



Confirmed Board Minutes

Title of Meeting: NRW Board Meeting

Date of Meeting: 25th May 2017

Venue: Garwnant Visitor Centre,
Merthyr Tydfil

Board Members: Diane McCrea (Chair)
Dr Madeleine Havard (Deputy Chair)
Sir Paul Williams (Chair of People and Remuneration Committee)
Nigel Reader (Chair of Audit and Risk Assurance Committee)
Andy Middleton (Chair of Protected Areas Committee)
Dr Elizabeth Haywood
Karen Balmer
Howard Davies
Zoë Henderson
Ruth Hall
Chris Blake
Dr Emyr Roberts (Chief Executive)

Executive Team (ET) in attendance: Gareth O'Shea, Executive Director, Operations South
Catherine Smith, Director for Customer, Communications and Information
Ceri Davies, Executive Director of Evidence, Policy and Permitting
Tim Jones, Executive Director, Operations North
Kevin Ingram, Executive Director for Finance and Corporate Services (arrived for item 5 onwards)
Ashleigh Dunn, Executive Director for Organisational Development and People Management

Additional Attendees: Rhian Jardine, Head of Sustainable Communities (Item 2)
Peter Gough, Principal Fisheries Advisor (Item 3)
Ruth Tipping, Future Generations, Climate Change & Landscape Team Leader (Item 4)
Steve Burton, Head of People Services (item 6)

Secretariat: Geralene Mills

Standard Board Business

1. The Chair opened the meeting and thanked Neil Stoddard and the local operations team for the insightful tour of the Garwnant forestry site. Board Members were asked to complete the post meeting survey to be circulated by the Secretariat in order to progress the developments around Board Meeting delivery.

Apologies

2. Apologies were received from Sir Paul Williams (Chair of People and Remuneration Committee) and Niall Reynolds, Director Transformation Portfolio.

Declarations of Interest

3. Chris Blake declared his interest in the Alwen Energy Project. Elizabeth Haywood indicated a possible interest in the contract.

Action Point: Secretariat to review the Declaration of Interests Register for Elizabeth Haywood.

1. Performance Report 2016/17

4. The Chief Executive provided an overall performance update to the Board through a presentation, noting the following achievements:

- State of Natural Resources Report – published
- Published NRW's Well-being Statement and Objectives
- Involvement with Public Services Boards
- Bathing Waters Directive – only 1 fail against higher standards
- Handling large projects – early engagement with community stakeholders with the development of Flood Schemes is demonstrating benefits with improved stakeholder liaison and a reduction in concerns/complaints raised during the scheme delivery
- Media/communications – internal and external development
- Staff development programmes - including the delivery of the ET/LT/MT management programmes, which are being well received across the organisation. 25 staff members are completing Institute of Leadership and Management qualifications, which are being partly delivered through two Further Education Colleges in Wales.

Challenges:

- Ecosystem resilience/biodiversity decline

- Financial management - A reduction in Grant in Aid (GiA) for the financial year has been managed well by all teams in the organisation.
- 2015-16 Accounts: the AGW had issued an unqualified opinion on the true & fair nature of the Accounts, while his qualified opinion on regularity grounds had been limited to the long term timber contracts issue only.
- Job evaluation – ongoing, with an update to the Board later in the meeting.

5. The Board noted the development work undertaken by the People and Teams group and the work they were doing to develop the People Survey programme of work. The Board requested an update on the proposed approach to the Staff Survey at the July Board Meeting. The Board felt that in light of the work being undertaken the relevant performance indicator should remain red, and asked that this be reviewed.

Action Point: Secretariat to note forward look for July. Ashleigh to bring Staff Survey paper to the Board, following full consideration by the Executive Team.

Good Knowledge

6. Ceri Davies provided an update from the theme, noting:

- a. A number of achievements during the year with the State Of Natural Resources Report (SoNaRR) published, the publication of NRW's Well-Being statement, the development of Area Statements, and continued delivery of open data sets on the Welsh Government Lle portal.
- b. Domesday Book of Plants: The publication of a complete record of Wales' rare flowering plants and ferns developed and published, in partnership with BSBI and volunteer recorders.
- c. Healthy Hillside – a collaborative project which emerged from the Rhondda Area Trial which won the Sustainable Public Service Award in the Sustain Wales Awards for 2016.
- d. Environmental Data Archive: performance indicator is currently amber with significant work continuing to archive over 60 years' information and data. The remaining elements of marine and habitats should be completed in the new financial year.

7. The Board noted the update from the theme and sought assurance on the ICT provision for delivery; Kevin Ingram confirmed that NRW had optimised its use of cloud solutions early on in its creation so that developing technology is fit for purpose and resilient.

Good Environment

8. Tim Jones provided an update from the theme, noting:

a. Wales Environment Strategy: The Board noted that NRW's own target had not been achieved. It was agreed that the forthcoming opportunity to review performance indicators should address this issue for future reporting periods.

9. The Board noted concern in respect of the delivery of Biodiversity and the amended deadline for Carbon Positive work and asked that both indicators be reviewed.

