

2 October 2014

Paper Title	Progress in developing State of Natural Resources reporting
Paper Reference:	NRW B B 72.14
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Purpose of Paper:	Information
Recommendation:	To note progress
Decision Required:	None

Impact: To note – all headings might not be applicable to the topic	Impact on the Environment: Part of the role of the report is to inform the development of policies and other interventions that aim to manage environmental impacts and protect and enhance the environment.
	Impact on the Economy: The report will aim to reflect how the state of Wales' natural resources impacts on and benefits the economy.
	Impact on Community: The report will aim to reflect how the state of Wales' natural resources impacts on and benefits society. The report will aim to communicate information about natural resources and the way they are managed and used in an accessible way, and signpost access to data for public use.
	Impact on Knowledge: The report will bring together and summarise existing knowledge in the main, though new indicators and underpinning data may need to be developed where currently insufficient.

Issue

1. The purpose of this paper is to update the Board about our work to develop an approach to State of Natural Resources reporting.

Summary

2. Plans for environmental reporting in Wales continue to evolve alongside Welsh Government's developing National Natural Resource Policy. This paper describes the current state of play with work to develop a State of Natural Resources Report (SoNaRR).

Background

3. The Board has previously seen papers describing, first, our plans to develop a state of the environment report for Wales, and more recently, how this has evolved to meet Welsh Government's expectations around natural resources reporting. Subject to successful passage of the Environment Bill in the Spring of 2016, Natural Resources Wales will be given a new statutory duty to produce a State of Natural Resources Report (SoNaRR) on an indicative 5-yearly basis, the first report scheduled to be published in September 2016. Prior to this, NRW has committed to producing an interim report in November 2014, to illustrate - before introduction of the Environment Bill in Spring 2015 - what the first statutory version of SoNaRR might look like, and to enable stakeholders to inform its structure and content. The interim report will draw on the best available evidence about approaches to ecosystem assessment to help inform the first draft of the National Natural Resource Policy Statement being developed by Welsh Government.
4. The work to develop SoNaRR is overseen by a steering group composed of staff from Welsh Government and Natural Resources Wales. The group recently agreed a document that sets out its shared understanding of a number of key aspects of the initiative (Annex 1). Part of this has served to make clearer the expectations around the report
 - The interim report will not be a first version of SoNaRR, but will be of a different character. It will be illustrative in nature, setting out what SoNaRR might in due course look like, drawing on the best available evidence about approaches to ecosystem assessment. It will also serve, after November, as a basis for engaging a wider group of parties in a discussion about SoNaRR.
 - SoNaRR will need to develop over the long term, and not all elements of the first SoNaRR (due September 2016) will be fully developed.
 - SoNaRR is part of a wider array of evidence-related activities that are needed to support natural resource management (NRM). The 'evidence & tools' workstream of the Ecosystem Approach and NRM Programme should bring all of these together.
5. The combined outcome of these points has been to make the immediate task of producing the interim report more feasible within the defined timescale.
6. In parallel with our production of the interim report, Welsh Government is preparing a first draft of a National Natural Resources Policy statement, which similarly will inform the development of a statutory policy document (December 2016). The two interim documents will be developed in tandem, with neither wholly dependent on

the other. A provisional timeline showing this parallel development of policy and reporting is shown in Figure 1.

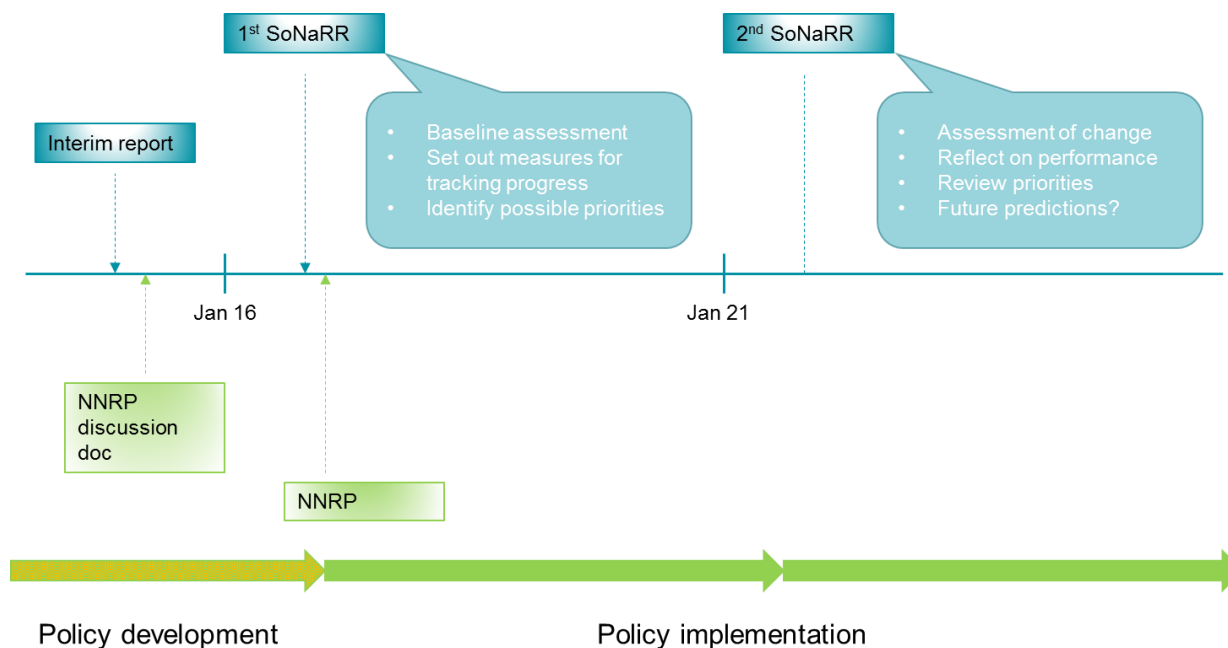


Figure 1. Timeline showing parallel development of National Natural Resource Policy (NNRP) and State of Natural Resources reports (SoNaRR).

