial year. We have been fortunate to achieve the target early and will look to identify potential further opportunities this year.

Q2	Anticipated Year end
Green	Green

Table 3: Wellbeing Objective 3: Pollution is minimised

ET Owner: Gareth O'Shea

By 2030 the change we want to see: pollution is minimised through effective regulation and legislative reform, reducing harm to biodiversity and people's well-being, and driving the sustainable management and use of natural resources.

Area of Focus: Effective use of regulatory tools and approaches

Step to take: Ensuring the sectors we regulate, including illegal non-permitted activities, take effective action to control and minimise pollution and increase resource efficiency through the provision of advice and guidance that effectively sets out the standards required to ensure compliance (UFR80)

C18: Commitment for 2025-26: Undertake farm inspections under Agriculture Pollution Regulations, in line with the enforcement sanctions policy to reduce pollution (Lead: Becky Favager).

Key deliverables:

1. Maintained the level of service for the number of compliance inspections under the Agriculture Pollution Regulations through completing 80% of the scheduled 821 sites (which are identified as those with higher risk activities) by the end of Q4.
2. Improved effectiveness of regulatory approach through completion of annual regulation report analysing inspections carried out and follow-up actions by the end of Q2.

Next step for 2026-27: Improve efficiency and effectiveness of compliance inspections under the Agriculture Pollution Regulations

C18: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: We delivered 121 out of a planned 164 compliance inspections in Q2. Whilst four vacant posts (28%) impacted our ability to meet our inspection target, during this period all the vacant posts were filled by the end of July. These officers are now in an intensive training and mentoring process with the aspiration they will be capable of undertaking compliance inspections by the end of Q3 and into Q4. The reduced staff resource and availability through the summer leave period has impacted on our ability to deliver the quarterly target during Q2. Another factor which is starting to impact delivery of the compliance visit target is the gradual increase of follow-up work required on non-compliant farms. Around 50% of farms are currently non-compliant at first visit. Two years into delivery of compliance inspections, officers are now building a backlog of farms which require follow-up. This was expected but not at the current scale. Mitigation measures are being considered to reduce the level of farms which require follow-up, implementing a revised approach will require NRW and WG agreement. For KD2: Regulatory approaches resource has been focussed on supporting delivery and addressing operational queries. Limitations in available capacity has restricted broader progress within the regulatory approaches team. This has been addressed and additional resource will be in place by early November 2025. The annual report for 2024 was shared with WG and key stakeholders during Q1. Recommendations of the WG formal review of the Control of Agricultural Pollution Regulations have been published and will establish a task & finish group to progress these recommendations.

This commitment is anticipated to be Amber at the end of the financial year. While we have managed to recruit to all vacancies during Q2, training all the new starters to a level of competency to undertake challenging compliance inspections of this nature will take at least 4 months. Maintaining a high level (90%) of technically competent officers should enable us to achieve at least 80% compliance visit target if not 100% (821).

Q2	Anticipated Year end
Amber	Amber



C19: Commitment for 2025-26: Undertake compliance visits at prioritised regulated sites to reduce pollution (Lead: Martin Cox).

Key deliverables:

1. Sustained delivery of 95% of category 1 and category 2 compliance breaches being subject to further compliance effort (action or review) within 6 months by the end of Q4
2. Increased effectiveness and efficiency of compliance work through the production of an annual regulatory report with recommendations for improvement by the end of Q2

Next step for 2026-27: Improve efficiency and effectiveness of compliance visits

C19: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Between 1 January 2025 and 31 March 2025, 45 Category 1 and 2 breaches were issued against 32 permitted sites across industry, waste, water quality and water resources permitted operators. All of these permitted operators were subject to further compliance effort within 6 months between 1 July 2025 and 30 September 2025.

For KD2: The Annual Regulatory Report has been produced and was signed off at Regulatory Business Group on 18 September 2025 with final sign off by Head of Business via correspondence. The report is currently with the Communications Team and is awaiting translation prior to publication on NRW's website, anticipated early November. This will be published a month earlier than 2024.

