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**Title of meeting:** NRW Board Meeting Day 2 – Public Session

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**Date of meeting:** 17<sup>th</sup> November 2022      **Time of meeting:** 9.30-15.00

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**Venue:** Microsoft Teams

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Or call in (audio only)

[+44 29 2105 5545,,700862268#](#) United Kingdom, Cardiff

**Phone Conference ID: 700 862 268#**

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**Time**

**Item**

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**9.30  
(5 mins)**

**1. Open Meeting**

- Welcome
- Declaration of Interests
- Explain conduct of meeting

Sponsor and Presenter: Sir David Henshaw (Chair)

**Summary: To NOTE any declarations of interest.**

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**9.35  
(90 mins)**

**2. Water Companies' Business Plans**

Sponsor: Ceri Davies, Executive Director of Evidence, Policy and Permitting

Presenters: Peter Perry, CEO, Dŵr Cymru; James Jesic, Managing Director, Hafren Dyfrdwy

Attendees: Sian Williams, Head of Operations, North West Wales; Ruth Johnston, Lead Specialist Advisor, Water Strategy; Natalie Hall, Sustainable Water Manager; Gwenllian Roberts, Director of Ofwat for Wales; Eifiona Williams, Head of Water Branch, Welsh Government

**Summary: To DISCUSS the business plans presented by Dŵr Cymru and Hafren Dyfrdwy**

**Presentation**

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**11.05  
(15 mins)**

**Break**

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**11.20  
(45 mins)**

**3. Flood Recovery and Review Programme Update and Winter Preparedness**

Sponsor: Ceri Davies, Executive Director of Evidence, Policy and Permitting

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Presenter: Jeremy Parr, Head of Flood and Incident Risk Management; Nicholas Pritchard, Lead Specialist Advisor, Strategic Planning and Investment

**Summary: To DISCUSS the Flood Recovery and Review Programme (FRRIP) Update and Winter Preparedness**

**Presentation**

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**12.05  
(60 mins)**

**Lunch**

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**13.05  
(45 mins)**

**4. Strategic Discussion on Innovation**

Sponsor: Ceri Davies, Executive Director of Evidence, Policy and Permitting

Presenters: Richard Cardwell, Manager, Integrated Evidence; Chris Collins, Head of Knowledge and Evidence

**Summary: To DISCUSS the strategic approach to innovation**

**Paper ref: 22-11-B14**

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**13.50  
(10 mins)**

**Break**

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**14.00  
(20 mins)**

**5. Public Engagement and Transparency at Board Meetings**

Sponsor: Prys Davies, Executive Director of Corporate Strategy and Development

Presenter: Colette Fletcher, Head of Governance and Board Secretary

**Summary: To DISCUSS proposals for public engagement and transparency at Board meetings**

**Presentation**

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**14.20  
(5 mins)**

**6. Board Forward Look**

Sponsor: Sir David Henshaw

Presenter: Colette Fletcher, Head of Governance and Board Secretary

**Paper ref: 22-11-B16**

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**14.25  
(5 mins)**

**7. AOB**

**a) For Approval by correspondence:**

**Board Committees Terms of Reference**

Sponsor: Prys Davies, Executive Director of Corporate Strategy and Development

Presenter: Colette Fletcher, Head of Governance and Board Secretary

**Summary: To APPROVE the updates to the Board and Committee Terms of Reference**

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**Paper ref: 22-11-B17**

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**End of Public Board meeting**

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**14.30  
(30 mins)**

**Public Q&A**

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**15.00**

**Close Meeting**

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## Board Paper

<b>Date of meeting:</b>	17 November 2022
<b>Title of Paper:</b>	Innovation
<b>Paper Reference:</b>	22-11-B14
<b>Paper sponsored by:</b>	Ceri Davies, Executive Director of Evidence, Policy and Permitting
<b>Paper prepared by:</b>	Richard Cardwell, Interim Integrated Evidence Manager
<b>Paper presented by:</b>	Richard Cardwell, Interim Integrated Evidence Manager
<b>Purpose of the paper</b>	Discussion and strategy
<b>Summary</b>	The paper was requested to stimulate discussion at Board on how a more innovation-friendly culture within NRW might be developed.

## Background

1. The Department for Business, Energy and Industrial Strategy (BEIS) published the [UK Innovation Strategy](#) in summer 2021. Among others, two key issues were highlighted; first, that the Covid-19 pandemic had caused the largest economic disruption since 1945, and that the world “sit[s] on the cusp of transformative industrial change unlike any the world has seen before” – i.e. the ‘Fourth Industrial Revolution’ (‘4IR’) as technologies like artificial intelligence and quantum computing become more prevalent. The environmental sector faces the challenge of ensuring that any status quo that emerges from the ongoing disruption caused by the lagging effects of Covid (together with national and international economic and political volatility) is as sustainable as it can be. To play our parts as advisor and regulator, NRW needs to understand these drivers and to have a deliberate approach to innovation internally.
2. Innovation has been a core part of NRW’s remit letters from Welsh Government. A cross-NRW Innovation Group was set up in 2018 with the aim of providing a space for NRW staff at all levels to discuss issues around innovation and to support innovative projects. For 2019-20 the Group was awarded a budget to support small, innovative projects in a ‘safe to fail’ way. Of the ten projects that were approved, five achieved their intended outcomes and five were dropped by their leads, in many cases because of conflicting workloads or the time required to gain the necessary approvals and meet

governance requirements. No projects which launched successfully failed on their own terms.

3. Evaluations were carried out at the project level, and workshops were held with Nesta's Y Lab (now part of Cardiff University) to identify barriers to effective innovation within NRW experienced by officers. Key issues identified (at the end of 2020) were;
  - Aversion to short-term risks (e.g. not considering risk of inaction, not embedding evaluation and adaptive management or doing so ineffectively)
  - Difficulty/speed of access to decision makers within our hierarchy
  - Poor communication (e.g. email culture – this may be more reflective of the mood relatively early in the shift to remote working)
  - Complexity (e.g. our use of language; using jargon specific to certain teams & disciplines, while helpful within teams, is a barrier to others)
  - Commitment to proceduralism seen as outweighing outcomes
  - Weak culture of collaboration across business areas
  - Lack of specific case studies to use as tangible examples of innovative solutions that have improved efficiency - this is a 'chicken and egg' problem
  - Poor links or working relations between business areas and ICT (again, there is evidence that this area has improved since the exercise was conducted).
  
4. A second exercise was conducted with the Organisation for Economic Co-operation and Development (OECD)'s Observatory for Public Sector Innovation (OPSI), aimed at identifying the strengths and weaknesses of NRW's attitudes to and practices in innovation. OPSI use a model of innovation with four separate facets (Annex 1, Figure 1):
  - **Enhancement-oriented innovation** often starts with the question of "How might we do X better?" It is not about questioning what is being done, but rather how it is done and whether it can be done differently, and hopefully better.
  - **Mission-oriented innovation** is about asking "How might we achieve X?", with X ranging from the world-changing (going to the moon) to the significant but relatively contained (ensuring better services). It starts with a driving ambition to achieve an articulated goal, though the specifics of how it might be done are still unclear or are not set in stone.
  - **Anticipatory innovation** starts with the question of "How might emerging possibilities fundamentally change what X could or should be?", with X being the relevant government response or activity. Anticipatory innovation is essentially about recognising and engaging with significant uncertainty about not only what works, but also what is appropriate or possible.
  - **Adaptive innovation** starts with the question "How might our evolved situation change how we do X?". Adaptive innovation is essentially about a realisation that things are happening that don't fit with what is expected.

5. OPSI kindly facilitated an Innovation Portfolio Workshop with members of the Innovation Group (team members, team leaders and Management Team) and shared a beta version of their [Portfolio Exploration Tool](#), which identifies the strengths and weaknesses of public sector bodies across the four facets. The outcomes are based on participants' responses to a range of questions, for example;
  - 'Risks my organisation tends to take most seriously are..'
  - 'What type of procurement strategy does your organisation use?'
  - 'What gets punished in your organisation?'
  - 'What does the leadership of your organisation tend to prefer or promote?'
  - 'Which time horizons does your organisation tend to work with?'
  - 'What can people in your organisation do without asking for explicit permission?'
6. NRW's results, based on the responses of the Innovation Group, are shown in Annex 1, Figure 2.
7. Notably, NRW scored quite well for enhancement-oriented innovation (low-risk, iterative improvements on existing practice). This may reflect our organisational support for the Continuous Improvement approach. However, our weakest score, at 23%, was for anticipatory innovation, which is particularly applicable under conditions of high uncertainty such as those imposed by the climate and nature crises. Partly as a response to this work, the Knowledge & Evidence department have been working to apply a collaborative futures-oriented approach to difficult challenges such as the pressures on our Incidents service.
8. Given the overarching driver of the Sustainable Management of Natural Resources (SMNR), the Wellbeing Goals and the clear pressures of the climate and nature emergencies, it is also quite striking that mission-oriented innovation scored only 39%.
9. These pieces of evidence, together with anecdotal input from staff, suggests that NRW as an organisation is not comfortable with types of innovation which carry more than a small degree of risk or uncertainty. We are good at small-scale, iterative procedural improvements, but we tend to steer away from more radical forms of innovative work and thinking. This property may well be unreflective of the preferences or beliefs of our staff and leadership - rather it may have emerged over time as a result of our organisational behaviours, internal incentives, and external drivers such as Managing Welsh Public Money.

## Risks and opportunities

10. The risk of failure to innovate (both technically and in terms of ideas and ways of working) is reflected in the Business Board risk registers and centrally within Strategic Risk Register item SR08.

