

# Confirmed Minutes

**Title of Meeting:** **Board Meeting (Business)**

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**Date of Meeting:** 2 October 2014

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**Board Members:** Mike Brooker  
Ruth Hall  
Madeleine Havard  
Peter Matthews (Chair)  
Andy Middleton  
Nigel Reader  
Emyr Roberts (Chief Executive)  
Lynda Warren  
Paul Williams

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**Executive Team in attendance:** Graham Hillier  
Ceri Davies  
Clive Thomas  
Niall Reynolds  
Catherine Smith  
Trefor Owen

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**Secretariat:** Kelly Goswell  
Geralene Mills

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## **Item 1**

### **Welcome**

1. The Chairman welcomed all to the meeting.
2. Ashleigh Dunn, who will be taking up her appointment as the Executive Director for Organisational Development & People Management in November, was introduced.
3. The Chairman extended thanks and best wishes to Board Member Mike Brooker who will be finishing his appointment with Natural Resources Wales at the end of October. The Board noted with appreciation his sound advice and contribution as a Board Member

### **Apologies**

4. Apologies for absence were noted from Kevin Ingram, Hywel Davies and Tim Jones.

### **Declarations of Interest**

5. Declarations relating to Item 4:
- Ruth Hall – Husband is a land agent at the Conwy Valley Fisheries Estate
  - Paul Williams – angler
  - Harry Legge-Bourke – Chairman of the Usk Fishing Association

### **Ratification of Minutes**

6. The minutes from the Board meeting on 9 July were agreed as a true record of the meeting and approved by the Board.
7. Noted as matter arising: Page 3 – item 2. Response received from the Welsh Language Commissioner on the monitoring report. A routine meeting will be held shortly to discuss the questions posed by the Commissioner's Office.
8. Madeline Havard noted that circulation of the draft minutes in advance of the Board meeting had proved to be an effective way to proceed based on the speed of confirmation.

### **Review of Action log**

9. The Action log was reviewed with the following feedback:

Action 3 – Item 2 Nigel Reader suggested a modification to make it clear that this action will be taken forward jointly with Madeleine Havard through the Flood Risk Management Committee and Audit and Risk Assurance Committee.

10. All other Actions were noted as discharged.

### **2. 1<sup>st</sup> Performance Review – Dashboard 2014/15 (NRW B B 64.14)**

11. John Hogg was welcomed to the meeting and provided the Board with a presentation detailing the Dashboard performance during the first reporting period (1 April – 31 July).
12. During the presentation the Directors responsible for targets that are 'at risk' provided further information and context to explain their 'red' status.
13. The Board noted the presentation with the following feedback:

- Further context to be given to red indicators, flagging what red means to customers
  - The red indicator relevant to the Glastir resource requirement to be reviewed in order to consider 'lessons learned' for future planning
  - As we become more skilled – need to have measurable outcomes, less reporting of process and more outcome based
14. The Board endorsed the performance report and noted its continuing improvement, agreeing it is a good basis and framework for a very complex organisation. It was agreed that the Nigel Reader as Chair of the Board Sub-Group on Planning & Performance would work with the team to fine-tune aspects of the report

### **3. Finance Update 2014/15 (NRW B B 65.14)**

15. Yvonne Thomas was welcomed to the meeting to present the finance paper on behalf of the Executive Director of Finance & Corporate Services.
16. Yvonne detailed the recent budget announcement by the Welsh Government and indicated that it is unlikely that there will be further amendments to our grant in aid for 2015/16.
17. Performance is largely on track, with pressures in the business including two uncompleted projects within the Flood and Coastal risk programme. It was confirmed that the Welsh Government have agreed to carry forward this year's under spent funding for the programme.
18. The Quarter 2 review will be completed shortly and will be reported at the next meeting.
19. Nigel Reader noted that in the longer term the finance report should be reported alongside the performance report and that these will be progressively integrated in future. Nigel also noted the need to be mindful of the ring fences of funding which may create pinch points not revealed in the overall picture; the Executive Team confirmed that they are aware of this.
20. The Board agreed that the finance team will need to provide an audit trail of the running costs budget changes and unbudgeted items in the agreed format and take into account the Flood Risk Programme to help understand impact.
21. In summary, the Board noted the financial position.