This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this is to continue to undertake compliance visits at prioritised regulated sites to reduce pollution. NRW regulates over 40 different regimes each with their own specific risks and issues. Operational teams continue to undertake compliance visits to minimise pollution at those sites that pose the greatest risk to the environment. For industry and waste sites, there remains a continued focus on poor performing sites (DEF) to ensure non-compliances are rectified and the risk of pollution is minimised. For water quality, a Water Quality compliance team has been established and several roles including the team leader have been recruited to. The scope and remit of this team will be shaped going forward in conjunction with Environment Teams. Water resources continue to focus on high risk abstractions to ensure their impact on the environment is minimised.

Q2	Anticipated Year end
Green	Green

Step to take: Minimising pollution and waste through working collaboratively with industry and others to identify how legislation and Welsh Government policy need to change (UFR82)

C20: Commitment for 2025-26: Implement targeted regulatory activities for key business sectors and waste service providers to improve compliance with the Workplace Recycling Regulations (Lead: Becky Favager).

Key deliverables:

1. Embedded the business as usual delivery model for workplace recycling through the development and implementation of the regulatory work plan by the end of Q2.

2. Maintain percentage of businesses within priority sectors compliant with Workplace Recycling Regulations through evaluation of quarterly inspections data by the end of Q4.

Next step for 2026-27: Integrate delivery of Workplace Recycling into regulatory delivery to effectively align with WG ambition and available funding.

C20: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Green at the end of September. For KD1: Our main area of progress has been the transition of the Team from our Evidence, Policy and Permitting Directorate to the new Once in Wales Group for Waste. We have also recruited a Senior Officer to support delivery of the regulatory work plan for Workplace Recycling. Target sectors have been identified for regulatory delivery in quarter three, as well as analysis of compliance data to identify workplaces for follow-up visits and potential enforcement action if they remain to be assessed as non-compliant. For KD2: Our main area of progress has been completing a further 60 compliance assessments within our priority sectors. Of those assessments, 62% were assessed as compliant and 38% were found to be non-compliant. Overall this year, a total of 185 compliance assessments have been undertaken with 65% assessed as compliant and 35% found to be non-complaint. We have also reached a further 413 workplaces to raise awareness of the Workplace Recycling Regulations, which brings the total communication so far this year to 6,844. This commitment is anticipated to be Green at the end of the financial year.	Green	Green

Step to take: Protecting the environment and improving environmental performance of water companies through effective challenge of their investment programmes to secure action to improve (UFR88)

C21: Commitment for 2025-26: Provide challenge and advice to water companies to ensure their investment programmes reduce the risks and impacts of their operations on the environment (Lead: Mary Lewis).

Key deliverables:

1. Monitored planned investment by water companies in AMP8 through tracking delivery of water company National Environment Programme and commence work with water sector to establish priorities for PR29 by the end of Q4.
2. Increased the effectiveness of the three water company's drought plans through providing advice to the Welsh Government on the adequacy of their Statement of Responses to public consultation by the end of Q3.
3. Assessed the quality and reliability of water company self-monitoring procedures and identified areas for improvement through the delivery of an Operator Monitoring Audit by the end of Q4.

Next step for 2026-27: Maintain ongoing work to track the progress of water company delivery expected in 26-27

C21: Latest position (to end of September):	Q2	Anticipated Year end
This commitment is Amber at the end of September. For KD1: AMP8 (8th Asset Management Period 8 2025-2030) delivery is progressing well, alteration requests are progressed and no current delays have been predicted. However, PR29 planning has not started and is further complicated by being subject to change with Government decisions on Independent Water Commission recommendations. We should have clarity in Q3, but it is likely to impact delivery. We have not started PR29 planning due to ongoing recruitment issues and Government deliberation of process changes proposed as part of Cunliffe	Amber	Amber

review.

For KD2: Our main area of progress has been drafting the advice reports to the Welsh Government on the adequacy of their Statement of Responses to the public consultation on the water company drought plans ready for sign-off in Q3.

For KD3: Recruitment for the Water Compliance Team is underway, however there are still 4 vacancies within the team. We expect all water compliance roles to be filled by February 2026. We have reprioritised the team's work in order to focus on areas of highest environmental risk due to not being fully resourced. As a result we will not be delivering an Operator Modelling Audit this year. Our focus for the rest of this year and early next is building team capability for this complex work. This will ensure we can audit water companies effectively and deliver Operator Monitoring Audits as part of a wider compliance programme in 2026/27.

