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**Title of meeting:** NRW Board Meeting Day 1 – Public Session

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**Date of meeting:** 16<sup>th</sup> November 2022      **Time of meeting:** 14.40-16.30

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**Venue:** Microsoft Teams

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Time	Item
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**14.40  
(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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**14.45  
(5 mins)**

**2. Review Minutes and Action Log**  
**2A. Review Minutes from Public 22<sup>nd</sup> September meeting**  
**2B. Review Public Action Log**

Sponsor and Presenter: Sir David Henshaw (Chair)

**To APPROVE the minutes of the previous meeting and the action log.**

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**14.50  
(5 mins)**

**3. Update from the Chair**

Sponsor and Presenter: Sir David Henshaw

**Summary: To NOTE the Chair's update to the Board.**

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**14.55  
(15 mins)**

**4. Report from the Chief Executive**

Sponsor and Presenter: Clare Pillman, Chief Executive

**Summary: To NOTE the current position and update the Board on key activities.**

**Paper ref: 22-11-B05**

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**15.10**  
**(15 mins)**

**5. Update Report of Committees**

Sponsors and presenters: Committee Chairs

Audit and Risk Assurance Committee – No meeting held

Evidence Advisory Committee – 17<sup>th</sup> October

**Paper ref: 22-11-B06**

Finance Committee – No meeting held

Flood Risk Management Committee – 21<sup>st</sup> October

**Paper ref: 22-11-B07**

People and Remuneration Committee – No meeting held

Protected Areas Committee – 6<sup>th</sup> October

**Paper ref: 22-11-B08**

Wales Land Management Forum – 5<sup>th</sup> September and 17<sup>th</sup> October

**Paper ref: 22-11-B09**

**Summary: To NOTE the updates from the Board committees, both within and outside of any meetings held.**

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**15.25**  
**(15 mins)**

**6. Finance Performance Report**

Sponsor: Rachael Cunningham, Executive Director of Finance and Corporate Services

Presenter: Rob Bell, Head of Finance

**Summary: To NOTE the latest financial position**

**Paper ref: 22-11-B10**

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**15.40**  
**(15 mins)**

**Break**

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**15.55**  
**(20 mins)**

**7. Business Plan Performance Dashboard Quarter 2 Report**

Sponsor and Presenter: Clare Pillman, Chief Executive

Attendees: Caroline Hawkins, Corporate Planning, Performance & Strategic Assessment Manager, Sarah Williams, Head of Corporate Strategy and Programme Management Office; Sue Ginley, Lead Specialist Advisor, Corporate Planning & Performance

**Summary: To APPROVE the Business Plan Performance Dashboard Quarter 2 Report**

**Paper ref: 22-11-B11**

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**16.15**  
**(15 mins)**

**8. Wellbeing, Health and Safety Quarter 2 Report**

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

Presenter: Charlotte Morgan, Wellbeing, Health and Safety Manager

**Summary: To APPROVE the Wellbeing, Health and Safety Quarter 2 Report**

**Paper ref: 22-11-B12**

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**16.30**

**Close Meeting**

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## Unconfirmed Minutes

<b>Title of meeting:</b>	<b>NRW Board Meeting – Public Session</b> <b>Gladstone’s Library, Hawarden, Flintshire and Microsoft Teams</b>
<b>Date of meeting:</b>	22 <sup>nd</sup> September 2022
<b>Present Board Members:</b>	Sir David Henshaw, Chair Clare Pillman, Chief Executive Prof Steve Ormerod, Deputy Chair Karen Balmer Julia Cherrett Geraint Davies Zoë Henderson Prof Calvin Jones Mark McKenna Dr Rosie Plummer Prof Peter Rigby (via Teams)
<b>Present Executive Team Members:</b>	Rachael Cunningham, Executive Director of Finance and Corporate Services Ceri Davies, Executive Director of Evidence, Policy and Permitting Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Gareth O’Shea, Executive Director of Operations
<b>Additional Attendees Present:</b>	Colette Fletcher, Head of Governance & Board Secretary (All items) Charlotte Morgan, Wellbeing, Health and Safety Manager, Item 6 (Teams) Caroline Hawkins, Corporate Planning, Performance & Strategic Assessment Manager, Item 7 (Teams) Sarah Williams, Head of Corporate Strategy and Programme Management Office, Item 7 Ieuan Williams, Senior Specialist Surveyor, Item 8 Dominic Driver, Head of Land Stewardship, Items 8 and 9 Chris Collins, Head of Knowledge and Evidence, Item 11 Alun Attwood, Manager, Monitoring and Reporting, Item 11
<b>NRW Observers:</b>	Lyndsey Rawlinson, Head of Operations North East Wales (all items) Kate Evans, Public Affairs and Private Secretary (all items) Sarah Williams, Head of Corporate Strategy & PMO (all items) Victoria Painter, Governance and Risk Manager (all items)
<b>Public Observers:</b>	Kim Waters, Welsh Rivers Union Rachel Evans, Countryside Alliance Dr Rachel Hodson, Plant Health & Environmental Protection Branch, Welsh Government

