

7th May 2015

Paper Title	Performance Framework report 2014/15 Report for year-end (1 April 2014 to 31 March 2015)
Paper Reference:	NRW B B 26.15
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Purpose of Paper:	To consider performance of NRW in 2014/15
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 • Note the latest Operational Risk Register
Decision Required:	Endorsement of the performance report

<p>Impact: To note – all headings might not be applicable to the topic</p>	<p>Impact on the Environment: The 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 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 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 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. In our Business Plan for 2014/15, the first year of our Corporate Plan 2014/17, we set out our ambitions. These stem from the requirements from Welsh Government set out in our Remit Letter, our continuing need to deliver the benefits from the Business Case for our establishment, and the necessary changes to have the capacity to stand alone and provide value for money.
2. 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 approved for use at the Board meeting of 14 May 2014.
3. The year-end round of performance reporting, for the year 1 April 2014 to 31 March 2015, has now been completed and the performance report prepared for Board scrutiny prior to submission to Welsh Government. This report will inform our Annual Report for 2014/15.
4. Risk registers show the relationship between delivery and management of risk.

Summary

5. The Performance Framework report (annex 1) consists of 3 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 "Good for" themes.
 - 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.
6. The Operational Risk Register (annex 2) shows the most up to date (March 2015) consideration of risks associated with our delivery.
7. 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
 - Note the latest Operational Risk Register

8. Both the performance summary and progress reports are detailed in Annex 1 and the Board is asked to consider our performance. Turning to the Business Plan Dashboard, our overall performance for year-end compared to what we expected to achieve at the end of Period 2 is shown in the table below:

	Period 2 (Previous status)	Expected Year-end	Actual Year-end
'Green'	25	29	28
'Amber'	12	8	9
'Red'	2	2	2
N/A ¹	2	2	2
Total	41²	41	41

9. The Board is asked to note the following variances from expected year-end performance:
- Town and Country Planning Consultations – Expected Red / Actual Amber – we have delivered 81% of responses to planning consultations to time for 2014/15 against a target of 90%. The year has shown an improving picture with Period 1 being 70%, Period 2 being 80% and the final Period achieving the 90% target.
 - Determining permits, licences and consents – Expected Amber / Actual Green – we have achieved our 90% target in determining applications for permits, licences and consents to time. This has improved from 89% reported at Periods 1 and 2.
 - In delivering our part in halting biodiversity loss – Expected Green / Actual Red – Our target was to have 80% of our work programme actions underway/complete by year-end. The actual performance will be reported at the Board meeting and will also include other biodiversity actions that we have completed, but were not part of this measure.
 - Develop our approach to pollinators – Expected Green / Actual Amber – the work plan has been developed but requires further work on costing in 2015/16.
 - Business case: planning and allocating resources to business priorities – Expected Green / Actual Amber – Our forecast of the cash and non-cash realisable benefits stands at £145M, representing 91% of our target.
 - We achieved our target of having 99% of flood and coastal risk management assets in good condition. This represented a steady improvement through the year.

¹ Indicators where a red/amber/green rating is not currently applicable. 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): Baseline will be set for year end 2014/15.

² We now have 36 measures, up from 35 in period one, following the inclusion of a measure on pollinators

10. Executive Director's responsible for each "Good For" theme will provide a verbal summary of achievement at the Board meeting and will invite comment from the Board on year-end performance.

Next Steps

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

Risks

12. 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

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

Communications

14. The performance report will require communication to the Minister for Natural Resources.
15. 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)

16. Not applicable.

Index of Annex

Annex 1 – 2014/15 performance report for year-end (1 April 2014 to 31 March 2015).
Annex 2 – Operational Risk Register