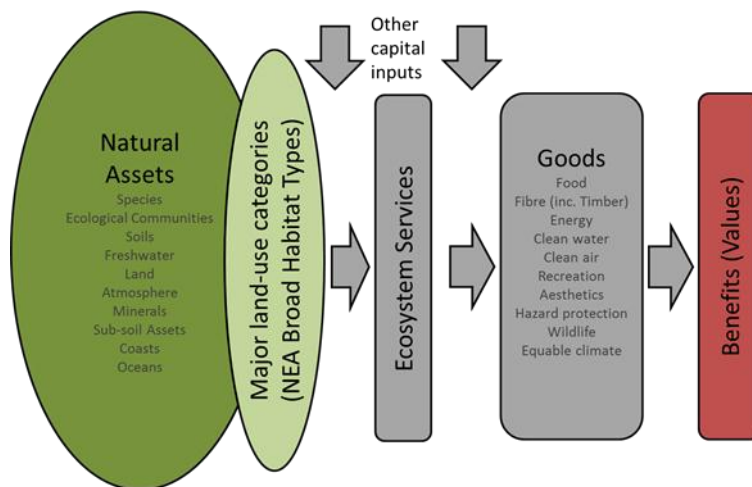
Next Steps

7. Drawing on the best available evidence about approaches to ecosystem assessment, the interim report will illustrate our proposed approach to reporting:
 - The state of natural resources;
 - Trends in the state of natural resources;
 - The implications of described state and trends for well-being;
 - The risks to continued supply of key benefits derived from natural resources.

8. The steering group has agreed that our approach to these requirements should reflect the underlying thinking around the ecosystem approach developed by the National Ecosystem Assessment and the Natural Capital Committee¹ (NCC) (Figure 2). Furthermore, the group has highlighted two of the analyses presented in the NCC's second State of Natural Capital report as ones that should be a particular focus in the interim report. These are an analysis of the state of natural assets (section 2 in the NCC report) and a separate analysis of the the risk to future provision of selected key benefits (section 3 in the NCC report) – see Annex 2 for an illustration of outputs. In developing equivalent analyses for Wales, we would be delivering against two of Welsh Government's explicit expectations of SoNaRR – reporting on the state of natural resources and providing information that can help inform where a policy intervention might most be needed.

¹ <https://www.naturalcapitalcommittee.org/home.html>

a)



b)

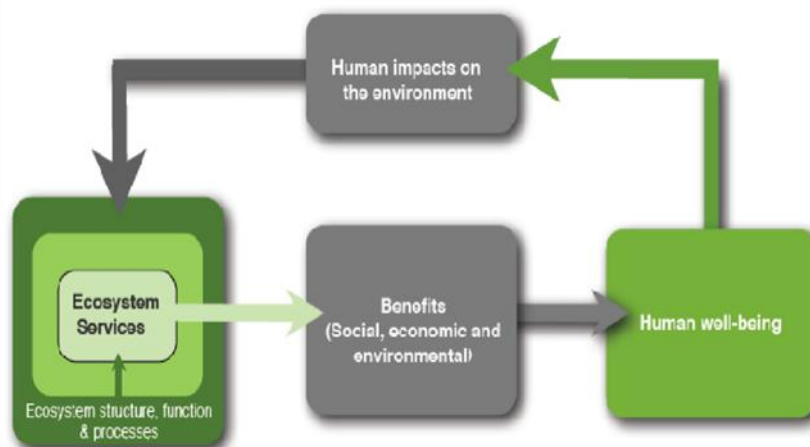


Figure 2. Conceptual frameworks developed by a) the Natural Capital Committee and b) National Ecosystem Assessment

9. We held a workshop, with the assistance of the Wales Environment Research Hub, on 4th September at the Wales Environment Centre, Bangor, to explore, and receive feedback on, the above proposals. This represented our first step at engaging with selected external parties in connection with the development of SoNaRR. An increased level of wider engagement is anticipated after November following completion of the interim report. We have begun to develop plans for this activity with our Communications team.

Risks

10. The main risks in the short term (in relation to the interim report) are:

- Failure to deliver against expectations of the interim report. We have attempted to manage this risk by setting out an agreed statement around key elements of the report, as described above (and provided in Annex 1).
- Over-reliance on too few staff. We have attempted to manage this by agreeing contributions from other staff on an informal basis, as well as obtaining approval to recruit an additional dedicated staff member for 12 months.

11. Looking beyond the interim report, the main risk relates to:

- An expansion of project scope as the expectations of a wider group of interested parties become apparent through our planned wider engagement activity. We will aim to manage this through the steering group.

Financial Implications

12. Beyond November, we will need to establish a more formal project team to deliver SoNaRR. In developing the interim report, we will improve our understanding of the level of resources required to produce the first SoNaRR in 2016. Once we finalise the design of the 2016 report, we will be able to more accurately estimate resource requirements.

Communications

13. One of the purposes of the interim report is to serve as a basis for widening the discussion of how reporting might develop. To support this, we have developed an initial draft Communications Plan.

Equality impact assessment (EqIA)

14. No equality issues are raised by this paper.

Index of Annex

Annex 1 - an outline specification for SoNaRR

Annex 2 – analytical approaches from the NCC's second State of Natural Capital Report