

2 October 2014

Paper Title	Performance Report 2014/15 Report for Year (April 1st to 31st July 2014)
Paper Reference:	NRW B B 64.14
Paper Sponsor:	Executive Team
Paper Prepared by:	Clive Thomas and John Hogg

Purpose of Paper:	To consider performance of NRW over the first reporting period (between 1 April and 31 July 2014)
Recommendation:	<p>The Board is requested to:</p> <ul style="list-style-type: none"> • Exercise scrutiny and governance over performance so that this can be reported to Welsh Government • Provide advice and support on the ongoing suitability of the Performance Framework • Approve additions/amendments to the Performance Framework
Decision Required:	Endorsement of the performance report

Impact:	<p>Impact on the Environment: The performance report shows progress of Good Environment indicators and targets against the first year of our Corporate Plan and the 2014/15 Business Plan respectively.</p> <p>Impact on the Economy: The performance report shows progress of Good for Business indicators and targets against the first year of our Corporate Plan and the 2014/15 Business Plan respectively.</p> <p>Impact on Community: The performance report shows progress of Good for People indicators and targets against the first year of our Corporate Plan and the 2014/15 Business Plan respectively.</p> <p>Impact on Knowledge: The performance report shows progress of Good Knowledge indicators and targets against the first year of our Corporate Plan and the 2014/15 Business Plan respectively.</p>
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Issue

1. Our Performance Framework was developed in response to the specific requirement in our Remit Letter 2014/15. The Framework is one of the Board's principal ways of scrutinising our delivery and supporting strategic planning. The Framework was considered and approved for use at the Board meeting of 14 May 2014.
2. Our Business Plan Dashboard is a component of the Performance Framework. Following agreement of the Framework on 14 May 2014 the Board sub group on Performance was tasked with considering how the Board's comments could be addressed in the Dashboard. This work was completed, working with officials, in June 2014 and reported to the Board on 9 July 2014.
3. The first round of performance reporting, for the year to 31 July, has now been completed and the performance report prepared for Board scrutiny prior to submission to Welsh Government. Performance reporting for this report occurs every four months.

Summary

4. This performance report, as agreed by the Board, consists of distinct elements:
 - A one page Performance Summary Report providing a single page overview of performance against the Corporate Plan 2014/17, Business Plan 2014/15 and the Business Case for the creation of Natural Resources Wales.
 - Progress Reports giving the latest position on our corporate indicators and performance measures for each of our five Corporate Programmes.
 - A Business Plan Dashboard giving a single page overview of how we are progressing with our targets from our Business Plan 2014/15 plus a small number of indicators.
5. The Board is requested to:
 - Exercise scrutiny and governance over performance, so that this can be reported to Welsh Government
 - Provide advice and support on the ongoing suitability of the Performance Framework
6. The consideration of performance at both Corporate and Business Plan levels is important in allowing the Board to provide strategic planning insight. A requirement of our remit letter for 2014/15 is that we use a 'Results Based Accountability' (RBA) approach for planning and performance.

- The Corporate level shows indicators that reflect whether our “good for” ambition for each Programme is being achieved. This is the Wales, or “whole population”, level of RBA.
 - The Business level shows performance measures of progress towards the targets set in our Business Plan. This is NRW contribution, or “performance”, level of RBA.
7. In this way our Performance Framework allows us to consider Natural Resources Wales’ contribution to the achievement of an outcome, whilst at the same time recognising that achievement of that outcome is not solely dependent on Natural Resources Wales’ activity.
8. The Business Plan Dashboard shows performance for all 35 measures across the five Corporate Programmes. In addition, we show the position against five indicators¹ as requested by the Board. In summary, there are:
- 21 “green”
 - 14 “amber”
 - 3 “red”
 - 2 indicators where a red/amber/green rating is not currently applicable².
- Trend information has only been shown for those measures which have continued from the 2013/14 performance dashboard.
9. The three “red” reports are as follows:
- *We fulfil our role as statutory consultee in responding to planning consultations* (performance 70% against 90% target): We are failing to meet required timescales in fulfilling our role as a statutory consultee. We anticipate we will improve performance over the year through: Creation of a dedicated team in North and Mid Operations directorate (to match that in South); Increasing staff numbers for this work area; Refinement and introduction of improved staff guidance, together with enhanced liaison with Local Authorities.
 - *The condition of features on sites improves* (performance 23%-33% against 95% target from Wales Environment Strategy): The condition of site features is significantly below the Wales Environment Strategy expectation. It should be recognised that NRW’s work alone will not achieve the required improvements in this area. Significant staff resource in our sites’ team is currently being diverted into fulfilling requirements of Glastir consultation, although we are working with Welsh Government to improve efficiency of this process, which will free up more capacity

¹ These indicators are: Ee: Marine, terrestrial and freshwater environment; Ea: Water environment; Bd: Our role as statutory consultee; Be: Generating income; Ob: Staff engagement index.

² These indicators are: The water environment improves (i.e. Indicator Ea: Water environment): Available in 2015/16; We all have confidence in our collective success (i.e. Indicator Ob: Staff engagement index): Available for year end 2014/15.

to be applied to site improvement work. The LIFE N2K After LIFE Plan will also identify the actions NRW (and other key stakeholders) could take, the relative priorities and the resource requirements.

- *We improve the health, safety and wellbeing of the workforce* (performance 21 third party lost time incidents against no more than 5 target): This measure refers to our workforce, so it is our intention in future to solely report lost time incidents for staff, but at the same time track lost time incidents for third parties.
10. It is proposed that more detailed information and discussion for the above three 'reds' will occur at the Board meeting.
11. Chairman received a letter from the Minister for Natural Resources, Culture & Sport on 19 August 2014 that made reference to Natural Resource Wales reflecting the new approach to pollinators into the Performance Framework. With the approval of the Board, we will add the relevant measure from our Business Plan 2014/15.
12. This is the first report from our Performance Framework. The Board is invited to comment on the use of the Performance Framework in reporting performance and provide input on future use of the Framework.

Next Steps

13. Subject to Board approval of the performance report we will forward and discuss it with our Sponsoring Department in Welsh Government

Risks

14. Without our Board undertaking proper scrutiny of our performance there is a risk we would fail to deliver our Corporate and Business Plans. The Board would also be failing in its duty to undertake scrutiny and governance.

Financial Implications

15. There are no significant financial implications in providing the Performance Framework.

Communications

16. The performance report will require communication to the Minister for Natural Resources, Culture & Sport.
17. A copy of the performance report will be placed on the Natural Resources Wales Website to inform the public and others.

Equality impact assessment (EqIA)

18. Not applicable.

Index of Annex

Annex 1 – 2014/15 performance report for period 1 (April 1st to 31st July 2014).