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Cledan Evans, Plant Health & Environmental Protection Branch, Welsh Government  
Additional members of the public

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- Declarations:**
- Dr Rosie Plummer – Member of Pembrokeshire Coast National Park Authority where planning responsibility includes the Cleddau SAC river catchment, flood vulnerable zones, and remit for over 80 specific site designations within its overall landscape designation. Plantlife Trustee – Plantlife is a collaborator on the Natur am Byth project.
  - Prof Steve Ormerod – Member of two Welsh Wildlife Trusts (no influence on policy); Vice President of RSPB (no influence on policy); Fellow of Chartered Institute of Ecology and Environmental Management (no influence on policy); Scientific research interest in water quality through Cardiff University
  - Zoe Henderson – Member (no influence over policy): Countryside Alliance; Game and Wildlife Conservation Trust; North Wales Wildlife Trust
  - Clare Pillman – Home within the boundaries of the proposed new National Park (relates to agenda item 6)
  - Sir David Henshaw – Home within the boundaries of the proposed new National Park (relates to agenda item 6)
  - Prof Calvin Jones – Steering Committee Member for Skyline
  - Geraint Davies – Member (no influence over policy): RSPB Cymru; National Trust; National Farmers Union of Wales; Farmers Union of Wales; Game and Wildlife Conservation Trust
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**Apologies:** Catherine Brown

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**Secretariat:** Jocelyn Benger  
Natalie Williams  
Andrea Bennett

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## Item 1. Open Meeting

1. The Chair opened the meeting and welcomed everyone. Declarations of interest and apologies were made as noted above. The Chair had attended the Queen's funeral on Monday and extended condolences on behalf of NRW on Her Majesty's passing. It was explained that the papers had been published late due to the pause on external communications during the period of national mourning.
2. The conduct of the meeting was explained. Alternative options were being considered for enhancing public engagement with the Board as it was recognised that the public Q&A session following the public Board meeting was limiting. An item on this issue was included on the agenda.
3. The Board were asked to raise any issues on the papers for review by correspondence papers. No comments were raised.

## Item 2. Review Minutes and Action Log

### 2A. Review Minutes from Public 14<sup>th</sup> July meeting

4. The minutes from the public meeting on 14<sup>th</sup> July were reviewed and agreed.

### 2B. Review Public Action Log

5. The action log was reviewed and noted.
6. The Executive Director of Operations proposed that Action 2 should be closed as the immediate action had been dealt with, and this issue was included within the performance measures. The closure of this action was agreed.
7. It was highlighted that there had been an omission in publishing the confirmed versions of the Board minutes on the website. The Head of Governance and Board Secretary apologised for the omission and confirmed that this would be reviewed and resolved.

### **Item 3: Update from the Chair**

8. A workshop for the Board had taken place on the strategic agenda. The new Corporate Plan was being developed through this active and engaging process and had resulted in rich conversations on the climate and nature challenges. The new Corporate Plan would be published in due course.
9. The Chair gave a brief update on discussions that were taking place across a broad range of issues.