10. The Board agreed that the environmental objectives should remain NRW's top priority.

11. The Executive Team confirmed that the allocation of resources to key priorities was right, but agreed that the time was right to review priorities, resource allocation and performance targets as part of the Corporate Planning process.

Good for People

12. Gareth O'Shea provided an update from the theme, noting:

a. Flood Asset Management - The Board asked for an update to be presented to the Flood Advisory Group in respect of the maintenance of high risk flood assets in order to fully understand the significance of the continued amber rating. The Flood Advisory Group was asked to provide an update to the Board Meeting.

Action Point: Ceri Davies to commission update briefing for the Flood Advisory Group on flood asset management. Chair of Advisory Group, Madeleine Havard to provide verbal update the Board.

b. the following developments were also noted:

- Spirit of Llynfi Woodland Project, developed in collaboration and engagement with partners, transforming a former industrial site into a multi-functional woodland in the Upper Llynfi Valley.
- Air Quality, Port Talbot – noted that this was the best performance recorded in 8 years, and had resulted in a reduction in complaints from the surrounding community.
- 1000th Flood plan developed in conjunction with communities.

Good for Business

13. Tim Jones provided an update from the theme,

a. The Board noted that all performance indicators for the theme are green.

b. The following were also noted by the Board

- Increase in Timber Sales of 3.5%, achieving income of £1.2 million
- Green Energy Award achieved *Best Use of Renewable Energy in the Public Sector*
- Garwnant – successful planning application by Forest Holidays for the development at Garwnant
- Wales Rally GB – successful partnership liaison, with alternative arrangements being agreed to meet the costs of the Rally.

14. The Board noted that the Enterprise Plan will be presented for approval at the July Business Meeting of the Board.

Good Organisation

15. Kevin Ingram provided an update on the theme, noting

a. Corporate Plan – this is developing with support from the NRW Board, with the deadline for publication being extended because of the delay in the Welsh Government's Natural Resources Policy. The scoring of 'green' against this measure was questioned in view of the delay and it was agreed to review the rating.

b. Health and Safety – the Board questioned the level of near miss reporting seeking assurance that this accurately reflected the number of incidents. Gareth O'Shea indicated we were making continuous efforts to ensure all near misses were reported so that we can learn from them, but overall we were content with the level of reporting.

c. Benefits Assessment Report – The Board noted that the outstanding WAO action had now been completed and a closing off benefits assessment report has been submitted to WG. The report showed a net positive position compared with the original business case for the creation of NRW; the report would be reviewed at the July ARAC meeting

Actions:

Kevin Ingram to circulate the report to the Board Members for information following WG comments.

Corporate Planning Team to review performance status of the following indicators: corporate plan production, biodiversity, people survey and carbon positive project. Amend prior to publishing the final Performance Report for 2016-17.

Corporate Planning team to review and develop a revised format for performance reporting for the financial year 17/18, engaging with the Board Sub-Group as necessary.

ET to keep presentation of performance information to the Board under review to ensure focus on priority information.

2. Future Strategic Approach for Natural Resources Management Funding (NRW B 25.17)

16. Rhian Jardine introduced the paper. The team had developed the proposed approach to funding in liaison with stakeholders to ensure clarity and a smooth transition as we move towards the end of the current round and process, ending March 2018. The Board was asked to consider and approve the recommendations within the paper.

17. The following points were noted for clarification:

- Para 9 – the precise allocation and split of funding across the various heads will be determined later in the process.
- Para 13 – the paper suggested that part of the funding should go to the 6 NRW areas, plus marine, in order to support the development of local opportunities as part of place based working.
- The paper also proposed the investigation of match funding opportunities in order to maximise overall resources.
- Para 14 – explains the proposed governance arrangements for the programme.

18. The Board provided the following feedback:

- a need for NRW to be ambitious with match funding opportunities in order to maximise project delivery options across Wales
- a need for clear and auditable governance to the Strategic Funding Board
- Audit and Risk Assurance Committee to continue to provide scrutiny and assurance.

19. Rhian confirmed to the Board that the Scheme will comply with the Welsh Government code of practice for Welsh Public Bodies.

Action Point: Rhian Jardine to consider involvement of the Board in identifying appropriate potential match funding opportunities and governance around the Scheme. Briefing paper to be circulated to the Board, Secretariat to note on Forward Look for September meeting.

20. The Board approved the recommendations of the paper.

3. Catch and Release – Proposed consultation on salmon and sea trout fishing controls (NRW B B 26.17)

21. Peter Gough joined the meeting and gave a presentation to the Board on the proposal for consultation. The Board was asked to approve the recommendations of the paper noting that the proposal was not to end fishing but to reduce the mortality in rod and net fishing in order to conserve stocks of both salmon and sea trout.

22. The Board discussed the possible financial and stakeholder impacts from the proposal and sought assurance that the evidence considered in the proposal addresses the long term sustainability issues around the respective fish stocks.

23. It was noted that Wales was adopting a different approach to England; this is due to differing levels of fish stocks which was driving the proposed measures in Wales.

24. The Board approved the recommendations as presented in the paper and highlighted a need for NRW to ensure sufficient enforcement resources were in place, and that stakeholder engagement was maintained and developed.