11. The relationship between innovation and risk is complex. Innovative activities can carry risks of their own (unforeseen challenges or consequences, etc.), particularly in the short term. Many of these immediate, practical risks can be mitigated through careful continuous evaluation and adaptive management. However, refusal to innovate (or at least to keep pace) carries the almost inevitable risk of wider failure in the medium and long terms.
12. NRW has an opportunity to define its risk appetite for the forms of innovation in which we have historically been weak.
13. In many cases, it is not desirable for NRW to carry out 'blue sky' innovation. We are not resourced to do so, and activities of that type carry a high failure rate. However, we could become much more adept at adopting tools, information, practices and technologies which have already been trialled elsewhere, including outside the environment sector, and combining them in new ways in the service of SMNR. Making that cultural change is likely to require some shifts in our management and governance behaviours.
14. Proposed areas for innovation are:
  - a. Incident response (including flood, water pollution, wildfire, drought, air quality, oil spills, habitat management, ecological restoration)
  - b. Social cohesion and behaviour change – modelling of human behaviour not just their effects to help determine where interventions are needed
  - c. Communication and engagement tools
  - d. Data sharing and Analysis tooling that is accessible to multi-agency approaches
  - e. Remote sensing and environmental intelligence (machine learning, artificial intelligence, etc)

## Recommendation

15. That ET invites the Board to discuss the landscape of strategic innovation facing NRW. Sample questions might include;
  - What should our organisational risk appetite for innovation look like? Should particularly innovative projects be allowed to 'run hot', insofar as they could have lighter governance arrangements?
  - How do we balance the immediate risks, cost and challenge posed by adopting new technologies, techniques, approaches and ways of working against the opportunity cost and long-term risks of failing to keep pace?
  - Should innovative projects be 'safe to fail' so long as effective monitoring, evaluation and learning is carried out?

## Index of Annexes

Annex 1 – OPSI Model of Innovation

**Annex 1**

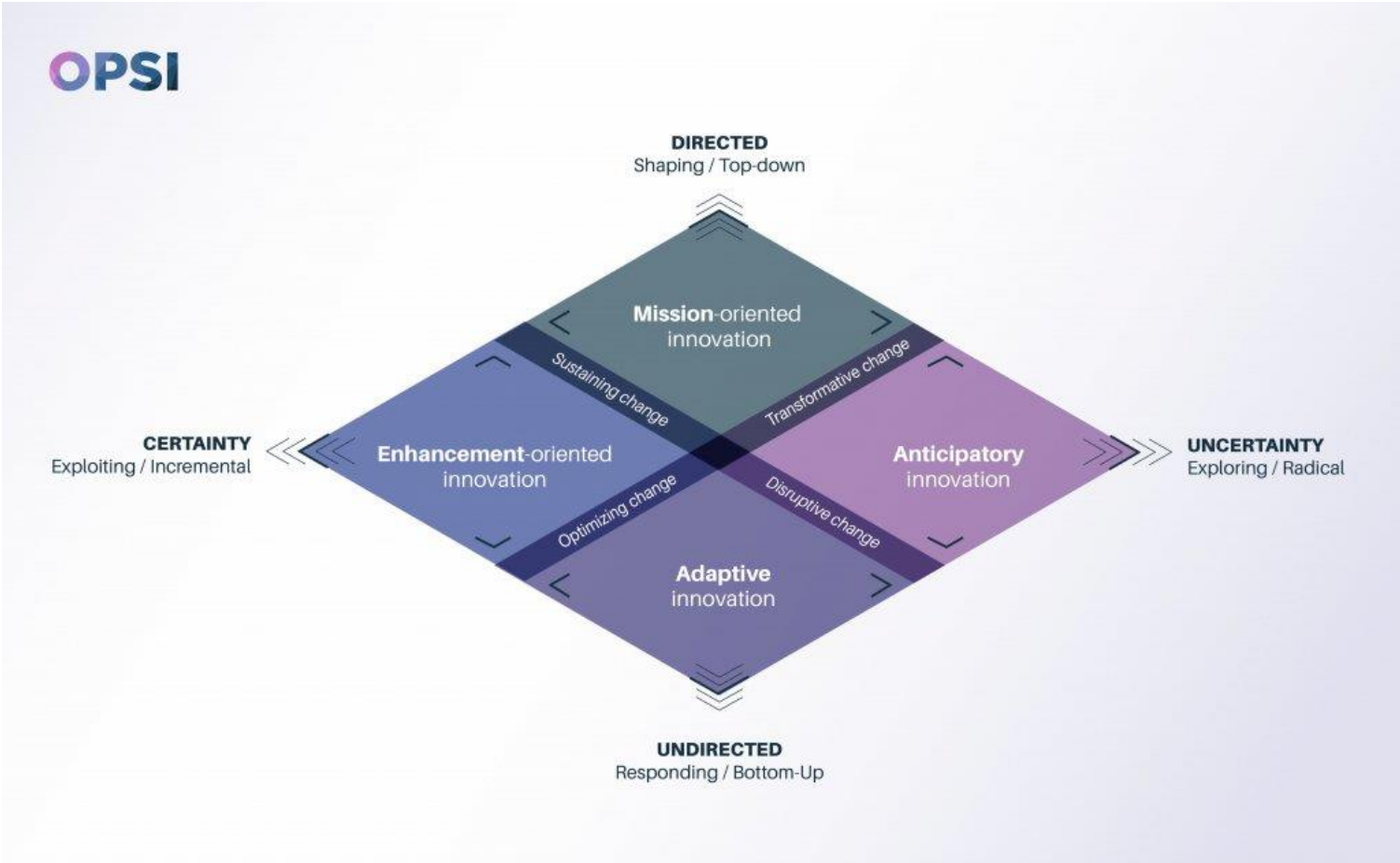
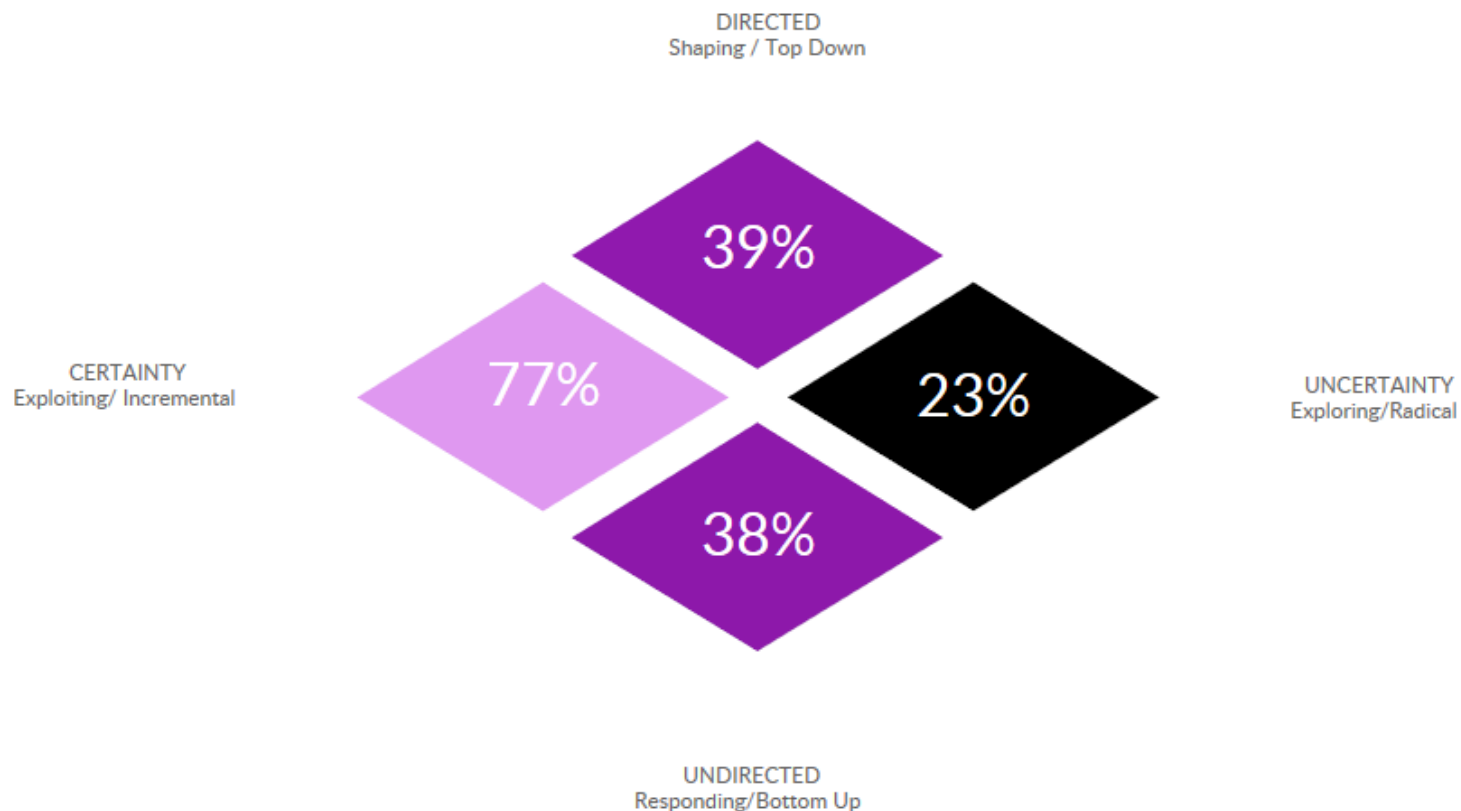


Figure 1 – OPSI’s 4-facet model





**Your organisational portfolio tends to be strong in enhancement-oriented innovation**

Figure 2 – OPSI’s model as applied to NRW

Board Forward Look – January						
	Item	Private/ Public	Scope	Purpose	Time	Sponsor
1	Open meeting	Public and Private	Standing Item		5	Chair
2	Review Minutes	Public and Private	Standing Item		5	Chair
3	Chair's Update	Public and Private	Standing Item		10	Chair
4	CEO Update	Public and Private	Standing Item		10	Clare Pillman
5	Committee Update	Public and Private	Standing Item		10	Chairs of Committees
6	Finance Approvals	Private	Approval	Approval of the latest financial items	10	Rachael Cunningham
7	Budget and Business Plan 2023-24	Private	Scrutiny	To discuss the Budget and Business Plan	60	Rachael Cunningham
8	Annual Review of Strategic Risk Register	Private	Approval	To approve the Annual Review of Strategic Risk Register	60	Prys Davies
9	New Responsibility - Air Quality Service	Private	Discussion	To discuss the New Responsibility - Air Quality Service	45	Ceri Davies
10	Proposed New National Park Designation	Private	Discussion	To discuss the proposed new National Park designation	30	Ceri Davies
11	Corporate Plan	Private	Discussion	Discussion for Board steer and ideas	60	Prys Davies
12	Finance Report	Public	Standing Item	Approval of latest financial position	20	Rachael Cunningham
13	Internal Drainage Districts Budget	Public	Approval	To approve the budget for the Internal Drainage Districts	10	Rachael Cunningham
14	Public Service Boards – Wellbeing Plans	Public	Approval	To approve PSB Wellbeing Plans	60	Ceri Davies
15	Committee Terms of Reference	Public	Approval	To approve the update to the Committee Terms of Reference for ET and NRWLEC	10	Prys Davies

