



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

Date of Meeting: 8 December 2016

Board Members: Diane McCrea (Chair)
Madeleine Havard (Deputy Chair)
Emyr Roberts (Chief Executive)
Ruth Hall
Nigel Reader (Chair ARAC)
Andy Middleton
Paul Williams (Chair PaRC)
Chris Blake
Howard Davies
Zoe Henderson
Elizabeth Haywood
Karen Balmer

Executive Team in attendance: Tim Jones, Executive Director, Operations North and Mid
Gareth O'Shea, Executive Director, Operations South
Ashleigh Dunn, Executive Director, Organisational Development and People Management (ODPM)
Ceri Davies, Executive Director of Evidence, Policy and Permitting (EPP)
Niall Reynolds, Transformation Portfolio Director
Kevin Ingram, Executive Director for Finance and Corporate Services

Additional Attendees: Martyn P Evans, Acting Head of Operations South West – Agenda item 1
Hamish Osborn, Natural Resources Management (NRM) Team Leader, Swansea – Agenda item 1
Nick Edwards, Senior Reserves Manager – Agenda item 1
Rob McCall, Senior Innovation Advisor - Agenda item 3.
Simon Neale, Future Regulation Manager - Agenda item 3

Observers: Catrin Hornung, Head of Communications
Howard Davies, Head of Corporate Planning and Performance
Conor Powell, Project Accountant, Finance (seconded from Civil Service)

Secretariat: Geralene Mills
Cassandra Hamblett

Item 1 Standard Board Business

1. The Chair welcomed the Board members and the Executive Team to the meeting, as well as acknowledging a number of public attendees.
2. An apology for absence was noted from Catherine Smith, Director of Customer Care, External Relations, and Communications.

Declarations of Interest

3. Nigel Reader noted that he is acting as Chair for the DEFRA Animal and Plant Health Agency Audit Committee, and that he is also acting temporarily as Chair for Natural England.
4. Chris Blake declared that in his role as Director of Community Energy Wales he will be potentially submitting a tender with other parties for the Alwen Forest Renewable Energy work.

Presentation on Sustainable Management of Natural Resources, Swansea Area

5. The Executive Director Operations South and Mid-Wales introduced the work of Sustainable Management of Natural Resources in the Swansea area to the Board, welcoming Martyn Evans, Acting Head of Operations South West to the meeting.
6. Martyn introduced the work of the team, highlighting the importance of external engagement to enable NRW to deliver against the requirements of the Environment Act. Martyn particularly noted the importance of changing the way NRW works by thinking spatially to join up activities
7. Hamish Osborn, NRM Team Leader for Swansea described the conservation work in Swansea area and highlighted the different environments that are managed and supported by NRW. The Board noted the successful project with the Burry Pill river managing discharge from a sewage treatment works and the innovative approach being pursued.
8. Nick Edwards, Senior Reserves Manager, presented a positive success story at Whiteford, a 700 hectare saltmarsh habitat. The dunes have been constantly changing shape over the past 40 years, with sand moving from the estuary onto the site. The new environment has resulted in the very rare Fen orchid appearing.

NRW has been working in conjunction with Swansea University and the National Trust to spread the seeds of the orchids, and the project is being monitored closely.

9. The Chair thanked Martyn, Hamish and Nick for the presentations which were most informative and demonstrated how NRW is delivering its purpose and sustainably managing natural resources.

Item 2 Minutes and Matters Arising

10. The minutes of the September meeting were formally ratified with minor amendments.
 - Item 3, Page 2, Nigel Reader's role in respect of JNCC
 - Item 5, replace a with the
 - Page 5, Item 25/26 insert heading for JNCC update
 - Declaration of Interest, clarification for Howard Davies, supported rather than a member.

Action Log

11. The Executive Director, EPP provided an update on Action 6 confirming that a Skype appointment will be shared with Board Members for a Meeting on 19th December to discuss the next steps of the Commissioning Scheme.
12. Action 8 - Executive Director, Operations South, confirmed that the report had been circulated on 6th December providing an update to Board Members.