### **Item 4: Report from the Chief Executive**

10. The Chief Executive provided an update to the written report.
11. Drought had been declared across the whole of Wales earlier this month, which had brought in a series of measures. Despite the recent rainfall, conditions remained very dry, with low reservoir levels. NRW continued to work with water companies and others who abstracted water. There were concerns that if there were to be a dry winter then next year would begin with very depleted water levels. The drought had led to a number of dry weather and surface water events, and NRW teams had been dealing with pollution and surface water flooding issues.
12. An update was provided on Avian flu. There had been reports of the decimation of some key species, and NRW were working closely with the Animal and Plant Health Agency, Environmental Non-Governmental Organisations (eNGOs), and others.
13. Two Conferences of the Parties (COPs) were due to take place this autumn in Egypt and Montreal. NRW were working with sister organisations in England and Scotland in preparation for this and would attend an event in London on 23<sup>rd</sup> November. This would bring together the statutory nature conservation bodies with the aim of continuing the momentum from the previous COP around the message on Nature Positive.
14. There would be a gathering with the First Minister and others to discuss the impact of the cost-of-living crisis in Wales. NRW were ensuring that staff were signposted towards support and advice on this issue.
15. Notification had been received from Welsh Government (WG) on amendments to ministerial responsibilities. There would be changes to the Ministry of Climate Change portfolio, notably that Lesley Griffiths would be taking over responsibility for a number of key areas for NRW and these were shared with the Board. Digital responsibility would be transferring to Vaughan Gethin and Lee Waters would currently be focusing on transport. Julie James would continue to lead on NRW.
16. Prof Steve Ormerod provided an additional update on the Avian flu situation in Wales. There were indications from colonies that thousands of birds had been impacted and the distribution of dead birds from this incident meant that the public are very aware of the

serious situation. Scientific activity, such as bird ringing, was restricted, although this did result in some difficulties with monitoring the situation. The Joint Nature Conservation Council (JNCC) were monitoring reports from all four UK nations. Additional information was also provided on the drought situation. There was some scientific evidence that there could be multi-year periods of dryness, therefore it would be critical to continue to manage water resources. The drought had revealed some interesting data following scientific investigations on the quantities of pharmaceuticals in rivers and their impact on water quality.

## **Item 5: Update Reports of Committees**

17. The Chair noted that this was Catherine Brown's last Board meeting and thanked her on behalf of the Board for all her hard work as a Board member and Committee Chair.
18. Dr Rosie Plummer on behalf of the Chair of the Audit and Risk Assurance Committee (ARAC) updated the Board on the meeting held on 8<sup>th</sup> September. The minutes of meeting would be circulated to all Board members. The £2.6m expenditure on the Laboratory Information Management System (LIMS) that was not commissioned, and the material overspend and overrun on the Sands of LIFE project were both scrutinised by ARAC. ARAC were concerned that frontline staff and middle management faced challenging situations without adequate support and oversight by Leadership and Executive Teams. Further reflections and learning from these projects were identified for the Executive Team (ET) to take forward and share with the Board.
19. ARAC also undertook a deep dive on the compliance risk and concluded that the current controls did not justify a reduction in the current risk level. ARAC were not confident that the planned controls would reduce the current risk level if implemented. Further work was requested to ensure a more robust approach to managing this risk. A number of Internal Audit reports were received and noted. ARAC emphasised that Internal Audit were responsible for the opinions in their own reports and made their own assessment of organisational risk. ARAC also emphasised that management were expected to focus on the clarity of their responses. Everyone acknowledged this was Catherine Brown's final ARAC meeting and expressed their appreciation for her work as Chair of ARAC and wished her well for the future. A closed session was then held with the Head of Internal Audit.
20. Peter Rigby as the Chair of the Evidence Advisory Committee (EAC) updated the Board on work since the meeting held on 7<sup>th</sup> June.
21. Sir David Henshaw as the Chair of the Finance Committee (FC) updated the Board on the meeting held on 15<sup>th</sup> September. This had been a very full meeting, including some challenging discussions. The current spend and future budget had been reviewed and the Strategic Review of Charging was scrutinised. The Corporate Plan was discussed. A new Chair of FC would be appointed once the new Board members were in post.
22. Julia Cherrett as the Interim Chair of the Flood Risk Management Committee (FRMC) updated the Board on work since the meeting held on 1<sup>st</sup> July. FRMC had the opportunity to review the Flood Warning System Project paper which had been considered at the private Board session yesterday. A meeting was planned with the Chair of the Flood and Coastal Erosion Committee. The next meeting would take place in October.
23. Julia Cherrett as the Chair of the People and Remuneration Committee (PaRC) updated the Board on the meeting held on 13<sup>th</sup> September. An overview of the new Transformation Programme had been provided, including a deep dive into attraction and retention and employee engagement. PaRC had been pleased to see all the arrangements that had been put in place to drive forward the changes. The Annual