Board Forward Look – January						
	Item	Private/ Public	Scope	Purpose	Time	Sponsor
16	Natur a Ni	Public	Discussion	Update	20	Prys Davies
17	Board Forward Look	Public	Discussion	To discuss upcoming items	5	Prys Davies
18	AOB	Public and Private		If raised	5	

## NRW Board Paper

<b>Date of meeting:</b>	17 November 2022
<b>Title of Paper:</b>	Board and Board Committees Terms of Reference
<b>Paper Reference:</b>	22-11-B17
<b>Paper sponsored by:</b>	Prys Davies, Executive Director of Corporate Strategy and Development
<b>Paper prepared by:</b>	Clare Jones, Specialist Lead Advisor Governance
<b>Paper presented by:</b>	Colette Fletcher, Head of Governance and Board Secretary
<b>Purpose of the paper</b>	Approval
<b>Summary</b>	The Board is asked to approve the Terms of Reference for six of the seven Board Committees and to note and approve the change of title of a Committee within the Board Terms of Reference

## Background

1. This paper presents for approval the Terms of Reference for six of the seven Board Committees: Audit & Risk Assurance Committee (ARAC); Evidence Advisory Committee (EAC); Finance Committee (FC); Flood Risk Management Committee (FRMC); People, Customer, and Stakeholder Committee (PCSC); and Protected Areas Committee (PrAC). This excludes the newly established NRW Land Estate Committee (NRWLEC).
2. The Board is also invited to note and approve the change of title of the 'People and Remuneration Committee' to the 'People, Customer, and Stakeholder Committee' in paragraph 4.1.20 of the Board Terms of Reference.
3. NRW's decision-making bodies are asked to review their Terms of Reference annually. The Board is asked to approve the Terms of Reference for itself and its Committees. An updated version of the Board and NRW Land Estate Committee Terms of Reference were presented to the September Board for approval. However, there is now an amendment to a Committee title within the Board Terms of Reference, as outlined in paragraph 2.

4. Each of the Board Committees has reviewed the specific sections of the Terms of Reference for their respective Committee and support the proposed changes.
5. This paper presents the change of title of a Board Committee within the Board Terms of Reference for noting and approval (Annex 1) and the updated Terms of Reference for six of the seven Board Committees for approval (Annexes 2 to 7).

## Risks and opportunities

6. Clear Terms of Reference for the various governance tiers should mitigate the risk of confusion about responsibility and accountability, as well as avoid potential duplication.
7. Good governance is crucial for the organisation, supporting NRW's decision-making, transparency, improving value for money, etc. The activities covered in this update will contribute to this process.

## Wider implications

- (a) **Finance:** There are no financial implications directly associated with this paper.
- (b) **Equality:** The governance requirements affect all members of staff equally. No adverse effects are anticipated for any protected groups or characteristics.
- (c) **Legal:** No legal advice has been sought in the drafting of this paper as this is not required.
- (d) **Data Protection:** There are no data protection implications.

## Next Steps

8. Following approval, the Terms of Reference will be translated and uploaded to the NRW website and intranet.

## Recommendation

9. The Board is asked to approve the Terms of Reference for six of the seven Board Committees and to note and approve the change of title of a Committee within the Board Terms of Reference.

## Index of Annexes

Annex 1 – Board Terms of Reference

Annex 2 – Audit and Risk Assurance Committee Terms of Reference

Annex 3 – Evidence Advisory Committee Terms of Reference

Annex 4 – Finance Committee Terms of Reference

Annex 5 – Flood Risk Management Committee Terms of Reference

Annex 6 – People, Customer, and Stakeholder Committee Terms of Reference

Annex 7 – Protected Areas Committee Terms of Reference



# Board Terms of Reference

**Terms of Reference agreed:** Sept 2022

**Next review date:** Sept 2023

## 1. Purpose

1.1. The role of the Natural Resources Wales (NRW) Board is to:

- 1.1.1. establish the vision and strategic direction and maintain oversight of NRW;
- 1.1.2. provide effective strategic leadership; defining and approving strategic direction and setting challenging objectives;
- 1.1.3. promote high standards of public finance, upholding the principles of regularity, propriety and value for money;
- 1.1.4. ensure that NRW's activities are conducted efficiently and effectively; and
- 1.1.5. oversee and monitor top-level performance to ensure that NRW fully meets its aims, objectives and performance targets.

1.2. The Board must ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control. It must establish an Audit and Risk Assurance Committee chaired by a non-executive member (but not the Chair) to provide it with independent advice. The Board is also expected to assure itself of the effectiveness of internal control and risk management systems.

## 2. Scope

2.1 The Board is responsible for defining and approving the long-term vision and strategy for NRW to meet its responsibilities and duties under the Natural Resources Body for Wales (functions) Order 2013, Wellbeing of Future Generations (Wales) Act 2015, Environment (Wales) Act 2016 and all other relevant legislation.

2.2 Members of the Board are collectively responsible for ensuring that in the exercise of its functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within its powers.

### 3. Responsibilities

3.1. The responsibilities of the Board include to:

- 3.1.1. establish the vision, strategic aims and objectives of NRW consistent with its overall purpose and within the context of the Welsh Government's strategic aims and the policy and resources framework determined by the Minister;
- 3.1.2. ensure that NRW operates within its statutory and delegated authority, and that it discharges its statutory duties under the relevant Acts, other Statutory obligations and the Framework Document;
- 3.1.3. promote high standards of public finance, upholding the principles of regularity, propriety and value for money. In particular, instructions must not be given to the Chief Executive which conflict with their duties as NRW's Accountable Officer;
- 3.1.4. demonstrate high standards of corporate governance and integrity, and ensure that effective arrangements are in place to provide assurance on risk management, effective internal control and good record keeping;
- 3.1.5. demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation;
- 3.1.6. appoint, with the prior approval of the Minister, a Chief Executive; and
- 3.1.7. hold the Chief Executive to account for performance and delivery against strategic and business plan priorities, objectives and budgets.

### 4. Board reserved matters

4.1. The matters set out in the table below are reserved to the Board.

Governance and control:

- 4.1.1. review and approve the Board's overall corporate governance arrangements;
- 4.1.2. approve substantive amendments to the Board's reserved matters;
- 4.1.3. approve terms of reference of the Board's committees, sub-committees, or working groups;
- 4.1.4. approve Board minutes;
- 4.1.5. approve Board and committee schedules of meetings;
- 4.1.6. approve delegation of any of the Board powers to the Chief Executive;
- 4.1.7. approve the scheme of financial delegation, covering delegation to the Chief Executive or Executive Team members;
- 4.1.8. approve the Statutory and Legal Scheme, covering delegation to the Chief Executive or Executive Team members;



- 4.1.9. approve the Framework Document with the Welsh Government, or successor documents;
- 4.1.10. approve the strategy and principles for management of risk.

Appointments:

- 4.1.11. appoint and dissolve Board committees, sub-committees, working groups, and their Chairs;
- 4.1.12. appoint and terminate the appointment of the Chief Executive, subject to the consent of the Welsh Government Minister responsible;
- 4.1.13. appoint Investigating and Inquiry Leads.

Strategy, Business Plan and budget:

- 4.1.14. approve (including varying) Corporate Strategies and Strategic Plans, subject to approval by the Welsh Government;
- 4.1.15. approve the annual Business Plan and annual budget, subject to approval by the Welsh Government;
- 4.1.16. approve NRW's key performance indicators;
- 4.1.17. ensure the statement of accounts complies with any directions given by the Minister, Auditor General, and good practice;
- 4.1.18. approve and present NRW's annual report and accounts to the Auditor General for Wales, the Minister, and the National Assembly for Wales.

Operational decisions:

- 4.1.19. approve the policy content of corporate, strategic, documents that relate to NRW's strategy, purpose, and long-term vision;
- 4.1.20. the Board has delegated the approval of the annual pay award to the People, Customer, and Stakeholder Committee (PCSC);
- 4.1.21. approve the Scheme of Charges;
- 4.1.22. approve major organisational developments and changes to the organisation.

4.2. The Board retains oversight of all responsibilities delegated to the Board committees.

4.3. There may occasionally be a need to consider items between meetings on the Board's behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, the Board will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and two further Board members. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.

- 4.4. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the Board as soon as possible and recorded in the minutes of its next meeting for information.
- 4.5. These Terms of Reference do not preclude the Chair or the Board deciding other matters, non-reserved, should they come to the Board for discussion or decision.
- 4.6. The Board will normally conduct an annual effectiveness review. This should include a self-review led by the Chair, including feedback from members of the Board, any lessons learned and potential improvements. The Board should consider commissioning an independent external review of effectiveness approximately once every three years.
- 4.7. The terms of reference will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 4.8. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the Board for approval.

## 5. Meetings

- 5.1. The Board will meet six times a year. Discussions will be held in public unless they are considered exempt based on the public vs private criteria approved by the Board. Interim Board updates will be held during the intervening months.
- 5.2. A meeting will be quorate for a particular agenda item if a majority of Board members are present for the whole of the item(s), and as long as the majority of those present are non-executive Board members. Deputies are not permitted.
- 5.3. For the purpose of determining whether a quorum is present, a Board member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 5.4. Board members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 5.5. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each Board member shall have the right to vote in any debate and to have their views recorded in the minutes.