### **4. Natural Resource Management and Salmon Stocking, Third Party Salmon Stocking and the Future of NRW's Hatcheries (NRW B B 66.14)**

22. The Executive Director for Knowledge, Strategy & Planning introduced the paper and welcomed Peter Gough and Mike Evans who had prepared the paper and presented a summary to the Board.
23. It was confirmed that comments from the public which were received before the meeting had been circulated to all Board Members.
24. The Chairman asked the Board to consider the paper in two sections; firstly seeking the Board's agreement in principle that action needs to be taken to improve the health of the salmon population in Wales. The Board agreed with this outcome. Secondly to consider the specific proposals in the paper and the evidence presented and how they supported the overall intention to improve the health of the salmon population in Wales.
25. The Board discussed the proposals and the following key points were noted:
- Board Members expressed their appreciation for the amount of work that has been required to consider and analyse the evidence base in making the recommendations
  - Lynda Warren noted that having looked at the same issues 15 years ago, it was positive that the issues have been taken forward by this proposal
  - Lynda also noted that salmon legally, genetically, culturally, and recreationally are very different to other fish, and therefore there is a need to approach their management holistically and that developing healthy habitats through effective Natural Resource Management is key
  - Paul Williams noted that the Board was being asked to make this decision against the backdrop of the Cefas report which demonstrated how the picture on the health of the salmon population in 2013 is worse in Wales than England and not improving as quickly as might be expected. There is an urgent need to tackle the other barriers to success if stocking is to cease.
  - Harry Legge-Bourke expressed his concern that there needed to be clear and rapid action to deliver the other measures if stocking is to cease and that NRW should be involved in discussions with both government and other agencies to help halt the decline for the benefit of many rural and maritime stakeholders
  - The Board agreed that although there is a duty to stop any activity once the evidence indicates that it is not effective and that the 'value for money' considerations in achieving better outcomes were important, the stakeholder concerns need to be recognised by ensuring that our actions demonstrate how committed we remain to improving the health of salmon stocks in Wales
  - The Board therefore indicated that any decision to close the hatcheries and cease salmon stocking should be dependent on the commitment to the production of an action plan( with timeframes, and measurable outcomes per river catchment) to urgently address improved fish passage, improve river flows, reduce agricultural pollution, improve habitats and reduce exploitation

26. The Chairman summarised discussions with agreement that the focus was to invest in improving the salmon population in the ways described in the paper and that the case for a change in direction is strong based on the evidence. All recommendations were agreed and the Board emphasised that the proposals offered a better way forward based on evidence and cost effectiveness. All next steps were agreed including good communication with affected stakeholders and completing the current cycle of stocking from hatcheries.
27. Finally the Chairman asked for an action based approach to stakeholder engagement and new ways of delivering, as part of Natural Resource Management, with regular reporting on progress to the Board.

## **5. Communications Strategy (NRW B B 67.14)**

28. The Executive Director for Communications and External Relations presented the proposed Communication Strategy to the Board, detailing the key aspects of the strategy, the potential benefits and that an integrated approach will be required to support its delivery.

29. The Board discussed the strategy and made the following key points:

- The recognition of a continuous improvement cycle was commended
- The role of the Communications strategy in supporting the delivery of excellent customer care was agreed
- Important to ensure that the whole organisation 'owns' the strategy as it will only be successful if implemented by everyone, as everyone has communications responsibilities
- Continuous engagement required to instil a culture change
- Process is outcome focussed
- The low cost/no cost delivery ethos was noted

30. The Board endorsed the strategy and the proposed next steps. .

## **6. Customer Care Strategy (NRW B B 68.14)**

31. The Executive Director for National Services introduced the paper and asked the Board to discuss and agree the level of ambition for the proposed Customer Care Strategy.