Complaints Report was reviewed. There had been a slight increase in complaints but complaints to the Ombudsman were declining and more complaints were being resolved earlier. An action was taken to provide feedback to the Board on lessons learnt on complaints. It was suggested that this could be included as part of the Performance Dashboard going forward. The Management Information was reviewed including staff numbers. Further work would need to take place on the approach to Fixed Term Appointments (FTAs). It was noted that absence remained below the benchmark. The Wellbeing, Health and Safety update was provided. The Capability and Values Risk was reviewed.

24. Dr Rosie Plummer as the Chair of the Protected Areas Committee (PrAC) updated the Board on work since the meeting held on 21<sup>st</sup> June. The details were included in the paper. The next meeting would take place on 6<sup>th</sup> October. The change in Ministerial responsibility for the potential new national park designation was noted.
25. Zoe Henderson as the Chair of the Wales Land Management Forum (WLMF) updated the Board on the meeting held on 5<sup>th</sup> September. The paper was taken as read. The meeting of the sub-group on 19<sup>th</sup> September had been cancelled due to the Queen's funeral. A sub-group, led by Chris Mills of Afonydd Cymru had been looking at alternative measures within the legislation for the water regulations on how this could be improved to do better for farmers and the environment. A report by the sub-group would be presented to the October WLMF meeting.

#### **Item 6: Wellbeing, Health and Safety Quarter 1 Report**

Presenter: Charlotte Morgan, Wellbeing, Health and Safety Manager

26. The Executive Director of Corporate Strategy and Development introduced the item. The Wellbeing, Health and Safety (WHS) Q1 Report had been discussed by PaRC at their recent meeting. The Report included an update on the two fatalities that had sadly occurred on the NRW Estate. More work had been done on the data and it now included a trend analysis. An organisational push was needed on active monitoring. PaRC had recommended that the impact of learning and development courses should be reviewed alongside the focus on course attendance.
27. The Wellbeing, Health and Safety Manager gave an overview of the two Serious Incident Reviews (SIRs). One incident, which involved forestry work, had been finalised and was with the Leadership Team member for comments. The other incident, which occurred at Newborough car park, included three actions. Two had been completed, and the other was a longer-term action around the maintenance of the car park. A summary of the ongoing situation with the two fatalities was provided. Two RIDDOR reportable incidents had occurred: a precautionary report had been sent to the Health & Safety Executive (HSE) regarding diving equipment; the other involved an incident with a horse injuring an NRW contractor on 3<sup>rd</sup> party land. The Corporate Health Standard re-accreditation of the silver award would be taking place in December. NRW had signed up to the Menopause Workplace Pledge.
28. Board members considered the content of the Report. The incidents involving the members of the public were discussed. It was clarified that an SIR process was always opened in the sad cases of fatalities but was normally paused during official investigations. The learning would then take place after this had been completed. However, it was confirmed that any urgent work required in these cases would not be paused.
29. Board members were pleased to see the increased Management Information, and asked about the learning from this, particularly around trends and Near Misses. The WHS

Manager explained that guidance had been put out for managers on the definitions of Incidents and Near Misses, so it was expected that an increase in reports would be seen if the guidance had been effective. Reporting by contractors was considered and guidance was also available to them. It was confirmed that reporting was included in their agreements with NRW.

30. The incident with the dive equipment was discussed. The Executive Director of Operations confirmed that this had been picked up during an inspection and was therefore seen as a positive example, which the HSE would be cascading across the UK.