- 5.6. In the event of no majority decision, the Chair of the Board shall have a second or casting vote, whether or not they previously voted on the matter.
- 5.7. Board members should not act as “representatives” of any specific sector. Subject to the Conflict of Interest rules, Board members are expected to make use of their wider experience, contributing fully to Board consideration of such issues, whilst making decisions collectively, based on the evidence and relevant criteria, for the benefit of NRW’s objectives.
- 5.8. Board members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the Board and handling/safe-keeping of information and documents, in particular, in relation to any personal, proprietary, or commercial information.
- 5.9. The Board may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings. Attendees who are not members of the Board will not be entitled to vote.

## 6. Administration

- 6.1. The Secretariat will provide the service support for the Board. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing Board documents in the Document Management System to ensure a formal record is kept.
- 6.2. Agenda items will be agreed in advance with the Chair, and agendas and papers will be circulated one week (seven days) in advance of meetings. Executive Team members will sponsor and introduce agenda items put forward by their Directorate / sponsored business boards.
- 6.3. The Board will maintain a ‘forward look’ of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 6.4. Minutes will be taken of the meetings of the Board. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when the Board has seen sufficient evidence of completion or that the action has become absorbed into business as usual.

- 6.5. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.
- 6.6. Papers and minutes from the non-confidential Board items will be translated and published on the NRW website.

## 7. Membership

- 7.1. The Chair, the Deputy Chair and the Board members are appointed by the Welsh Ministers. Article 3 paragraph 2 of the Schedule to the NRW (Establishment) Order 2012 specifies that there should be no fewer than five nor more than 11 non-executive members in addition to the Chair.
- 7.2. The appointments are made in accordance with the Commissioner for Public Appointments' Code of Practice for Ministerial appointments to public bodies. The length of each appointment is determined by Welsh Ministers in the appointment letter. In accordance with the Code, no individual will serve in any one post for more than 10 years.
- 7.3. The Establishment Order specifies that the Chief Executive must be a member of the Board. The Board can choose to appoint up to four further NRW employees (referred to in the Establishment Order as "executive members").

### ***[END OF TERMS OF REFERENCE]***

## Current Members (as at Sept 2022)

Sir David Henshaw, Chair (term end date 31 October 2023)

Professor Steve Ormerod, Deputy Chair (term end date 31 October 2025)

Julia Cherrett, Senior Independent Director (term end date 31 October 2025)

Karen Balmer (term end date 8 May 2023)

Catherine Brown (term end date 31 October 2022)

Geraint Davies (term end date 31 October 2024)

Zoë Henderson (term end date 8 May 2023)

Professor Calvin Jones (term end date 28 February 2023)

Mark McKenna (term end date 28 February 2023)

Dr Rosie Plummer (term end date 31 October 2024)

Professor Peter Rigby (term end date 31 October 2023)

Clare Pillman, Chief Executive/Accounting Officer



# Audit & Risk Assurance Committee Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee

Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.

- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.
- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

## 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.
- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.
- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location,

including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## **7. Quorum and voting**

- 7.1. A meeting will be quorate for a particular agenda item if three committee members are present for the whole of the item(s). Deputies are not permitted.
- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8. Independent professional advice**

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## **9. Conduct, openness, and confidentiality**

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.



- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
- 9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.
- 9.7. The terms of reference for each individual committee are available on NRW's website.

## **10. Attendance of executives and others at meetings**

- 10.1. The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.
- 10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.
- 10.4. Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the committee Chair, will normally be expected to attend meetings.
- 10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.
- 10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.
- 10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8. Attendees who are not members of the committees will not be entitled to vote.

- 10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.
- 10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## **11. Secretariat function and papers**

- 11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.
- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.
- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## **12. Minutes**

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## **13. Communication**

13.1. Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.

# AUDIT AND RISK ASSURANCE COMMITTEE (ARAC)

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** November 2022

**Next review date:** November 2023

## 1. Purpose

1.1. The Audit and Risk Assurance Committee (ARAC) is a standing committee that is a requirement of the Welsh Government's Framework Document with NRW. Its principal role is to advise the Board and to support the Chief Executive/Accounting Officer on matters of risk, financial stewardship and accountability, internal control and governance.

## 2. Scope

2.1. The ARAC will provide assurance on the establishment and maintenance of an effective control environment to ensure financial and wider business integrity, sustainability and continuity. The ARAC will monitor NRW's risk management processes to ensure their effectiveness in anticipating future risks as well as addressing the here and now, and that risk mitigation measures are consistent with NRW's risk appetite.

2.2. The ARAC will provide the Board and the Chief Executive/Accounting Officer with an Annual Report summarising the business it has conducted during the year and the conclusions it has drawn therefrom. This will also inform the production of the Chief Executive/Accounting Officer's Governance Statement.

## 3. Responsibilities

3.1 The ARAC is responsible for effectiveness of key financial and other controls by ensuring it gains appropriate assurance of the:

- 3.1.1. Financial and other internal control frameworks;
- 3.1.2. Risk management framework, including aligning its own review of risks matters with deep dives conducted by other Board Committees;
- 3.1.3. Strategic risks relevant to compliance, by undertaking a programme of deep dives to scrutinise current and target scores, seeking confidence on the appropriateness of planned actions to manage risks and secure the target scores identified;
- 3.1.4. NRW Corporate governance arrangements;

- 3.1.5. Policies and procedures in respect of fraud, irregularity and public interest disclosure;
- 3.1.6. Management of Information, Data, and Cyber security risks, seeking confidence that those risks are managed appropriately and necessary controls are in place;
- 3.1.7. Implementation of approved recommendations relating to both internal and external audit reports and management responses;
- 3.1.8. consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control;
- 3.1.9. review the accounting policies relating to the financial statements, particularly in relation to any changes, and to comment on their adequacy;
- 3.1.10. scrutinise and report to the Board on the Annual Report and Accounts of NRW and the Chief Executive/Accounting Officer's Governance Statement and recommend approval for the Chief Executive/Accounting Officer to sign off the Annual Report and Accounts;
- 3.1.11. alert the Board and the Chief Executive/Accounting Officer to issues that pose a material risk;
- 3.1.12. gain assurance on issues of fraud, losses and special payments, including the Annual Report;
- 3.1.13. scrutinise all significant contracts let without competition (individually or collectively) in order to support transparency of decision;
- 3.1.14. oversight and scrutiny of progress and delivery of the Vision for Good Governance business transformation programme.

### 3.2. External Audit

- 3.2.1. Wales Audit Office is NRW's external auditor.
- 3.2.2. The ARAC will review the work of the external auditor and will consider their findings and management's response to them. Specific responsibilities include to:
  - 3.2.2.1. review and recommend (to the Chief Executive/Accounting Officer) approval of the annual external audit plan and audit fee;
  - 3.2.2.2. review all external audit reports, including the audit completion report before final submission to the Chief Executive/Accounting Officer and the NRW Board, as well as any work undertaken outside of the annual external audit plan and management's response thereto;
  - 3.2.2.3. review the performance of the external auditor.

### Internal Audit

- 3.2.3. The ARAC will oversee NRW's internal audit arrangements to ensure their effectiveness and will review the work and findings of the internal auditors, together with management's responses. Specific responsibilities include to:

- 3.2.3.1. agree the internal audit strategy and annual internal audit plan;
- 3.2.3.2. receive and review topic-specific internal audit reports, together with management's responses;
- 3.2.3.3. receive and review the Internal Audit Opinion;
- 3.2.3.4. review the performance of the internal audit service.

#### Assurance

- 3.2.4. The ARAC will oversee NRW's assurance arrangements to ensure their effectiveness and will provide leadership, scrutiny, and guidance on assurance activity, ensure alignment with the organisation's strategic risks and with Internal Audit activity and findings. Specific responsibilities include:
  - 3.2.4.1 Agree the assurance strategy and annual assurance plan;
  - 3.2.4.2 Receive and review periodic assurance reports;
  - 3.2.4.3 Scrutinise performance over the three lines of assurance, ensuring focus on areas of weakness.

## 4. Meetings

- 4.1. The ARAC will meet at least four times per annum.
- 4.2. At least once a year, and otherwise as required, the internal and external auditors will meet with the ARAC without members of the executive being present.

## 5. Membership

- 5.1. The ARAC and other attendees will include four non-executive Board members, at least one of whom must have appropriate expertise in financial management, accounting and auditing.
- 5.2. The Audit Wales representatives will be invited to attend.
- 5.3. The Chief Executive/Accounting Officer, Director of Finance and Corporate Services, and Head of Governance and Board Secretary, will normally attend meetings of the ARAC except where specifically excluded for discussion of matters affecting their personal situation or performance.

### ***[END OF TERMS OF REFERENCE]***

## Current Members (as at Sept 2022)

Chair	Catherine Brown, Board member (term end date 31 October 2022)
Members	Karen Balmer, Board member (term end date 8 May 2023)

Dr Rosie Plummer, Board member (term end date 31 October 2024)

Professor Peter Rigby, Board member (term end date 31 October 2023)

Executive lead	Rachael Cunningham, Executive Director of Finance and Corporate Services
Other regular attendees	Clare Pillman, Chief Executive/Accounting Officer Rob Bell, Head of Finance Colette Fletcher, Head of Governance and Board Secretary Jacqui Kedward, Head of Internal Audit



# Evidence Advisory Committee (EAC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.



- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from NRW's Sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.
- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

### 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.

- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.
- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each Committee will review strategic risks allocated to their area of responsibility and expertise for particular scrutiny and will highlight any areas of concern enabling the Board and ARAC to seek any particular assurances required.
- 4.5. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.
- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location, including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## 7. Quorum and voting

- 7.1. A meeting will be quorate for a particular agenda item if a majority of committee members – and at least two in any case - are present for the whole of the item(s). Deputies are not permitted.
- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## 8. Independent professional advice

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## 9. Conduct, openness, and confidentiality

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.
- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.

9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.

9.7. The terms of reference for each individual committee are available on NRW's website.

## **10. Attendance of executives and others at meetings**

10.1. The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.

10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.

10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.

10.4. Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the committee Chair, will normally be expected to attend meetings.

10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.

10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.

10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.

10.8. Attendees who are not members of the committees will not be entitled to vote.

10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.