32. The Board discussed the options and agreed the following:

- That customer care is an enhancement on customer service

- A high level of ambition and the commitment this will require
- That excellent customer care will improve an organisation's reputation and brand
- That seeking accreditation in due course will add value and implement rigour
- That the customer care concept works both internally and externally
- Paul Williams has been appointed as Customer Care Champion
- That leadership is critical to instilling the culture and behaviour change required and will require the personal involvement of the Chief Executive
- That a project plan to implement the strategy will be required with clear milestones and targets

33. The Board endorsed the strategy and agreed the next steps.

## **7. Health, Safety and Wellbeing – Strategy Development Update (NRW B B 71.14)**

34. The Director of Governance provided the Board with an update on the development of the Health, Safety & Wellbeing Strategy which had been proposed at the Board Meeting in May 2014.
35. A programme approach is to be adopted with a focus on the development of a positive W, H & S culture, refreshed governance arrangements as well as an improvement plan to support delivery of the strategy.
36. The Board noted the proposed next steps agreeing the suggested modifications, prioritisation and the engagement driven approach. Additionally the Board noted that 'Wellbeing' should precede Health and Safety to ensure that this outcome remains clearly in focus.

***Action: Secretariat to note on forward look – update on progress at the February 2015 Board Meeting***

## **8. Risk Management Policy (NRW B B 69.14)**

37. The Director of Governance explained that the Risk Management Policy had been considered by the Audit and Risk Assurance Committee and has been submitted for Board endorsement.
38. The Board noted the policy with the following feedback
- ARAC to further review policy to ensure that all elements are applicable and specific to NRW

- That Annex 2 is provided to ensure that NRW is compliant with the principles of 'Managing Welsh Public Money'

39. The Board endorsed the policy subject to minor amendments and noted the continued work.

***Action: Policy to be reviewed by ARAC Chair in light of board comments, and to clear any amendments required with ARAC at the December meeting***

#### **9. Strategic Equalities Plan - Draft Objectives (NRW B B 70.14)**

40. The Director of Governance presented the paper to the Board.

41. The Board noted the consultation sessions already undertaken with internal and external workshops.

42. The Board discussed the paper and provided the following feedback:

- That developing a plan is a legal requirement for NRW
  - The importance of engaging staff and stakeholders
  - The support and input from Diverse Cymru has proved invaluable
  - That a clear set of actions will be required to support the implementation of the Strategic Equalities Plan
43. The Board endorsed the draft objectives and agreed the next steps to finalise the Consultation as proposed within the paper.

#### **10. Update from the Chairman (verbal)**

44. The Chairman gave an update of meetings attended and reported on activities under the four pillars of Natural Resource Management

45. The Chairman confirmed that he now provides a regular feature in the Chartered Institute of Water and Environmental Management magazine, the Environment Magazine.

#### **11. Update from the Chief Executive (verbal)**

46. The Chief Executive began his report by updating the Board on Wellbeing, Health and Safety



- No cases of harm leading to lost time to report
- Sickness absence rates within NRW are low
- The Director of Governance had already updated on strategy development

47. The Chief Executive updated the Board on the progress of a number of internal matters:

- Management Team appointments have been completed
- Restructuring within Directorates is ongoing with the expectation that these will be mostly completed by Christmas
- Currently running a Voluntary Early Release Scheme (VES) with a target of 80-100 staff to leave the organisation by March 2015
- Pembroke Office is now closed with staff moving to the Haverfordwest Office. In Bangor, Plas Penrhos staff will shortly move to Llwyn Brain office
- Ashleigh Dunn will be joining NRW on 17 November taking up the post of Executive Director for ODPM.
- Recruitment of a permanent Chief Information Officer will commence shortly, the post will be advertised internally and externally
- Total Reward Package implementation is proceeding, work is continuing with the Job Evaluation Scheme which will be extended across the organisation in due course
- Confident that the NRW ICT system will be in place across the whole organisation before the end of the year.

48. The Chief Executive confirmed that the Executive Team had discussed moving the organisation forward from transition to transformation. Further engagement is planned with staff and a presentation will be made to the Board at a future meeting providing more information.

***Action: Secretariat to note forward look, presentation to be made at a future Board meeting – Moving the organisation from transition to transformation.***

49. The Chief Executive confirmed that the Chairman and he had met with the new Minister for Natural Resources, Carl Sargeant AM, and the Deputy Minister for Farming and Food, Rebecca Evans AM.

50. The Chief Executive confirmed that he had made a presentation to Wales Tourism Advisory Board which identified a number of opportunities to support and co-operate on; a meeting has been arranged between the two organisations to develop opportunities.