This commitment is anticipated to be Amber at the end of the financial year. Although a decision has been made not to carry out an Operator Monitoring Audit (KD3), some mitigation and planning has been put in place for next year. Green will not be possible this year as KD3 will remain on red. It is hoped that recruitment for PR29 planning will be successful and approach from WG will be clear to improve delivery of KD1.

Step to take: Minimising pollution in highly protected and designated waters through identifying the actions required of a range of sectors (UFR89)

C22: Commitment for 2025-26: Set the ambition for water quality improvements at a catchment scale to build collaboration and deliver prioritised action (Lead: Mary Lewis).

Key deliverables:

1. Increased our knowledge and understanding of the causes of waterbody failure (both Water Framework Directive (WFD) Regulations and Special Area of Conservation (SAC)) through completion of 35 investigations for water quality failures in the Gwyrfai, Eden, Dee and Irfon SACs; and 75 investigations for water quality failures in WFD only waterbodies by the end of Q4.
2. Increased the resilience of highly protected and designated waters to pressures, including water quality pressures, through improvement/ restoration of 150km of rivers as part of NRW's partnership projects (DeeLIFE, 4 Rivers for LIFE and Nature and Climate Emergency Funded projects) by the end of Q4.
3. Improved action on nutrients issues in marine SACs through completion of a prioritised action plan by the end of Q3.

Next step for 2026-27: Implement further investigations into the drivers of waterbody failures to inform future action.

C22: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: Our main area of progress has been 46 WFD investigations (total to date is now 56) have been signed off and 1 SACi. 23 SACi are ongoing and progressing well. A number of draft reports are out for review. Measures have been agreed for the Gwyrfai and Safle has been updated accordingly. We are confident that we will deliver the overall targets for WFD and SAC by year end.

For KD2: The NaCE funded programmes (Water Quality & Fisheries), DeeLIFE and 4 Rivers for LIFE are delivering interventions at multiple sites in Wales. In Q2, 120.44km of riverine improvements were delivered from interventions such as riparian habitat improvement, fencing schemes, INNS management, barrier removal and cattle crossing installation.

For KD3: Our main area of progress has been: ongoing liaison and delivery planning with WG and significant advisory support to LPAs and stakeholders; putting in place a project plan with actions have been produced to be delivered by March 2026; recruiting new FTA posts funded by Welsh Government that will contribute to delivery with the SAC Nutrients Project (2 vacant posts remain); attend the WG Summit and engaging with the land management sector; Flowchart for DPAS staff to assist with planning applications. We have not been able to recruit all the posts in the Project, which delays progress on delivery of all the actions needed.

Q2	Anticipated Year end
Amber	Green

This commitment is anticipated to be Green at the end of the financial year. The pathway to green for this is recruitment to vacant posts in marine SAC project and redirection of other staff time to support delivery.



Area of Focus: Incident response being risk-based

Step to take: Minimising harm from environmental pollution incidents through preparing for and responding to priority incidents as a Category 1 responder (UFR92)

C23: Commitment for 2025-26: 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 (Lead: Lyndsey Rawlinson).

Key deliverables:

1. Established understanding of rebalancing resource from low impact incident response to planned actions in relevant service plans (water, land, biodiversity for example) through tracking progress and revising procedures
2. Maintained level of service at 95% to review and record response to incidents recorded as high urgency by ICC within 4 hours
3. Increased closure of incidents reports within 30 days through more effective use of management information

Next step for 2026-27: Implement improvements to the incident management service

C23: Latest position (to end of September):

This commitment is Amber at the end of September.

For KD1: Following the successful launch of new approach, we have been working hard with operations staff to help further embed the new ways of working. We have reviewed whether the removal of routine feedback has helped to release capacity to focus on other work, and we are pleased to say it has overall, but we recognise we are still ensuring we communicate the important reasons for us doing this both internally and externally. We have continued to push the use of our new decision tool, recognising that there is further work to do on embedding this properly in Q3 and Q4. We have successfully completed all the generic incident Standard Operating Procedures (SOPs), and have shared these with staff. This now gives us a template and approach to develop the non incident SOPs, which will form a big piece of work for the next 12 months.

We've have worked with colleagues across NRW to clarify the boundary between incident response and functional ownership and have described this through our new policies. We will use this now to help develop the SOPs and ways of working so our officers know what to do when an incident moves onto business as usual.