## **APPROVED: The Wellbeing, Health and Safety Q1 Report**

### **Item 7: Business Plan Performance Dashboard Quarter 1 Report**

Presenter: Clare Pillman, Chief Executive

Attendees: Caroline Hawkins, Corporate Planning, Performance & Strategic Assessment Manager, Sarah Williams, Head of Corporate Strategy and Programme Management Office; Dominic Driver, Head of Land Stewardship

31. The Chief Executive presented the Business Plan Performance Dashboard Quarter 1 Report to the end of June. The overall Red Amber Green (RAG) status of the Performance Dashboard measures was one Red, one not applicable, six Amber, and 23 Green. The Internal Performance measures included one Red, five Amber, and five Green.
32. The Red Performance Dashboard measure related to compliance breaches as part of regulatory work. The measure tracked follow up for compliance breaches within six months. Three of the 13 Category 1 and 2 breaches that had been identified for further compliance work remained ongoing and these had been prioritised to ensure that operators were taking appropriate action to return to compliance. Performance was at 91% with a target of 95%, and the team were confident of achieving Green by year end.
33. The measure noted as not applicable (N/A) was explained. This measure related to support to WG on the Agriculture Bill. A timetable had been set in the Performance Measure, but this had not taken account of the delay in WG moving forward, with the publication delayed until autumn. More details would be shared on this in November.
34. Six measures were Amber on Q1. The measure 'maintaining flood risk assets in high-risk locations at target condition' was explained. This reported at 97.9% with 75 below required condition. An Audit had recently taken place in this area and a report would be provided to ARAC and FRMC. The UKWAS Corrective Action Requests (CARs) had moved to Amber as there was not yet full confidence that the actions taken would take effect. Staff were preparing for the audit in the autumn and expected to be Green by Q3. The delivery of programmes to review statutory water quality requirements had been delayed due to Covid and was still catching up. A revised project plan was in place and WG were aware of the completion dates. It was expected to be Green by year end. Work was ongoing on the Flood Review recommendations, which was looking to close the programme and move to Business As Usual (BAU), but progress would continue to be tracked by FRMC.
35. The Internal Performance measures were presented. Health and Safety Active Monitoring was noted as Red, and the actions being taken were highlighted in the WHS Report. Discussions had taken place at PaRC on Sgwr's, which was rated as Amber. This was expected to be Green by year end. Payment performance was Amber, which was slightly below but expected to be Green at year end.

36. The Head of Land Stewardship joined the meeting to clarify the delay in the UKWAS CARs. It was explained that there had been one major CAR relating to an out of date policy which had been closed within days. There was one minor CAR relating to an out of date first aid kit and the CAR concerned strengthening the processes around first aid kits. This had now been closed and the UKWAS audit in November would take place with no open CARs. The Executive Director of Evidence, Policy and Permitting (EPP) highlighted that the goal was to achieve no major or minor CARs and therefore the rating was currently Amber.
37. Julia Cherrett as the interim Chair of FRMC confirmed that the closure reports on the implementation of the Flood Review recommendations would be monitored by the Flood Business Board with oversight from FRMC. The robust approach to ensuring that the actions were properly embedded had led to the measure reporting as Amber.
38. The Chair recommended that a trend report should be included on the Performance Measures to allow for comparison across the years. It was also requested that progress tracking on the Corporate Plan and Transformation Programme should be included within the report.

### **APPROVED: The Business Plan Performance Dashboard Quarter 1 Report.**

#### **Item 8: Trail-hunting Decision Review**

Presenters: Ieuan Williams, Senior Specialist Surveyor; Dominic Driver, Head of Land Stewardship