4. NRW Process for Approving the Public Services Board Well-being Plans for publication (NRW B B 27.17)

25. Ruth Tipping spoke to the paper and explained the important role NRW played in considering, influencing, and approving Well-Being plans developed by the Public Service Boards.

26. The Board and Executive Team agreed that this was an opportunity to ensure that the interests of the environment and the principles of SMNR were taken seriously in each PSB's Well-Being Plan. The Board noted the proposal as presented in the paper and highlighted the opportunity for the Board to add value in promoting SMNR across all the public bodies in Wales.

27. The Board approved the creation of a sub group with the responsibility for scrutiny and approval for Well-being Plans; the members were agreed as Andy, Howard, Chris and Elizabeth. The Group will report to the Board as a standing Committee update to the Business Board meetings.

Action Point: Ruth Tipping to organise dates for meetings with the Secretariat for cascade to Group Members. Group to develop terms of reference at initial meeting to be approved by the NRW Board. Secretariat to note standing item for Board agenda following initial Group meeting.

5. Alwen Energy Project (NRW B B 28.17) (Commercially Sensitive)

28. The Chief Executive introduced the paper to the Board noting that the item was commercially sensitive. The contract is high value and is the first contract of its type for Natural Resources Wales to consider and award, therefore he was seeking to ensure appropriate governance arrangements from the full Board.

29. Tim Jones, provided an explanation of the project to date. It was recommended that the Board delegate authority for the Audit and Risk Assurance Committee to scrutinise the process for issuing the contract, and any future contracts that are considered high value, contentious or repercussive, reporting any risks to the Executive Team with a subsequent update to the Board.

30. The Board agreed that delegated authority should be given on behalf of the Board to the Audit and Risk Assurance Committee to scrutinise and agree the process for the Alwen Energy Project and all future contracts that NRW considers to be novel, contentious, repercussive or high value.

6. Job Evaluation Update

31. Ashleigh Dunn and Steve Burton provided a verbal update on the work being done with the Trade Unions and Welsh Government to consider future options in the light of the union ballot. The Executive Team highlighted their concerns about the ongoing uncertainty around JE and the impact this was having on their staff; they also expressed their desire to resolve the issue as soon as possible in order to provide staff with certainty and reassurance.

7. Wellbeing, Health and Safety Report (NRW B B 29.17)

32. The Board noted that future papers on Wellbeing, Health and Safety would be reviewed by the People and Remuneration Committee with questions or comments by exception at Board meetings.

33. Nigel Reader recommended that the People and Remuneration Committee review the current position regarding Hand and Arm Vibration Syndrome (HAVS).

Action Point: Ashleigh Dunn to provide an update on HAVS to the People and Remuneration Committee; Secretariat to note the Forward Look.

34. The Board noted the report presented.

8. Finance Report (NRW B B 30.17)

35. Kevin Ingram introduced the paper to the Board noting that the final end of year position will be reported at the July Board Meeting, following review by the Audit and Risk Assurance Committee.

36. The Board noted the interim end of year position reported.

9. Minutes & Matters arising, Committees, Minutes & Matters arising

37. The Board reviewed the March Development meeting minutes and approved with no amendments.

38. The Action Point Log was reviewed and updated as follows:

- a) Action 1 – Catherine Smith confirmed that the development of the “who we are” notice boards is underway with professional photographs to be taken at the July Board Meeting. Board Member blog to be developed by Andy Middleton for May and Chris Blake for July.
- b) Action 2 – Catherine Smith said that there were 993 unique views with 1129 total hits on the Board blog written by Zoe Henderson following the May Board meeting.
- c) Action 3 – The Chair confirmed that a Board Stakeholder Engagement briefing would be circulated for Board Member awareness and to ensure each Board Member was clear on the sector they would be working with in their ‘champion’ roles.

Action Point: Secretariat to circulate draft briefing for Board Members awareness and Board Members to raise any queries on their sectors.

- d) Action 4 – The Board noted the invitation from Roger Cooper to join the Woodland Strategy Advisory Panel (WSAP). Ceri confirmed that NRW staff are already formally appointed to WSAP, and that it would serve little purpose for a Board Member to be added.

Action Point: Rhodri Scrivens, the Chair’s Personal Assistant, to contact Roger Cooper and advise.

- e) Action 5 – Discharged.
- f) Action 6 – Discharged
- g) Action 7 – Discharged
- h) Action 8 – Enterprise Plan noted for presentation at the July Business.

Any Other Business

39. Intersessional Papers – The Board noted the papers circulated for information; the Chair reiterated that any comments or queries should be raised bilaterally or at the meeting by exception.

40. Forward Look – The Board noted the forward look of items for presentation at future meetings and requested that the Secretariat distinguish between significant and standing items.

41. The Chair updated the Board on a discussion between Catherine Smith in her Senior Information Responsible Officer (SIRO) capacity around Information Security, reminding Board members to use their NRW ICT. Secretariat confirmed that one to one training sessions are available for all Board Members in order to develop skills and ensure that Board Members adhere to NRW Information Security policies.

42. The Chair thanked everyone, and formally closed the meeting.