We have confirmed we will work on 2 to 3 pilot areas to develop the process and approach for how we deal with the issue from when it comes in as an incident to when we close it down in business as usual. These are septic tanks, misconnections and agricultural pollution. Once we are content with the approach, we will roll it out to other incident types. This work will be ongoing for the next 12 months. Amber reflects that while we have made excellent progress with the first stage of the work and have hit some significant milestones (feedback, SOP development, launch of the decision tool) we recognise we now need to move to the next phase which will involve other parts of the business and be more complex. We are confident we have the foundations in place to ensure the success of our ambitions, but recognise it will take time and commitment.

For KD2: The 95% KPI target of responding to incident reports initially triaged as 'High' was maintained.

For KD3: We have undertaken our analysis of WIRS (Wales Incident Recording System) older than 30 days that are still open. This has given us important information on which areas, teams and pollution types are proving difficult to close down on WIRS. We have also nearly finished

Q2	Anticipated Year end
Amber	Amber

This commitment is anticipated to be Amber at the end of the financial year. We have done a significant amount of work understanding what incidents we have reported to us, what harm they cause and how we need to then deal with them. We are using this intelligence to develop our approaches to different incidents - ensuring we understand what to do from when the incident comes in via ICC, to when we close it once it has moved into business as usual. Understanding this 'handover' from incident to function has been a core part of our work and we will continue to work with colleagues from the functions to develop our approaches for different incident types. This work will involve developing functional SOPs, and aligning functional procedures. We have 2 to 3 pilot incident types (septic tanks, misconnections and agricultural pollution) we are focusing on, to test this approach. Once we are happy we have developed robust, risk based and transparent approaches for these pilot areas (from incident to closure) we will move to looking at other incident types. It is important to note this is a significant piece of work with complexity and will need to involve experts from around NRW so it will take time to complete and will therefore continue into the new financial year. As such we will remain at amber into 2026/2027.

Step to take: Minimising the harm from specific sectors and within specific geographic areas through using evidence to take action to improve compliance (UFR93)

Key deliverables:

- Next step for 2026-27:** Sustained improvement in incident management response through completion of prioritised actions from the incident management strategy

This commitment is Amber at the end of September.

For KD2: Our main area of progress has been the completion of the IM Interim Strategy and ongoing development of the IM service plan.

Q2	Anticipated Year end
Amber	Amber

Generic incident SOPs have been completed and published, providing a consistent framework up to the point where the incident is handed over to the function as per business as usual. We will use the IM SOPS as a template for how we now complete the functional SOPS, which will guide on what to do with the incident once it stops being an incident and becomes business as usual. The boundary between incident response and functional responsibility has been defined and we will now be working with relevant parts of the business to develop what happens next, using our 2-3 pilot areas as test cases, which we can then roll out to all incident types.

For KD3: Our main area of progress has been the completion of generic incident SOPs. This has been a significant piece of work. These SOPS guide our staff on what to do when the incident comes into us and up until the point it stops being an incident and needs to move into functional ownership as business as usual. We are working with experts from around NRW to develop what this handover from incident to business as usual looks like, and are using the completed incident SOPS to guide how we complete the functional SOPS. We have made significant progress and are pleased that we have completed and rolled out the incident SOPs. We have started the discussions about what happens next with the handover from incident to business as usual and the completion of the functional SOPS. The functional SOPS are complex and require experts from around NRW so this piece of work will take time to complete so we will remain at amber for the remainder of the year. To ensure we move as quickly as possible on this work, we are piloting 2-3 incident types (septic tanks, misconnections and agricultural incidents) to focus on developing approaches from start to end for those incident types, which we can then roll out to all incident types.

This commitment is anticipated to be Amber at the end of the financial year. We will continue, at pace, to develop and then embed our approach of the handover from incident to functional ownership. We need to refine our PowerBI tool to ensure it is providing us with the right information. We are assessing the uptake and effectiveness of our decision tool to ensure our officers are responding to incidents in the right way. We also need to ensure the new policies are fully embedded and helping us to make the right decision about how we respond appropriately. We are pleased to report we have our first iteration of our powerBI tool, but we recognise we need to refine it further to ensure it can provide us with the right information to help us to understand and manage what incidents we get, our response and our closure data.

We need to continue our work on our 2-3 pilot areas to develop our approaches from an incident being report to closure in business as usual. We will not complete this work fully by the end of the financial year due to the complexity of it, we will act with pace by using the pilot areas. We anticipate being fully green in the 2026/2027 financial year.