39. The Executive Director of Evidence, Policy and Permitting introduced the item. It was highlighted that when the Board first decided to suspend trail-hunting on the Welsh Government Woodland Estate (WGWE), the lack of confidence in robust oversight of the activity following the conviction of the then Director of the Masters of Foxhounds Association (MFHA) had been only one of several factors that had been taken into account. The Executive Team (ET) had reviewed the details of the appeal and the result of the court case, and had concluded that the resource requirements to ensure oversight of the activity and the Minister's views on trail-hunting remained significant factors. ET had considered the strategic position and context and recommended that a review should not take place while work on the development of a new recreation strategy was progressing. The recreation framework and strategy would include all recreational activities on the NRW Estate and would be developed in collaboration with stakeholders. Endorsement by the Board was therefore sought for this decision.
40. The Chair gave the context to the governance around the discussion and noted NRW's responsibilities to the landowner of the Estate.
41. There was a robust debate about the recommendation. The need for a recreation strategy was recognised but it would be important to phase this against the new Corporate Plan to ensure that they were in tandem and integrated. Board members queried whether there would be a need to review all recreation-based decisions, such as the decision on motorsports, when the recreation strategy was in place. It was clarified that previous decisions would not be re-visited, but any new proposals that were presented would be reviewed under the new strategy, which would be subject to consultation with stakeholders. Concerns were expressed about the potential time required to develop the strategy. It was suggested that an interim position could be sought while the recreation strategy was being developed.
42. There was some support amongst Board members for a reversal of the decision to stop permitting trail hunting, as it was suggested that the decision would not have been taken if the original court case had not returned a guilty verdict. Concerns were expressed that

the Board was not well-placed to understand the issues facing rural community life, although this was strongly rebuffed. The role of the NRW Estate in supporting the wellbeing of rural Wales was highlighted and the current pressures on the rural and farming community were described. It was highlighted that there was no evidence of illegal hunting having occurred and it was suggested that discussions should take place with the organisations involved on how to ensure that no illegal hunting would take place in the future.

43. The importance of evidence for the decision was discussed, particularly in view of NRW's role as an evidence-based organisation. The need for further evidence on this issue was considered, particularly with regard to making difficult resource decisions objectively. There would be a need to consider quantitative versus qualitative evidence and to be clear on how the evidence base was to be undertaken. It was agreed that this should form an important part of the recreation strategy and framework. It was also agreed that clear guidance would be needed from Welsh Government and the Minister on their preferred approach to trail hunting. The Chair confirmed that he would raise the question with the Minister at their next meeting.
44. Board members noted the letters received by the Board from interested parties and queried the work and engagement that had taken place with these groups to date. The Head of Land Stewardship confirmed that no substantive discussions had taken place yet as a steer from the Board was required prior to these taking place. The Chair confirmed that he would be happy to meet with those who had written in on this issue.
45. The Board agreed that a recreation strategy would be necessary in order to take future decisions against an agreed framework and evidence base, moving forward via the new NRW Land Estate Committee. Although a range of different opinions were expressed in the debate, the Board agreed collectively to endorse the Executive Team's decision not to review the position on trail-hunting while the recreation strategy was still being developed. It was agreed that a full timeline for the development of the recreation strategy should be brought to the next Board meeting in November.

**ACTION: A full timeline for the development of the Recreation Strategy to be brought to the November Board meeting.**

**ENDORSED: The Executive Team's decision not to seek that the Board review its previous decision to stop permitting trail hunting on the NRW Estate.**

### **Item 9: Proposed NRW Land Estate Committee**

Presenter: Colette Fletcher, Head of Governance and Board Secretary

Attendees: Victoria Painter, Governance and Risk Manager; Dominic Driver, Head of Land Stewardship

46. The Executive Director of Operations introduced the item. The Board had agreed at the last meeting to create an NRW Land Estate Committee (NRWLEC). It was proposed that Prof Calvin Jones would act as Chair with the Executive Director of Operations as ET sponsor.
47. The Head of Governance and Board Secretary noted that at the time of drafting of the paper, it had been hoped that the first meeting would take place in October but this would now be arranged as soon as possible once the membership was confirmed.
48. The Chair confirmed that the new Board members were awaited to join the Committee but invited volunteers from the current Board membership to serve on the Committee.

The following Board members expressed an interest in a role on the Committee: Geraint Davies, Dr Rosie Plummer, Prof Steve Ormerod.

49. Board members noted that the balance of membership would be crucial. It was recommended that the Terms of Reference needed some refining in order to clarify its role in providing assurance support to the Board and to clarify the remit for the work across the NRWLEC and PrAC. It was suggested that a diagram could be produced to map the fit across the fora that were considering these types of areas.