Committees, Minutes and Matters Arising

People and Remuneration Committee

13. The Chair of the People and Remuneration Committee provided an update from the 2nd December meeting. The minutes were currently being prepared and would be presented at the January Board meeting for ratification.
14. The Board noted the delay in the launch of the Job Evaluation scheme as a result of certain anomalies being identified at a very late stage. A further quality assurance exercise will be undertaken urgently and a revised timetable drawn up. Members recorded their disappointment with the delay in launching at this point in the process, but recognised the importance of being confident with the outcomes.
15. The Board noted the following updates from the Committee:
 - Development of phase 2 of the Customer Focus Programme

- Leadership/Management Development programme
- Strategic Workforce planning development
- Wellbeing, Health and Safety Report
- Employer Liability

16. A paper on the application of the Welsh language standards to NRW would be submitted to the next Board meeting in January 2017.

Audit and Risk Assurance Committee

17. The Chair of the Committee provided an update from the 2nd December meeting, noting that the minutes will be presented to the Board for ratification at the January meeting.

18. The Committee had received an internal audit report which was commended for its broad service review.

19. The Board noted the following updates from the Committee:

- Development of NRW's risk management following discussion at the Board meeting in September.
- Financial Competency Evaluation - the Board will receive an update on from the evaluation early in 2017.
- Fraud Losses and Special Payments - the Committee noted a reduction in reported fraud cases.
- Better Regulation Delivery Office - update on the implementation of the actions to address the BRDO's recommendations

20. The Committee approved the annual review of the Whistleblowing Policy.

21. The Committee provided scrutiny to the development of the trading, profit and loss accounts for NRW's enterprise and commercial activities. The Board noted that the Chair of the Committee and Karen Balmer will continue to scrutinise and oversee the process.

22. The Committee received a report from the ICT Security and Risk Manager and were assured by the prevailing control environment.

23. The Committee approved its approach to an Effectiveness Review for March 2017 to be led by the ARAC Chair.

24. The Board noted the updates received.

Flood Risk Management Wales Committee

25. The Chair confirmed the formation of a new Board Sub Group Committee consider NRW Capital Flood Projects due to meet early January 2017.

Protected Areas Committee

26. No meetings held since the last Board meeting and would consider ongoing management of protected areas.

Item 3 Payments for Ecosystem Services (PES) (NRW B B 69.16)

27. The Executive Director of EPP introduced Rob McCall, Innovation Team Leader, and Simon Neale, Manager of Future Regulation Change, to update the Board.

28. The Innovation Team Leader gave a presentation to the Board explaining that NRW has four basic roles to fulfil: service provider, purchaser, regulator and facilitator which presented a wide range of options looking through the prism of PES. The Board were asked to consider the development of an approach based around the four roles.

29. The Board welcomed the presentation and suggested the consideration of a fifth role as a statutory consultee/advisor to planning authorities and developers. The Board asked for an update briefing back to the Board in six months. The Board noted the connection to the Brexit work underway and the need for development together to maximise outcomes.

ACTION POINT - Executive Director of EPP to provide an updated briefing to the Board ahead of the July Board meeting.

30. The Board welcomed the interesting and informative presentation and endorsed the paper presented. Board Members were encouraged to continue discussion with the team via email.

ACTION POINT – The NRW Team were asked to develop Intranet and Internet pages to share knowledge and development around PES both internally to NRW and externally to give specific examples and explain further this emerging work.

Lunch Break

31. A Memorandum of Understanding relating to Analytical Services, and the opportunities which the new NRW laboratory on the Singleton Campus provided for both NRW and Swansea University was formally signed by the Chief Executive NRW and Professor Steve Wilks of Swansea University during lunch.

Item 4 Finance Paper – NRW B B 70.16

32. The Executive Director of Finance and Corporate Services presented the year to date position to the Board. The Board noted that a half year budget review had been completed to October and budgets revised as reflected in the paper.
33. The Board noted the cost savings of £2million from the Service Level Agreement with the Environment Agency, a reduction in staff costs following the recent VES and additional income from increased prices in timber sales.
34. The Board formally approved the revised budget.