Step to take: Minimising the harm from serious environmental crime through investigating incidents and taking strong and decisive action.

C25: Commitment for 2025-26: Undertake investigation and enforcement action to minimise environmental harm (Lead: Martin Cox).

Key deliverables:

1. Maintained level of service of 95% of decisions taken on an appropriate enforcement responses within 3 months by the end of Q4
2. Increased effectiveness and efficiency of service through delivery of the Annual Regulatory Report (by the end of Q2) and Tackling Waste Crime quarterly reports (each quarter)
3. Improved efficiency and focus on enforcement responses through implementation of prioritised actions in the enforcement strategy and internal audit of enforcement by the end of Q2 and Q4

Next step for 2026-27: Implement improvements to the service through delivery of prioritised actions from the enforcement strategy and internal audit of enforcement.

C25: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Our main area of progress has been to continue close monitoring of this deliverable.

For KD2: Our main area of progress has been to produce the Annual Regulatory Report in Q2, which will be published during Q3; and to circulate the Q1 Tackling Waste Crime Report in Q2, as planned.

For KD3: The Enforcement strategy is now live on our intranet page and the action plan has been developed. Actions have all been identified, and indicative dates proposed are currently going through our Regulatory Business Group for review and agreement. Progress has slowed in recent weeks in light of changes to the Enforcement Sub-Group Chair and will resume in Q3. Prioritised actions are still at Business Group approval stage and have not been implemented yet. Work is resuming, there will be some delays to the programme.

This commitment is anticipated to be Green at the end of the financial year.

Q2

Green

Anticipated
Year end

Green

Step to take: Minimising the harm from serious environmental crime through investigating incidents and taking strong and decisive action (UFR94)

C26: Commitment for 2025-26: Strengthen ways of working with Local Authorities and third sector partners to maximise collective action on fly-tipping (Lead: Steve Morgan).

Key deliverables:

1. Improved ways of working on fly-tipping between NRW and partner agencies by publishing an updated Fly-tipping Protocol (by end of Q3) and trialling 1 local agreement (by end of Q4).
2. Sustained collaborative interventions to reduce fly-tipping through establishment of three new regional partnership working groups by the end of Q3.
3. Improved evidence, monitoring and evaluation of fly-tipping through use of shared tools and systems (e.g. Power BI, Waste Data Flow, FlyMapper); increased awareness and deterrence of fly tipping on the Welsh Government Woodland Estate through delivery of enforcement action.

Next step for 2026-27: Deliver impactful partnership projects and local interventions to tackle fly-tipping, leveraging improved ways of working between stakeholders under the revised fly-tipping protocol and regional working groups

C26: Latest position (to end of September):

This commitment is Green at the end of September.

For KD1: Following a delay in recruitment, the new team leader will be appointed in October and will review the planned approach and advise on delivery timescales working in collaboration with Waste Policy, Future Regulation & Operations colleagues. The recruitment of a new team leader has taken longer than expected with backlogs and transition to the new recruitment system

For KD2: The South West, South East/Central & North LA partnership working groups were run in July. As a result a LA surveillance meeting bringing together expertise and best practice on camera use was run in September. An additional LA session was run in July to promote partnership working between housing associations and local authorities and highlighting the use of Community Protection Notices to tackle fly-tipping issues.

For KD3: The local authority Power BI Dashboard has been shared with Welsh Government and tested with one LA, it will go live mid-October. Fly tipping Action Wales (FtAW) are moving into collecting Housing Association fly-tipping data to help build a picture of the scale of the issue in Flymapper.

The Flymapper camera tracker first release has been deployed to our staging site and undergoing further development. An inventory of cameras has been added which can be deployed on a map to track real life deployments. Functionality is now being added to facilitate the

Q2

Green

Anticipated
Year end

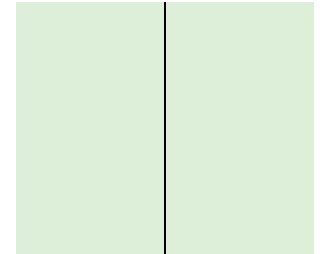
Green

loaning of devices to partner organisations and a means for partners to include and manage their own devices.

The evidential feature has been deployed to the live FlyMapper site. It has been decided to fix a known issue with image synchronisation prior to testing workflow with a selected partner organisation. Full testing will take place next quarter; focus has been on camera tracking due to development availability.