### **APPROVED: The proposed governance arrangements for the new NRW Land Estate Committee**

#### **Item 10: Proposed Changes to the Statutory and Legal Scheme (SaLS)**

Presenter: Colette Fletcher, Head of Governance and Board Secretary

50. The Head of Governance and Board Secretary introduced the item and provided more detail on the proposed changes to the Statutory and Legal Scheme (SaLS). The first amendment involved the Land Stewardship Business Board. The wording had been amended to reflect the needs of Commercial activities and a new line had been added to incorporate the needs of the Land Stewardship activities. This would give clarity on the roles and responsibilities around the sale and acquisition of land and clarify the differences between the Commercial and Land Stewardship approaches. The Governance approval route was described as noted in the paper.
51. The second proposed amendment was described. This was a new line from the Regulatory Business Board (REGBB) and had no precedent. They had developed a new Operational Guidance Note (OGN) around withdrawing deployments, which had come through from the REGBB Waste Sub-Group. The two new lines were proposed to clarify the alignment with other processes.
52. The Board approved the proposed changes to the SaLS.

### **APPROVED: The proposed change to the Statutory and Legal Scheme (SaLS) from the Land Stewardship and Regulatory Business Boards**

#### **Item 11: Required Evidence Base for Water Quality improvements in Wales and Evidence Strategic Update**

Presenters: Chris Collins, Head of Knowledge and Evidence; Alun Attwood, Manager, Monitoring and Reporting

53. The Executive Director of Evidence, Policy and Permitting introduced the item.
54. The Head of Knowledge and Evidence gave a presentation to consider what the water quality evidence base would look like and how the evidence gap could be filled with the limited available resource. New technologies and ways of working were described and the importance of developing work with partners was highlighted. The work on data analytics was shared and the data trend from the 1990s on phosphorus levels in rivers across Wales was explained. The use of new technology for water sampling was described. The current sentinel approach to monitoring and the work involved in moving towards a more agile method was explained. The capital investment on funding sensors in the Wye to monitor in real time was described. The range of issues that could be monitored was shared, although it was explained that there were difficulties with measuring phosphorus with the current technology.

55. The approach being taken to mitigate data scarcity was shared. A heat map of citizen scientist data was presented and the use of this data was described. It was noted that there were some challenges on geographic distribution and quality of data. Work was taking place with the Rivers Trust on the Usk and a similar approach would be considered on the Wye.
56. The Executive Director of EPP explained that the focus of the Board discussion would be on monitoring in view of the tight resources, the use of technological developments, the approach to sharing evidence for the use by others, and working with partners and others, such as citizen scientists and universities, to develop a collective approach to the issues.
57. The Chair highlighted the First Minister's summit on water quality and the work being undertaken by a range of parties to bring together a joined-up programme. The financial challenges were recognised but there was a need to achieve one version of the truth. There would be a need to move beyond the current focus on fault and blame towards everyone working together with a collective responsibility.
58. It was suggested that NRW could take a role in facilitating and enabling collective effort on the issue to harness and engage across the spectrum to develop a single platform. It was noted that things had moved forward rapidly in the last year in terms of engagement and there was now a need to move to concrete terms of actions.
59. The importance of citizen science was discussed. The scope for harnessing the input from committed amateurs in the same way as the Met Office and the breadth of opportunities with the universities were highlighted. The issue of quality assurance of citizen science data was noted. The Head of Knowledge and Evidence described some of the current collaborative work that was taking place and explained that funding had been agreed for a citizen science coordinator. The value of involving groups such as farmers and fishermen in citizen science was highlighted. The Head of Knowledge and Evidence described the work taking place with fishermen on the Wye and agreed that it would be good to take forward with other groups. The Towy app developed by Coleg Gelli Aur was described, and it was recommended that this should be considered by the team, along with data from the Dee LIFE project and its work with farmers. The Head of Knowledge and Evidence agreed to pick up on this.
60. The interpretation of the data was discussed. It was recognised that there would be a need to get better at understanding the biological impact from the collected data. The shift from sentinel to agile monitoring could enable more targeted and analysed monitoring, although it was noted that the Environment Agency (EA) had experienced some criticism in the move to this approach due to the perceived reduction in monitored. It was queried whether it would be possible to forecast trends from the current data in a similar way to climate change data. The Manager, Monitoring and Reporting, explained that this approach would need to be developed. It was recognised that NRW would need to develop and enable its data analytical capability.
61. The Chair described the ongoing work with the water companies and the approach to working together on the issue. There would be a need to develop actions to take forward and build a coalition of partners, using NRW's power as a convener. A vision of what improved data would provide in terms of water quality would need to be developed, for example in measuring the effectiveness of interventions. The publication and dissemination of data would need to be improved and developed towards a user-centric approach. It was emphasised that water quality was an urgent issue and improved data collection would direct targeted action.

