



Eich cyf/Your ref
Ein cyf/Our ref

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I am writing to you to set out the Welsh Government's remit for Natural Resources Wales in 2013/14.

Programme for Government

The Programme for Government sets out our aspirations for the remainder of this Assembly term. It represents our commitment to improve the lives of the people of Wales. Natural Resources Wales can make a significant contribution to the outcomes we are working towards: healthy people living healthy productive lives in a more prosperous and innovative economy; safer and more cohesive communities, with reduced poverty and greater equality; and a resilient environment with more sustainable use of our natural resources.

Common purpose

The Welsh Government recognises the importance for effective delivery of working together. We wish Natural Resources Wales to be routinely involved in policy development where it is a delivery partner or has expertise, and for it to work closely with the Welsh Government in developing operational plans.

We expect Natural Resources Wales to develop a common purpose between itself and its partners in order to deliver effectively for Wales and to demonstrate sustainable development as its central organising principle. A Performance Framework – framed around long term outcomes – will be developed by Natural Resources Wales as part of its own operational and corporate planning and when working with others. More details are set out in the Framework Document.

Legislative Programme

The Welsh Government's forward legislative programme includes a number of bills which will be relevant to Natural Resources Wales and where we would wish to see it closely engaged. In particular, the Environment Bill, on which we intend to issue a White Paper this autumn, will set the new legal basis for Natural Resources Wales' operations. In addition, Natural Resources Wales will be in the first phase of bodies to

which the proposed new duty under the Sustainable Development Bill, to be introduced late in 2013, will apply.

Priorities

While planning for long term impact through the performance framework, I would wish to see Natural Resources Wales take early opportunities for improved delivery in its first year of operation, while maintaining business continuity and meeting its statutory obligations. Our priorities for early action are set out at Annex1 to this letter.

Natural Resources Wales shall prepare an annual operational plan which should deliver against both our priorities for action and long-term outcomes. The plan should set out the level of service to be achieved in key areas and the information that will be collected to monitor progress.

During the course of the year I also expect Natural Resources Wales to develop its first corporate plan within the performance framework for the period to the end of this Assembly term.

Efficiency / Benefits Plan

Natural Resources Wales has the principal responsibility for delivering the benefits defined in the Business Case for creation of a Single Environment Body in Wales, produced in November 2011. As we have discussed, I believe that there are significant opportunities to realise efficiencies and improve delivery. The broad areas for improvement, with examples of the type of opportunities available, were set out in the Business Case. Annex 2 sets out the benefits, both cash-releasing and operational, that should be delivered over the next five and ten year period, and Natural Resources Wales will be expected to demonstrate continuing delivery against these, measured against a 2013/14 baseline.

You will wish to ensure that a clear efficiency and benefits plan to deliver these improvements is an integral part of your operational and corporate planning. This plan should reflect your latest understanding of opportunities rather than directly reflecting the examples or profile given in the Business case.

Grant in Aid 2013/14

Annex 3 details the grant in aid settlement for 2013/14. This allocation is based on the business case assessment, which included consideration of the total funding available to predecessor bodies, with adjustments for the transferred functions, additional funds for transformation and for Invest to Save funding. Natural Resources Wales will also have access to end year carry-forward from 2012/13.

I expect Natural Resources Wales to operate within this settlement, based on the historical pattern for income from charges and commercial activity, including effective management of transitional costs in relation to parent body services. Natural Resources Wales should work closely with the Department for Environment and Sustainable Development Sponsorship Team in during 2013/14 to monitor expenditure and notify Welsh Government of any emerging issues. Our expectations are set out in more detail in Natural Resources Wales' Framework Document.

I am copying this letter to Emyr Roberts Chief Executive, Natural Resources Wales.

John Griffiths AC / AM

Gweinidog yr Amgylchedd a Datblygu Cynaliadwy
Minister for Environment and Sustainable Development

Annex 1

NATURAL RESOURCES WALES

Priorities for 2013/14

In its first year of operation, the Welsh Government expects NRW to maintain business continuity; deliver effective enforcement and pre-emptive action where there are emerging risks, respond to incidents and meet its European and domestic statutory obligations, including taking forward the ecosystem approach.

The Welsh Government expects NRW to focus on early opportunities for improved delivery in the following priority areas:

Flood Risk Management: delivering innovative flood risk management through wider management of land and work with Welsh Government on the National Programme of Investment for future flood risk delivery programmes.

Better service for business: facilitating new jobs and business opportunities, including tourism, and providing high quality services to customers and the people of Wales, including a 'one-stop shop' and improved handling of casework.

Access and recreation: improving opportunities for people - particularly for those in areas of social deprivation - to access urban green spaces, the countryside and coast.

Urban environment: developing actions to improve Wales' urban environment, particularly of our poorest communities.

Annex 2

NATURAL RESOURCES WALES

Table 1 Summary benefits against investment aims

Investment Aim	Benefits of change
Delivering Better outcomes (for the Environment, People, and Business)	Common collective purpose. One set of Priorities – new focus for delivering ecosystem services and outcomes
	Better equipped to deliver an integrated ecosystems approach. Synergies – can do things better with a pooled skill set and powers.
	Better resilience – improved emergency response, more resilient teams, more resilient organisation.
	Streamlined regulation for regulated customers, single point of contact and response for planning bodies. Integrated, consistent and efficient business systems.
	Simplicity for the public, more capacity and influence with Local Authorities and Stakeholders through speaking with one voice.
	More constructive resolution of conflicting views of the same environmental evidence base.
	Think show and do in one body – reality check for policy and science
	Streamlining – can simplify many processes and policies without wider organisational constraints
Delivering Better for Wales	Better able to deliver priorities for the Welsh Government
	Delivery for Wales in Wales – more direct local accountability, fleet of foot, increased flexibility that understanding and promotes Welsh heritage and the Welsh language. Fits with Wales, national identity, reflect the positive environmental characteristics of Wales.
	Change in approach / new ways of working – can simplify and do things at a level appropriate for Wales.
	Better policy capacity in Wales and integrated technical advice to Welsh Government and others.
	More diverse career paths and opportunities for staff working within Wales (requiring potential loss of parent body opportunities).
Delivering value for Money	More for ecosystem services - remove duplicate (triplicate) activity – frees up substantial resources for front line work. Invest more in outcomes (ecosystem services).
	Reduced costs for business, Local Government and others such as agriculture.
	Consolidated Research/ Evidence/ Monitoring; increased influence with science community.
	Simplified processes which reflect Welsh needs

Source Single Environment Body in Wales Business Case

<http://wales.gov.uk/topics/environmentcountryside/consmanagement/nef/publications/seb/businesscase/?lang=en>

Table 2. Cash Realisable Benefits 2013/14 – 2022/23

	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19- 22/23</u>	<u>Total</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Cash Realisable Benefits	6,962	9,484	12,637	14,400	14,517	72,582	130,582

Source Single Environment Body in Wales Business Case

<http://wales.gov.uk/topics/environmentcountryside/consmanagement/nef/publications/seb/businesscase/?lang=en>

[It may be appropriate to update this profile in line with the Programme Board paper]

Annex 3

NATURAL RESOURCES WALES

**Welsh Government's Financial Support for Natural Resources activities in Wales:
2013-14**

Grant in Aid – to follow

Draft