10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## **11. Secretariat function and papers**

11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents,

communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.

- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.
- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## **12. Minutes**

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## **13. Communication**

- 13.1. Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.



## EVIDENCE ADVISORY COMMITTEE (EAC)

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** November 2022

**Next review date:** November 2023

### 1. Purpose

1.1. The Evidence Advisory Committee (EAC) is a standing committee whose principal role is to advise the Board and provide independent advice, challenge and review to the Knowledge and Evidence Department, its strategic direction, and wider NRW evidence functions.

### 2. Scope

2.1. The EAC advises the NRW Board on approved NRW evidence programmes and their operational delivery, especially on the balance of strategic and operational focussed evidence.

2.2. The EAC will help to strengthen understanding in the wider research community and evidence users in government of NRW evidence processes and priorities. It also aims to ensure the adherence across NRW to the principles and guidelines laid down in central government guidance on obtaining and using scientific advice and related codes of practice.

2.3. The EAC will aim to address all evidence approaches used at NRW and all academic disciplines that are required to provide evidence for our decision-making.

### 3. Responsibilities

3.1. The responsibilities of EAC are to:

3.1.1. promote, stimulate and encourage the embedding of evidence processes, QA, and delivery;

3.1.2. act as a sounding board for strategic and operational evidence identified or being delivered by NRW;

3.1.3. provide oversight and scrutiny of all relevant reports for Data and Information business transformation;

3.1.4. highlight new approaches to delivering evidence and innovation for NRW;

3.1.5. recommend to the Board the balance of the evidence portfolio between operational and policy, reactive and futures, for future resource allocation;

3.1.6. report to the NRW Board on the quality and fitness of evidence process and delivery in NRW;

3.1.7. champion at Board level the use of futures studies in NRW, including technology and innovation foresight.

3.2. The EAC may make public statements, if necessary, once the NRW Board has accepted their advice. Internal communications may be used to support or promote the principles of evidence use in policy and operational decision making, highlight areas of interest, task and finish groups, and key outcomes from each meeting. Internal communiques should be issued within two weeks of the meeting.

## 4. Meetings

4.1. The EAC will meet at least twice per annum, typically in January and June to assist the programming and budgetary cycle.

4.2. Deputies are not permitted.

## 5. Membership

5.1. The EAC will be chaired by the NRW Board member with responsibility for Evidence and Innovation (Professor Peter Rigby).

5.2. Membership will comprise a second NRW Board member and about eight independent external members, judged by the Chair and NRW leads to offer appropriate expertise, e.g. interdisciplinary evidence approaches (including behavioural insights), SMNR, research impact, analytical approaches, operational research, technology innovation, and science communication.

5.3. Initial EAC membership may be by invitation from the Chair and reviewed annually (length of terms to be decided). Competitive selection may be developed as the EAC matures.

### ***[END OF TERMS OF REFERENCE]***

#### **Current Members (as at Oct 2022)**

Chair	Professor Peter Rigby, Board member (term end date 31 October 2023)
Members	Professor Steve Ormerod, Board member (term end date 31 October 2025) Professor Gillian Bristow, Independent member Dr Hefin Jones, Independent member Professor Susan Owens, Independent member Professor Andrew Pullin, Independent member Professor Mark Whitehead, Independent member Professor Lorraine Whitmarsh, Independent member Dr Tom Nisbet, Independent member Professor Melanie Austen, Independent member
Executive lead	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Other regular attendees	Chris Collins, Head of Knowledge and Evidence



# Finance Committee (FC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee



Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.

- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.
- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

## 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.
- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each Committee will review strategic risks allocated to their area of responsibility and expertise for particular scrutiny and will highlight any areas of concern, enabling the Board and ARAC to seek any particular assurances required.
- 4.5. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.

- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location, including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## **7. Quorum and voting**

- 7.1. A meeting will be quorate for a particular agenda item if three committee members are present for the whole of the item(s). Deputies are not permitted.
- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8. Independent professional advice**

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## **9. Conduct, openness, and confidentiality**

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.

- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
- 9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.
- 9.7. The terms of reference for each individual committee are available on NRW's website.

## **10. Attendance of executives and others at meetings**

- 10.1. The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.
- 10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.
- 10.4. Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the committee Chair, will normally be expected to attend meetings.
- 10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.
- 10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.
- 10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8. Attendees who are not members of the committees will not be entitled to vote.

- 10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.
- 10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## 11. Secretariat function and papers

- 11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.
- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.
- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## 12. Minutes

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## 13. Communication

13.1. Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.

## FINANCE COMMITTEE (FC)

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** November 2022

**Next review date:** November 2023

### 1. Purpose

- 1.1. The Finance Committee (FC) is a standing committee whose principal role is to advise the Board and to support the Chief Executive/Accounting Officer on Finance, budget management and planning.

### 2. Scope

- 2.1 The FC remit combines the previous responsibilities of the Finance Planning & Performance Committee (FPPC) with the responsibilities of two previous Task & Finish Groups (The Board Task & Finish Group: Finance, Governance and Delivery and the Board Oversight Timber Sales Governance Group).
- 2.2 The FC will provide advice, oversight and scrutiny on strategy, management and performance in relation to finance, business planning and performance, charge schemes, commercial matters (including timber sales and marketing activity), compliance and the Programme Management Office. In carrying out its role the FC will focus on strategic direction and development, and in scrutinising performance and delivery.
- 2.3 The FC will need to ensure that in carrying out its role it does not duplicate that of the Audit and Risk Assurance Committee (ARAC). The role of ARAC is to advise the Board on risk, financial stewardship and accountability, control and governance. ARAC will also continue to scrutinise improvements made in response to reviews undertaken by Internal Audit.
- 2.4 The FC and ARAC have complementary roles. FC will be forward looking, making decisions within their remit and providing advice to the Board on financial and performance matters as required. ARAC will scrutinise and provide assurance as required. FC will lead in reviewing progress on commercial activities, sales, and marketing (including of timber), with ARAC providing the overview. ARAC will lead in reviewing progress against compliance and the three lines of defence work, with FC providing the overview.

### 3. Responsibilities

#### 3.1. The responsibilities of the FC are to:

- 3.1.1. provide advice and support in the development of NRW annual business plans, corporate plans (4-5 years), and long-term vision (to 2050);
- 3.1.2. provide advice and support to ensure the development of appropriate finance strategies, management reporting, and plans;
- 3.1.3. scrutinise the annual Budget prior to submission to the full Board for approval, challenging the underlying assumptions and advising the Board on its adoption;
- 3.1.4. provide oversight and scrutiny of the financial performance of NRW through the monthly and quarterly management financial statements to ensure appropriate and effective use of funds;
- 3.1.5. monitor the financial position and future prospects/sustainability of the organisation to ensure that it can continue to meet its commitments and strategic objectives;
- 3.1.6. champion the importance of Value for Money, ensure appropriate controls are in place and monitor performance;
- 3.1.7. review and scrutinise the Performance Report included in the Annual Report and Accounts;
- 3.1.8. provide oversight and scrutiny of procurement, contract management, programme management, grants, and agreements;
- 3.1.9. provide oversight and scrutiny of the delivery of relevant projects within the Business Transformation and ICT transformation programmes;
- 3.1.10. oversee and scrutinise the business performance of NRW;
- 3.1.11. provide advice and support to the Strategic Charging Programme in relation to changes in current charge schemes and in the development of new schemes;
- 3.1.12. provide advice and support in the development of commercial strategies and plans;
- 3.1.13. oversee and scrutinise the delivery of commercial plans and performance;
- 3.1.14. provide oversight and advice in relation to the funding of the NRW membership of the Local Government Pension Scheme;
- 3.1.15. scrutinise and challenge key risks and issues for timber sales and marketing and the embedding of governance and process improvements in these spheres;
- 3.1.16. ensure that NRW's response to the Grant Thornton independent review in respect of timber and subsequent Internal Audit report are embedded;
- 3.1.17. oversee delivery via the Timber Sales and Marketing Transition Tracker, including scrutinising variations to the actions, milestones, etc;



3.1.18. ensure oversight of the wider NRW consequences, including compliance culture and staff impact;

3.1.19. provide oversight and scrutiny of the delivery of the compliance work based around the three lines model;

## 4. Meetings

4.1. The FC will meet at least four times per annum.

4.2. The focus of each meeting, whether finance, business planning and performance, charging, commercial or a combination, will vary depending on which matters require scrutiny or advice.

### **[END OF TERMS OF REFERENCE]**

#### **Current Members (as at Sept 2022)**

Chair	Sir David Henshaw, Chair of the NRW Board (interim) (term end date 31 October 2023)
Members	Julia Cherrett, Board member (term end date 31 October 2025) Zoe Henderson, Board member (term end date 8 May 2023) Dr Rosie Plummer, Board member (term end date 31 October 2024)  Prof Calvin Jones, Board member (term end date 28 February 2023)
Executive lead	Rachel Cunningham, Executive Director of Finance and Corporate Services
Other regular attendees	Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Rob Bell, Head of Finance Colette Fletcher, Head of Governance & Board Secretary Elsie Grace, Head of Sustainable Commercial Development (for commercial matters) Nadia De Longhi, Head of Regulation and Permitting (for charging matters)



# Flood Risk Management Committee (FRMC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.
- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from

NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.

- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

### 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held

at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.

- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each Committee will review strategic risks allocated to their area of responsibility and expertise for particular scrutiny and will highlight any areas of concern enabling the Board and ARAC to seek any particular assurances required.
- 4.5. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.
- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location, including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## 7. Quorum and voting

- 7.1. A meeting will be quorate for a particular agenda item if three committee members are present for the whole of the item(s). Deputies are not permitted.

- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8. Independent professional advice**

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## **9. Conduct, openness, and confidentiality**

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.
- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
- 9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.
- 9.7. The terms of reference for each individual committee are available on NRW's website.

## 10. Attendance of executives and others at meetings

- 10.1. The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.
- 10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.
- 10.4. Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the committee Chair, will normally be expected to attend meetings.
- 10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.
- 10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.
- 10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8. Attendees who are not members of the committees will not be entitled to vote.
- 10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.
- 10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## 11. Secretariat function and papers

- 11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.
- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.

- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## **12. Minutes**

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## **13. Communication**

- 13.1 Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.

# Flood Risk Management Committee

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** Oct 2022

**Next review date:** Oct 2023

## 1. Purpose

1.1. The Flood Risk Management Committee (FRMC) is a standing committee whose principal role is to advise the Board on flood risk investment, management and proposals.

## 2. Scope

2.1. The FRMC assists the Board to fulfil a number of NRW's statutory flood risk management functions in accordance with Section 106 of the Water Resources Act 1991.

2.2. Its primary functions are to provide scrutiny and approval of the flood risk management capital programme allocations, advising the Board on overall performance of the flood (capital) provisions. The Committee also provides scrutiny and oversight of reservoir safety.

## 3. Responsibilities

3.1. To provide advice to the Executive Team, and make recommendations to the NRW Board as appropriate, on:

3.1.1. the current and medium-term flood risk management investment programmes of NRW, particularly to help ensure that evidence-based investment decisions are made, value for money is achieved, and full utilisation of available budgets is made;

3.1.2. other key flood risk management issues on a 'needs-be' basis;

3.1.3. the proposals for rates and levies or Internal Drainage Districts, which are currently set annually;

3.1.4. oversight of reservoir safety.

## 4. Meetings

4.1. The FRMC will meet quarterly, typically including January and June to assist the programming and budgetary cycle. Additional meetings may be convened as required.

4.2. The meetings will be supported by the Secretariat team, the Flood Strategic Planning & Investment team and members of the Finance team.



## 5. Membership

5.1. Members of FRMC should not normally also be members of the Audit and Risk Assurance Committee (ARAC) to maintain separation and minimise possible conflicts of interest. However, where this is not possible or there is a strong case for members to sit on both committees due to their specific areas of expertise, suitable arrangements should be made to manage any conflicts of interest. For example, the committee member may need to absent themselves from any discussions at ARAC pertaining to Flood capital funding.

***[END OF TERMS OF REFERENCE]***

### Current Members (as at Sept 2022)

Acting Chair	Julia Cherrett, Board member (term end date 31 October 2025)
Members	Geraint Davies, Board member (term end date 31 October 2024) Prof Calvin Jones, Board member (term end date 28 February 2023)
Executive lead	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Other regular attendees	Jeremy Parr, Head of Flood Risk and Incident Management



# People, Customer, and Stakeholder Committee (PCSC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee

Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.

- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.
- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

## 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.
- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each Committee will review strategic risks allocated to their area of responsibility and expertise for particular scrutiny and will highlight any areas of concern enabling the Board and ARAC to seek any particular assurances required.
- 4.5. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.

- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location, including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## **7. Quorum and voting**

- 7.1. A meeting will be quorate for a particular agenda item if three committee members are present for the whole of the item(s). Deputies are not permitted.
- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8. Independent professional advice**

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## **9. Conduct, openness, and confidentiality**

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.

- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
- 9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.
- 9.7. The terms of reference for each individual committee are available on NRW's website.

## **10. Attendance of executives and others at meetings**

- 10.1. The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.
- 10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.
- 10.4. Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the committee Chair, will normally be expected to attend meetings.
- 10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.
- 10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.
- 10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8. Attendees who are not members of the committees will not be entitled to vote.

- 10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.
- 10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## **11. Secretariat function and papers**

- 11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.
- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.
- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## **12. Minutes**

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## **13. Communication**

13.1. Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.





## PEOPLE, CUSTOMER, AND STAKEHOLDER COMMITTEE (PCSC)

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** Oct 2022

**Next review date:** Oct 2023

### 1. Purpose

1.1. The People, Customer, and Stakeholder Committee (PCSC) is a standing committee that considers matters relating to: people management; reward; strategic organisational development; Health, Safety and Wellbeing; Customers; Complaints and Commendations; Stakeholders, Welsh Language, Communications and digital services, Equality, Diversity and Inclusion; and organisational change on behalf of the NRW Board.

### 2. Scope

2.1. The PCSC has oversight of the pay and conditions and overall pay strategy for all staff employed by NRW, pension scheme provision, wellbeing, health and safety, equality and diversity and development of the Welsh Language. The Board has delegated responsibility to PCSC for the approval of the annual staff pay award.

2.2. The PCSC advises on strategic organisational development, ensuring there is a clear strategy in place, effective and affordable organisation design and learning and development, and effective management of major change initiatives, with the intention of ensuring a well-motivated, high performing inclusive and innovative workforce.

2.3. The PCSC also oversees the embedding of excellence in customer and stakeholder experience on behalf of the Board, as a key component of organisational culture.

### 3. Responsibilities

3.1. The PCSC has the following responsibilities for reward, to:

- 3.1.1. oversee the overall reward strategy, job evaluation scheme and terms and conditions for all staff employed by NRW including the Chief Executive and the Executive Team;
- 3.1.2. review performance against objectives for the Chief Executive, together with the Chief Executive's assessment of the Executive Team's performance;
- 3.1.3. approve any annual pay awards for staff (responsibility delegated from the Board).

3.2. People:

- 3.2.1. provide assurance to the Board that NRW's people policies and its People Strategy support the delivery of the organisation's strategic purpose; and that its conditions of employment are in line with relevant guidance issued by the Welsh Government, HM Treasury, and the Cabinet Office as appropriate;
- 3.2.2. oversee and scrutinise all relevant reports for People business transformation.

3.3. Talent and Succession:

- 3.3.1. review Executive Team succession planning and related organisational resilience issues, including training and development;
- 3.3.2. oversee the Executive Team structure and recruitment to this team.

3.4. Pensions:

- 3.4.1. oversee the strategy of pension provision in relation to staff benefits and administration.
- 3.4.2. delegate responsibility from the NRW Board in respect of the Local Government Pension Scheme (LGPS) Discretionary Policy Statement - for consideration and approval of matters relating to employer discretions under LGPS regulation.

3.5. Exit Arrangements:

- 3.5.1. consider and ratify Executive Team exit applications and severance payments;
- 3.5.2. maintain an overview of exit arrangements such as redundancies;
- 3.5.3. PCSC Chair to review and ratify severance payments for staff up to and including Leadership Team, in order to provide assurance and compliance as laid down in the relevant guidance.

3.6. Wellbeing, health and safety:

- 3.6.1. provide scrutiny and give assurance to the Board that effective strategy, plans, and policies are in place;

3.6.2. review key risks and monitor wellbeing, health and safety to ensure effective management by the Executive, reporting to the Board on any significant issues.

3.7. Welsh language:

3.7.1. provide assurance to the Board that the organisation is pursuing its ambitions towards becoming a bi-lingual organisation;

3.7.2. consider the Welsh Language Commissioner's requirements and the Executive's plans and responses.

3.8. Equality and Diversity:

3.8.1. provide assurance to the Board that the organisation is pursuing its ambitions towards becoming an inclusive organisation;

3.8.2. consider the Commissioner's requirements and the Executive's plans and responses.

3.9. Customer Experience:

3.9.1. oversee NRW's Customer Experience & Engagement Strategy and Digital Strategy to develop an organisation that embeds a culture of excellent customer experiences and ensures NRW puts the customer at the heart of all it does;

3.9.2. consider all relevant reports on how NRW engages with people and stakeholders, how it influences and advocates change through its communications and relationship management and how it listens to people and customers, to shape services and become a user-led organisation, including but not exclusively:

3.9.2.1. Freedom of Information annual report

3.9.2.2. Complaints and Commendations

3.9.2.3. Communications impact report

3.9.2.4. Digital analytics

3.9.3 oversee and scrutinise all relevant reports for Customer business transformation and digital transformation

3.10. Organisational Development:

3.10.1. oversee NRW's Strategy to develop the organisation, its teams, and people to ensure clarity of purpose, effective leadership and cultural change, and report to the Board on progress;

3.10.2. as part of the strategy implementation, to:

- 3.10.2.1. review feedback from staff, including staff surveys and the Executive's actions and progress, and consider how this is assessed and implemented;
- 3.10.2.2. advise on the development of a strategic workforce plan;
- 3.10.2.3. provide advice on cultural change, leadership development, organisational design, and strategic change;
- 3.10.2.4. oversee organisation-wide change, scrutinise plans, risks, and progress;
- 3.10.3. monitor and review delivery and benefits of key business cases and the benefits realisation plan as part of post-vesting evaluation.

### 3.11 Stakeholder

- 3.11.1 oversee NRW's Customer Experience & Engagement Strategy to develop an organisation that embeds a culture of excellent stakeholder experiences and ensures NRW puts the stakeholder at the heart of all it does;
- 3.11.2 consider all relevant reports on how NRW engages with people and stakeholders, how it influences and advocates change through its communication and relationship management and how it listens to people and customers, to shape services and become a user led organisation;
- 3.11.3 oversee and scrutinise all relevant reports for Stakeholder business transformation.

### 3.12. Other:

- 3.12.1. review and scrutinise the Remuneration Report included within the Annual Report and Accounts;
  - 3.12.2. oversee and scrutinise all relevant reports for Digital business transformation;
  - 3.12.3. oversee and scrutinise all relevant reports for Adfywio business transformation;
  - 3.12.4. consider any other matters relating to reward, terms and conditions and people management referred to the PCSC by the NRW Chair or the Board;
- ensure NRW's Safeguarding Policy, to protect children and vulnerable adults, is fit for purpose.

## 4. Meetings

5.1. The PCSC will normally meet quarterly.

5.2. The Chair of the Board or Chief Executive/Accounting Officer may ask the PCSC to convene further meetings to discuss issues where the PCSC's advice is desirable.