ACTION POINT – Update the paper on paragraph 11 and correct the word ‘transposed’

35. The Board noted the continued scrutiny from the Audit and Risk Assurance Committee and noted the paper presented.

Item 5 Chair’s Report (NRW B B 72.16)

36. The Board noted the written report of the Chair’s external engagements and attendance by the Chair at regular meetings with the Cabinet Secretary and external stakeholder engagements.

ACTION POINT – The Chair asked that all Board Members notify the Secretariat of all external and internal events attended so that the Board Secretariat Calendar can be maintained.

37. The Chair noted her meeting with the new Environment Agency (EA) Chair, Emma Howard Boyd and it was suggested that opportunities be sought for the Board to meet her and other EA Board members.
38. The Executive Director for Operations South confirmed his attendance at a Llais Y Coedwig meeting where discussions were held around strategies on managing NRW woodlands and how NRW could bring together community woodland projects.

39. Ruth Hall, Board Member, confirmed attendance at a recent National Trust Council meeting representing NRW.

Item 6 Chief Executive Report (NRW B B 72.16)

40. In receiving his report, the Board noted the Chief Executive's recent activities with health organisations and discussed the benefits of the natural environment for physical as well as mental health.

41. The Chief Executive highlighted his visit to the Elan Valley Trust and was impressed by the positive work done by the Heritage Lottery funded project.

Item 7 Wellbeing, Health and Safety Update (NRW B B 73.16)

42. The Executive Director, ODPM presented an updated report to the Board. The level of absence from work as a result of mental health issues remain a concern; the Board noted the tools in place for managers to support staff and seek additional support from the NRW Occupational Health Advisors.

43. The Board noted the development work undertaken by the task and finish group looking to procure a device to help prevention of Hand and Arm Vibration Syndrome incidents.

44. The Board noted that the reported number of near misses is relatively low for the organisation and noted the work of ODPM to raise the profile of reporting of near misses as a positive learning opportunity and to streamline the reporting process.

45. The Executive Director, ODPM confirmed the action taken by NRW to address issues around compliance with CDM Regulation requirements. A number of activities on forestry sites had been reviewed to ensure that compliance actions were instigated.

46. The Board highlighted the absence of driving incidents recorded within the report and sought an update from the Executive Director of ODPM.

47. The Chair confirmed that the Chair of the PaRC would maintain an overview of Health and Safety issues alongside the monitoring of absence reporting and occupational health referrals. Role of Board H&S Champion?

ACTION POINT – The Executive Director of ODPM to develop and circulate a briefing note on driving incidents.

Item 8 Meeting close

48. The Chair closed the meeting by thanking the Executive Team, Secretariat, Swansea University and others who had supported the arrangements for the Board meeting.

Public questions

After the close of the formal Board meeting the Chair invited observations, comments and questions from the public attendees. The attendees confirmed how useful it had been to attend the meeting and several specific questions were asked. These questions, along with the responses are shown in Annex 1.

Annex 1 - Public Questions:

Gareth Wardell representing Forest Holidays – approval had been received from the Brecon Beacons National Park Authority for the application for the forest holiday lodges on the NRW Garwnant site on the 14th November. The proposal had received 63 letters of support. Gareth said he looked forward to working with NRW and making the project a success. Gareth confirmed that further NRW sites are being considered for future Forest Holiday Development.

The Chair thanked Gareth for attending and emphasised the benefits of this new commercial project.

Trefor Jones, representing himself as a North Wales shell fisherman said that he would like to see marine issues discussed more at Board meetings. He invited the Board to come aboard his boat for a few hours and to show them the concerns the ‘sea farmers’ have.

The Chief Executive said that he had been on one of the sea vessels on the Menai Straits and remarked that it had been a fascinating experience. The Board reconfirmed its commitment to the marine environment. The Executive Director of North and Mid confirmed they are in the process of appointing a Leadership Team member who will have specific responsibility for marine.

ACTION POINT – The Executive Director of North and Mid Operations to consider a discussion on local marine issues during the next Board meeting in January.