The recently recruited SE Enforcement Officer has now completed all required training and is working with Land Management in SE.

This commitment is anticipated to be Green at the end of the financial year. The Protocol work will be picked up by the new team leader in October and a review of whether completion can be achieved by the end of March will be carried out.



Annex 2 – Internal Performance Report

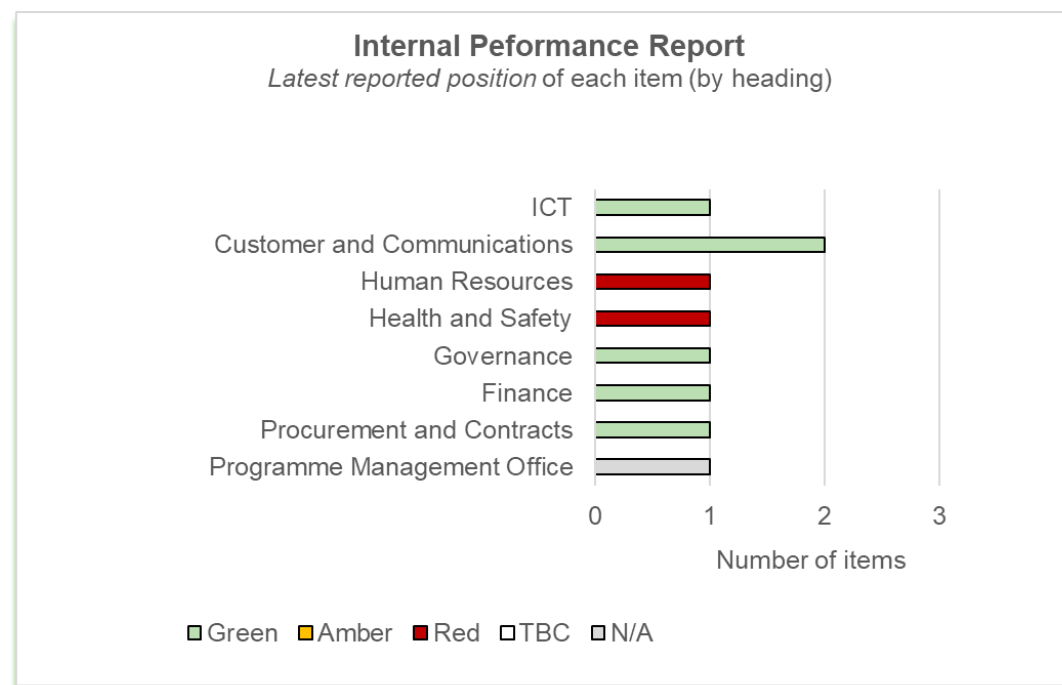
The following pages provide the performance snapshot at the end of quarter two in relation to key measures relating to the ‘health’ of our organisation.

Summary

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

- Six green
- Zero amber
- Two red
- One grey

(see next page for detail)



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

Green measures

ICT:

- **Information Commissioner's Office (ICO) reported incidents** is Green at the end of the quarter with no investigations ongoing. One reported to ICO during the quarter on a precautionary basis.

Customer and Communications:

- **Access to Information requests** responded to within 20 days is Green at the end of the quarter at 91%.
- **Complaints** responded to within service level is Green at the end of the quarter at 97%.

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 92% at the end of the quarter.

Finance:

- **Payments performance** to our suppliers remains Green at the end of the quarter at 97%.

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 June, no (zero) high-rated risks or critical issues were identified across the portfolio. This is reported regularly to Finance Committee.

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

Amber or Red

No reported Ambers

Human Resources:

- **Sgwrs in place** (staff priorities and development agreement) is Red at the end of the quarter, at 39% (at least 90% would be considered Green). This has been discussed at Executive Team. Collective action is being taken by staff and managers across our organisation to address this. Green is anticipated by the end of 2025/26

Health and Safety:

Health & Safety Near Miss reporting is Red with 24 near miss reports for September, which is a decrease from September last year. Near Miss training is being rolled out for line managers and Team leaders. Licences have been approved for operations staff to have access to an app for reporting via mobile phones. Green is anticipated by the end of 2025/26 (i.e. more than 25 near miss reports anticipated in March 2026) due to likely increase in near miss reporting by ops staff through using the app.

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