***[END OF TERMS OF REFERENCE]***

**Current Members (as at Sept 2022)**

Chair	Julia Cherrett, Board member (term end date 31 October 2025)
Members	Karen Balmer, Board member (term end date 8 May 2023) Zoe Henderson, Board member (term end date 8 May 2023) Mark McKenna, Board member (term end date 28 February 2023)
Executive lead	Prys Davies, Executive Director of Corporate Strategy and Development
Other regular attendees	Clare Pillman, Chief Executive/Accounting Officer Sarah Jennings, Director of Communications, Customer and Commercial Catrin Hornung, Head of Customer and Digital Transformation Steve Burton, Head of People Management Sarah-Ellen Stacey, Head of Organisational Development Naomi Lawrence, Head of Customer and Engagement



# Protected Areas Committee (PrAC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The following sections set out general terms of reference for all Board committees followed by specific sections that relate to individual committees.

### 1. Constitution

- 1.1. With the exception of the ARAC, which is a requirement of the Welsh Government's Framework Document with NRW, other committees were formed by resolution of the Board. Each committee has a specific purpose which may include some delegated powers. The continued existence, membership and any authorities delegated to the committees are subject to review by the Board from time to time as required.
- 1.2. Unless the Board imposes a condition to the contrary, a committee may delegate the discharge of a function delegated to it by the Board to a committee member, or an officer, subject to any conditions imposed by that committee.
- 1.3. All committees should ensure that in the exercise of their functions NRW has due regard to the climate and nature emergencies, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within their powers.

### 2. Membership

- 2.1. With the exception of the EAC (which will have two non-executive directors and about eight independent members), each committee will comprise **at least four non-executive members of the Board**. The Board, on the advice of the NRW Chair, will appoint members of the committees. Membership will take due account of the need to ensure the range of skills needed to carry out the committee functions.
- 2.2. The committee Chair will be appointed by the NRW Board, except in the case of ARAC, where the Chair is agreed by NRW's sponsoring Minister. If the committee Chair is absent for any meeting then any member, by agreement of a majority present, may serve as committee Chair for that occasion.
- 2.3. Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from

NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.

- 2.4. The NRW Board will review membership of each committee annually at the first meeting after 1 July each year.
- 2.5. Each committee may co-opt non-Board members as it considers appropriate.
- 2.6. A committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1. Each committee is authorised by the Board to:
  - 3.1.1. consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2. make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3. establish smaller sub-groups / task forces to address matters within the committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the committee.
- 3.2. There may occasionally be a need to consider items between meetings on the committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further committee member. If an item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.
- 3.3. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

### 4. Accountability and reporting

- 4.1. Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2. Reports will be submitted and presented to the Board by, or on behalf of, the committee Chair. This will usually involve providing a summary of the discussion held

at each meeting to the subsequent meeting of the Board. Such reports may be verbal or in writing as deemed appropriate.

- 4.3. The committee Chair will refer to the Board such issues arising at or in between committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4. Each Committee will review strategic risks allocated to their area of responsibility and expertise for particular scrutiny and will highlight any areas of concern enabling the Board and ARAC to seek any particular assurances required.
- 4.5. Each committee will have a member of NRW Executive Team designated as its Executive lead within the business to ensure its planning and delivery is accounted for.

## 5. Annual review

- 5.1. All committees will normally conduct an annual effectiveness review. The result of this review will be reported to the NRW Board. This should include a self-review led by the committee Chair, including feedback from members of that committee and from the Board more widely, and any lessons learned and potential improvements.
- 5.2. The terms of reference of each committee will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 5.3. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the relevant committee and the Board for approval.

## 6. Frequency, schedule of meetings, and venues

- 6.1. Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2. Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.
- 6.3. Meeting venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant committee Chair and taking account of the business of the meeting. Venues may include any suitable location, including NRW offices or other places, with appropriate facilities for proper conduct of the business including disability accessibility and public attendance provision as required.

## 7. Quorum and voting

- 7.1. A meeting will be quorate for a particular agenda item if three committee members are present for the whole of the item(s). Deputies are not permitted.



- 7.2. For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3. Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 7.4. In the event of no majority decision, the committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8. Independent professional advice**

- 8.1. Each committee may seek and obtain independent professional advice, where this is considered necessary, whilst paying appropriate attention to the cost/value of obtaining such advice and following procurement guidelines in so doing. As appropriate this will normally be done in collaboration with the Executive lead.

## **9. Conduct, openness, and confidentiality**

- 9.1. All members of the committees are important advisers, guardians and ambassadors of NRW. As such they are expected to comply with all relevant company policies and conflicts of interest guidance whenever they conduct the business, or act as a representative, of NRW.
- 9.2. All committees are expected to promote high standards of public finance, upholding the principles of regularity, propriety and value for money.
- 9.3. All committee members are expected to demonstrate NRW's values in all endeavours, individually and collectively, modelling consistency of behaviours across the organisation.
- 9.4. Committee members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published Register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 9.5. Committee members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the committee and handling/safe-keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
- 9.6. An induction programme will be provided for new committee members, covering the role of the committee, its terms of reference, main business and expected time commitment. Further appropriate training will be provided on an on-going and timely basis.
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- 10.2. Other Board members may attend as an observer. The committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3. Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, committee Chair, and members to be so advised.
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- 10.5. One member of the Executive Team will be designated the Executive lead for each committee and will work with the committee Chair and the Secretariat to ensure the smooth running of the committee.
- 10.6. The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the committee, particular items, or for reasons of personal development.
- 10.7. Each committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8. Attendees who are not members of the committees will not be entitled to vote.
- 10.9. A committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, or where discussion affects their personal situation or performance.
- 10.10. Attendees who are not members of the committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## 11. Secretariat function and papers

- 11.1. The Secretariat will provide the service support for Board committees. This includes arranging meetings, preparing agendas and papers, collating documents, communicating with Board members, taking minutes, circulating minutes and any relevant follow up or action points, and filing committee documents in the Document Management System to ensure a formal record is kept.
- 11.2. Agenda items will be agreed in advance with the committee Chairs, and agendas and papers will be circulated one week (seven days) in advance of committee meetings.

- 11.3. Each committee will maintain a 'forward look' of standing items, which will be reviewed at each meeting and maintained by the Secretariat. Additional agenda items will be collated by the Secretariat and planned through the forward look and agreed with the Chair in advance. Items will be supported with written papers and/or oral presentations. Unless authorised by the committee Chair, late papers will not be circulated, and the item will be removed from the agenda.
- 11.4. The Secretariat will maintain the list of committee Chairs, members, executives and others invited to attend meetings and ensure this is available to the Board.

## 12. Minutes

- 12.1. Minutes will be taken of the meetings of each of the committees. This will include a record of decisions and reasons for decisions, and actions, together with a compiled action log to be maintained by the Secretariat and reviewed at each meeting. Draft minutes of the meeting and agreed action points will be agreed by the Chair and circulated within 10 working days of the meeting, with final minutes being circulated within 20 working days. Actions will be closed when a committee has seen sufficient evidence of completion or that the action has become absorbed into business as usual.
- 12.2. Previous minutes and action logs will be reviewed at each meeting. Minutes will be confirmed at the following meeting.

## 13. Communication

- 13.1. Any communication from the committees to staff, beyond those in attendance and prior to formal approval and publication of the minutes, will normally be routed through the Executive lead. Any key developments and messages so distributed will use whatever means and methods are suitable for the matter in hand.

## PROTECTED AREAS COMMITTEE (PrAC)

These specific terms of reference are to be read in tandem with the generic terms of reference for all Natural Resources Wales' (NRW) committees.

**Terms of Reference agreed:** Sept 2022

**Next review date:** Sept 2023

### 1. Purpose

1.1. The PrAC is a standing committee of the NRW Board established in order to fulfil the delegation as a statutory committee to deal with NRW's responsibilities pursuant to legislation concerned with nature conservation and designated landscapes. In particular, PrAC deals with the notification and de-notification of Sites of Special Scientific Interest (SSSIs), the declaration and de-declaration of National Nature Reserves (NNR) and the duty to keep under review natural beauty, and designation, variation or revocation of National Parks and Areas of Outstanding Natural Beauty (AONB).

#### Site of Special Scientific Interest (SSSI)

1.2. A Site of Special Scientific Interest is defined in the Wildlife and Countryside Act 1981 (as amended) as an area of land notified by a conservation body under Section 28 of that Act as being of

*"special interest by reason of any of its flora, fauna, or geological or physiographical features".*

1.3. Under Sections 28(1) and 28(5) of the Wildlife and Countryside Act 1981 (as amended), where NRW is of the opinion that any area of land is of special interest NRW has a duty to notify that fact and thereafter, within nine months, either give notice withdrawing the notification or confirming the notification (with or without modifications).

1.4. In addition, NRW has powers to vary a notification, notify additional land, notify an enlargement to an SSSI and denotify an SSSI, by virtue of sections 28A – 28D of the Wildlife and Countryside Act 1981 (as amended).

#### National Nature Reserve (NNR)

1.5. A Nature Reserve is defined in section 15 of the National Parks and Access to the Countryside Act 1949 as land managed for conservation for the purpose of

*"providing, under suitable conditions and control, special opportunities for the study of, and research into, matter relating to the fauna and flora of Great Britain and the physical conditions in which they live and for the study of geological and physiographical features of special interest in the area, or preserving flora, fauna or geological or physiographical features of special interest in the area".*

1.6. NRW has a right to declare and de-declare areas that will be, or cease to be, managed as nature reserves by virtue of Section 19 of the National Parks and Access

to the Countryside Act 1949, and by Section 35(1) of the Wildlife and Countryside Act 1981 to declare any nature reserve which it considers to be of national importance an NNR.

- 1.7. Under Section 35(1) of the Wildlife and Countryside Act 1981 (as amended), NRW may declare any land as a National Nature Reserve where they are satisfied that the land is of national importance and is being managed as a nature reserve under an agreement entered into with NRW, is held by NRW and is being managed as a nature reserve, or is held by an approved body and is being managed.

### **Natural Beauty**

- 1.8. The Countryside Functions Section 2(2) Countryside Act 1968 requires NRW to keep under review all matters relating to:

- 1.8.1. the provision and improvement of facilities for the enjoyment of the countryside;
- 1.8.2. the conservation and enhancement of the natural beauty and amenity of the countryside; and
- 1.8.3. the need to secure public access to the countryside for the purposes of open-air recreation.

- 1.9. Allied to this, under Section 85(b) National Parks and Access to the Countryside Act 1949, NRW has a duty to inquire into and report on questions relating to natural beauty.