## **12. Report from Committees**



51. The Remuneration Committee Chairman confirmed that the minutes of the meeting held on 8 July 2014 were included with the Board papers for ratification.

52. Key points to note from the meeting held on 19 September 2014 included:

- Pension fund update – The Committee received an update from the EA and Hymans Robertson. It was noted that 50% of staff in NRW are members of the EAPF.
- The Committee had reaffirmed its proposal for a Pensions sub-group to be formed
- ODPM Update – The Committee noted the interim position of ODPM, with the Director of Governance covering the Executive Director post for ODPM until Ashleigh Dunn joins NRW. The Committee had received a high level ODPM project plan which updated on progress of all ongoing issues.
- Total reward package – The Committee received an update on the implementation of the agreement. The Committee noted the need for NRW to implement job evaluation and performance appraisal policies.
- Discretions policy – to be considered at the November meeting.
- Agreed that the Committee will consider future options for the Transition Advisory Group now that the transition programme is nearing completion

#### Audit and Risk Assurance Committee

53. The Audit and Risk Assurance Committee Chairman confirmed that the minutes of the meetings held on 6 June and 11 July were included with the Board papers for ratification.

54. The Board noted the paper that detailed the summary of business from the 19 September meeting.

55. It was confirmed that the Annual Report had been circulated to Board members in July for information.

56. The Chair noted that a number of minor issues had been identified within the NRW Framework (renamed Governance) document that sets out the governance arrangements with the Welsh Government. Nigel Reader, the Chief Executive, Director of Governance and Executive Director of Finance & Corporate Services had undertaken a 'light touch' annual review of the document in conjunction with our Sponsorship Department. The amendments were of a minor nature with no changes of substance.

#### Flood Risk Management Wales

- 57. Madeleine Havard confirmed that the next meeting of FRMW is scheduled for 10 October in Swansea.
- 58. FRMW have recently written to DEFRA concerning the proposal to link the costs of flood insurance to English council tax bands, pointing out the impacts that this will have in Wales.
- 59. A review of how FRMW is working, in the light of the changed context for flood risk management in Wales, has been agreed with the Welsh Government, and will be undertaken by the Governance Team.
- 60. Following the last Board meeting, two meetings have been held between Nigel Reader, Madeleine Havard and the Head of Flood Risk Management and it is intended that a future Board Development Day will include a session on Natural Resources Wales role in managing flood risk, including relevant governance and responsibilities of the Board.

#### Protected Areas Committee

- 61. Andy Middleton confirmed that the next meeting will be on 17 November, at which the Committee will consider two potential SSSIs where objections have been raised.
- 62. The Committee agreed to provide support to the Executive in respect of the Landscape paper discussed at the Business meeting the day before.

### **13. Updates from Board Groups (written)**

#### Community group

- 63. The group confirmed that a meeting is scheduled to discuss the work programme of the group.

#### Enterprise and Economy

- 64. The Board noted the paper presented.

#### Equality and Diversity Group

- 65. The Board noted the paper presented.

#### Environment

66. The Group requested a briefing note on any progress to deal with the issues relevant to the Woodland Advisory Panel

***Action: Executive Director of Knowledge, Strategy & Planning to provide a briefing note to the Group on the Woodland Advisory Panel***

67. The Board were asked to note the unconfirmed minutes from the last meeting of Wales Land Management forum. It was confirmed that the Director of External Relations & Communication would attend the next meeting at which an update on Glastir will be discussed.
68. The Executive Director for Knowledge, Strategy & Planning provided an update from the Charge review board group. It was confirmed that consultation will commence in October and agreed that the Board group will continue to monitor the development of the scheme for the next 2 to 3 years in order to ensure governance responsibilities are clear.

#### **14. State of Natural Resources Reporting – Update (NRW B B 72.14)**

69. The paper for information was presented by Mike Evans who confirmed that good progress had been made on preparing an Interim report including the development of a clear framework to present the evidence. The Chair requested that the report consider how best to consider the inclusion of any contributions from Citizen Science.

#### **15. Forward Look**

70. The Chair confirmed that two additional meetings will be held on 10 and 21 November
71. It was agreed that Andy Middleton will be the Board Champion on bright ideas and innovation.

#### **16. Any Other Business**

72. No other business was noted