- 1.10. These general duties make provision for the evidence base to inform decision-making on NRW's designation powers in relation to National Parks and AONBs.

### **National Parks**

- 1.11. Section 5(2) National Parks and Access to the Countryside Act 1949 gives NRW the power to designate extensive tracts of country in Wales as a National Park where by reason of:

- 1.11.1. their natural beauty; and
- 1.11.2. the opportunities they afford for open-air recreation, having regard both to their character and to their position in relation to centres of population, it is especially desirable that they are made National Parks for the purposes of:

- 1.11.2.1. conserving and enhancing the natural beauty, wildlife and cultural heritage of the area; and
- 1.11.2.2. promoting opportunities for the understanding and enjoyment of the special qualities of those areas by the public.

- 1.12. Section 6(1) National Parks and Access to the Countryside Act 1949 makes provision for a general duty for NRW from time to time to consider existing and new areas for designation, the order of designation and timescale.

- 1.13. Due to the scale of the implications of a new National Park designation, the Board requires discussion and approval of an initial assessment of whether an area qualifies for consideration for designation, and prioritisation of proposals for a new National Park designation or boundary variation. These duties are delegated to PrAC before formal approval is sought from the NRW Board to proceed with the statutory designation process. Should the NRW Board approve any statutory consultation under section 7 of the 1949 Act, it will undertake the same, and then having considered the consultation responses decide whether or not to submit a Designation Order to the Welsh Minister. Following that decision, appropriate notice as required by paragraph 1 of Schedule 1 of the 1949 Act should be given. NRW should seek to resolve objections or representations received. However, if objections or representations cannot be resolved, they should be sent with the Designation Order when it is sent to the Welsh Minister. The NRW Board may choose to delegate these functions to PrAC.
- 1.14. Section 11A of the 1949 Act (as amended) places a duty on NRW to have regard to the purposes of the conservation and enhancement of the natural beauty, wildlife and cultural heritage; and of promoting opportunities for the understanding and enjoyment of the special qualities of the area by the public in undertaking any functions affecting the National Parks or any land in a National Park.

### **Areas of Outstanding Natural Beauty (AONBs)**

- 1.15. Section 82(2) Countryside and Rights of Way Act 2000 provides NRW with the power to designate an Area of Outstanding Natural Beauty.
- 1.16. PrAC should discuss and approve initial assessment of whether an area qualifies for consideration for a new AONB designation or boundary variation before formal approval is sought from the NRW Board to proceed with the statutory designation process. Should the NRW Board approve any statutory consultation under section 83 of the 2000 Act, it will undertake the same, and then having considered the consultation responses decide whether or not to submit a Designation Order to the National Assembly for Wales. Following that decision, appropriate notice as required by section 83(2) of the 2000 Act should be given. NRW should seek to resolve objections or representations received. However, if objections or representations cannot be resolved, they should be sent with the Designation Order when it is sent to the National Assembly for Wales. The NRW Board may choose to delegate these functions to PrAC.
- 1.17. Section 85 of the 2000 Act places a duty on NRW to have regard to the purpose of conserving and enhancing the natural beauty of the AONB, in undertaking any functions in relation to or affecting land in an AONB.
- 1.18. Under Section 86 and 91 of the 2000 Act the Welsh Parliament is required to consult NRW on any Order for the establishment of a Conservation Board and on the amount of any grants from the Assembly to a Conservation Board.

## **2. Scope**

- 2.1. Decisions on land protection are made on the basis of evidence presented to the PrAC and are legally enforceable.

2.2. The PrAC also supports the Board and Executive Team by providing advice on strategic casework and wider protected area issues. In particular, it provides a focal point for Board discussions on matters relating to protected areas including their role in mainstreaming the Sustainable Management of Natural Resources (SMNR) approach.

### 3. Responsibilities

3.1. The general responsibilities of the PrAC are to:

- 3.1.1. Take an evidence-based approach in accordance with good practice principles and guidelines on using scientific advice, including oversight of relevant monitoring, consideration of performance management information and collaboration with partner organisations to share and analyse data.
- 3.1.2. Support the Board and Executive Team by providing advice on wider protected area issues and strategic casework.
- 3.1.3. Support the Board and Executive Team by providing a focal point for Board strategic discussions on matters relating to protected areas including their role in mainstreaming the Sustainable Management of Natural Resources (SMNR) approach and in addressing the climate change and biodiversity emergencies.
- 3.1.4. Receive reports and assurance on NRW's maintenance of the protected areas register and ensure that it is published and available for public review on the NRW website.
- 3.1.5. Ensure that PrAC members are suitably and fully briefed and receive any relevant legal guidance on the circumstances of each site.
- 3.1.6. Assess any new information of relevance, being aware that decisions often require assessments based on the best available data or evidence that may be limited.
- 3.1.7. Receive reports and advice on case law relevant to the responsibilities of the PrAC.
- 3.1.8. Advise the Board and Chief Executive on court case attendance to defend NRW's decision on site protection through the justice system.
- 3.1.9. Take account of Brexit and the consequent transition from EU to UK and Welsh legislation.

3.2. Appropriate legal training and guidance will be provided for members of the PrAC and updated on a regular basis, and a record of this kept.

3.3. The responsibilities of the PrAC specific to SSSIs are to:

- 3.3.1. Formally set and adopt appropriate procedures and standards to fulfil the Board's delegation to PrAC of discharging NRW responsibilities for the confirmation of notification, variation, additions to or enlargement of, and

denotification of SSSIs where considering un-resolved objections (including arrangements for liaison and communication with owners, occupiers, and other relevant stakeholders within the expected time frames and as aligned with case law).

- 3.3.2. Hold meetings in public concerning individual sites in line with the time-frame set out in S28(5) of the Wildlife and Countryside Act 1981 for reviewing proposals relating to protected areas.
- 3.3.3. Consider proposals for the confirmation of the notification, variation, additions to or enlargement of SSSIs including determining whether, in whole or in part, the site meets the criteria, qualifies, and is appropriate for notification, variation, addition to or enlargement of the SSSI, with consideration of un-resolved objections.
- 3.3.4. Consider proposals for the confirmation of the denotification of SSSIs, including assessing and determining whether, in whole or in part, the site meets the criteria for denotification to be appropriate, with consideration of un-resolved objections.
- 3.3.5. Review and test any objection for notification, variation, additions to or enlargement of or denotification of SSSI on the basis of the information available, taking the opportunity to question NRW officers, expert advisers, and stakeholders as appropriate.
- 3.3.6. Reach an opinion on whether or not the notification or denotification should be confirmed with or without amendments.
- 3.3.7. When approving the confirmation of any SSSI notification the PrAC can:
  - 3.3.7.1. correct textual errors within the documentation;
  - 3.3.7.2. delete aspects of the description;
  - 3.3.7.3. delete operations from the list of operations likely to damage the special interest of the site, or modify the wording to make them less onerous;
  - 3.3.7.4. delete areas of land from the SSSI where they no longer support any of the features of special interest.
- 3.3.8. When approving the confirmation of any SSSI the PrAC may not add:
  - 3.3.8.1. any special features;
  - 3.3.8.2. any operations likely to damage the special interest of the site;
  - 3.3.8.3. any new aspects to the management statement;
  - 3.3.8.4. any land to the SSSI.
- 3.3.9. Any such additions would require a further notification of the SSSI site.



3.4. The responsibilities of the PrAC specific to National Nature Reserves (NNR) are to:

3.4.1. Formally set and adopt appropriate procedures and standards to fulfil the Board's delegation to PrAC of the discharge of NRW responsibilities for the declaration and de-declaration of NNRs.

3.4.2. Consider proposals for the declaration of land as an NNR, including determining whether, in whole or in part, the site meets the criteria, qualifies and is appropriate for declaration.

3.4.3. Consider proposals for the de-declaration of whole or part of an NNR where followed by re-declaration (for instance to enable the transfer of management between NRW and an existing Approved Body).

3.4.4. Consider approval of proposed plans to de-declare land as an NNR.

3.5. The responsibilities of the PrAC specific to National Parks are to:

3.5.1. Advise the NRW Board on the consideration of assessments for the designation of a new National Park or boundary variation of an existing National Park.

3.5.2. Advise the NRW Board on whether to approve the undertaking of a statutory consultation on a draft Designation Order for a new National Park or the variation of an existing National Park boundary.

3.5.3. If requested, advise the NRW Board on whether to approve the submission of a Designation Order and representations for the designation of a new National Park or boundary variation to the Welsh Ministers for confirmation.

3.6. The responsibilities of the PrAC specific to Areas of Outstanding Natural Beauty (AONB) are to:

3.6.1. Advise the NRW Board on the consideration of the designation of a new AONB or boundary variation of an existing AONB.

3.6.2. Advise the NRW Board on whether to approve the undertaking of a statutory consultation on a draft Designation Order for a new AONB or the variation of an existing AONB boundary.

3.6.3. If requested, advise the NRW Board on whether to approve the submission of a Designation Order and representations for the designation of a new AONB or boundary variation to the National Assembly for Wales for confirmation.

## 4. Meetings

4.1. The PrAC usually meets at least three times per annum and never less than once per year.

## 5. Membership

5.1. The following will routinely be invited to attend:

- 5.1.1. A solicitor with appropriate expertise in environmental law to provide guidance and legal advice during the meeting;
- 5.1.2. The Executive Director of Operations;
- 5.1.3. NRW conservation staff with expertise on the particular sites under consideration at the meeting;
- 5.1.4. Others with knowledge and expertise relevant to the particular sites under consideration at the meeting.

***[END OF TERMS OF REFERENCE]***

### Current Members (as at Sept 2022)

Chair	Dr Rosie Plummer, Board member (term end date 31 October 2024)
Members	Professor Steve Ormerod, Board member (term end date 31 October 2025) Geraint Davies, Board member (term end date 31 October 2024) Mark McKenna, Board member (term end date 28 February 2023)
Executive lead	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Other regular attendees	Ruth Jenkins, Head of Natural Resource Management Policy Chris Collins, Head of Knowledge and Evidence