## **Item 12: Public Engagement and Transparency at Board Meetings**

Presenter: Colette Fletcher, Head of Governance and Board Secretary

62. The Head of Governance and Board Secretary provided a presentation. It was noted that the current hybrid model of Board meetings was very different to pre-Covid model, and the importance of improved engagement was highlighted, especially with the new Corporate Plan. There was a need to find a way to balance the opportunity for engagement and decision-making in public. It was considered that the current model did not put the customer first and the plan for developing the proposals was shared. This would include considering how others approached this successfully. The next steps were shared which would include a public consultation and reaching out to the members of the public who regularly attended Board meetings. Proposals would be brought to the Board for approval in November.
63. The Executive Director of Communications, Customer and Commercial highlighted the NRW Engagement Strategy. Working through the medium of Welsh was noted as another layer to be considered. The potential of considering international approaches was discussed. Board members discussed the work that was being carried out on Natur a Ni and the raised the importance of broadening the reach, for example, to the younger generation. The work of youth Boards was described and it was highlighted that from an equality and diversity perspective, it would be important to increase engagement with young people. It was suggested that an associate or trainee Board member type role could be considered.

## **Item 13: Board Forward Look**

Presenter: Colette Fletcher, Head of Governance and Board Secretary

64. The Head of Governance and Board Secretary shared the Board Forward Look document and provided an overview.
65. The Digital Strategy plan item could be expanded to allow the Board to consider the Transformation Programme more widely. The item on the new National Park Designation would not be ready for November's meeting and would be moved forward to January.

## **Item 14: AOB**

66. The Board Terms of Reference had been circulated for comments in advance of the meeting. The Board approved the Board Terms of Reference.

## **APPROVED: The Board Terms of Reference**

**- Board meeting closed –**

## **Public Q&A**

67. The Board took questions from Mr Kim Waters from the Welsh Rivers Union on water quality issues, specifically relating to the Wye and the Usk.

**- Meeting closed –**

## Board Meetings

Action No.	Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
41	Public	26/05/2022	7	46	Ceri Davies, Executive Director EPP; Sarah Jennings, Executive Director CCC	ACTION: The Chair and Chief Executive to develop the governance on the new Board sub-committee on the approach to NRW managed land.	Chair and CEO	07/01/2023	Ongoing	The Head of Governance and Board Secretary to develop the Terms of Reference for the new committee. The Chair to discuss the wider membership of the committee with Prof Calvin Jones. To be considered at September's Board meeting. Committee membership being developed.
51	Public	14/07/2022	8	40	Ceri Davies Executive Director EPP	ACTION: An update to be circulated to Board members of the Brecon Beacons mega catchment project.	Ceri Davies Executive Director EPP	17/08/2022	Ongoing	
60	Public	22/09/2022	8	46	Ceri Davies Executive Director EPP	ACTION: A full timeline for the development of the Recreation Strategy to be brought to the November Board meeting.	Dominic Driver, Head of Land Stewardship	26/10/2022	Completed	

# Board Paper

	<b>Paper Details</b>
<b>Paper title:</b>	CEO Report
<b>Paper Reference:</b>	22-11-B05
<b>Paper sponsored by:</b>	Clare Pillman, Chief Executive
<b>Paper Presented by:</b>	Clare Pillman, Chief Executive
<b>Purpose of the paper</b>	Information/Discussion

## Introduction

1. Following the really engaging discussion on the Corporate Plan at the September Board meeting, it has been good to be able to spend quality time with Executive and Leadership Team colleagues over the last couple of months working on its further development. The benefits of being able to do things in person together feel very real. And it is clear from the sheer number of conferences, events and launches that everyone is enjoying getting out and about.
2. The last month has been a busy one for Welsh Government too, with the publication of the Biodiversity Deep Dive findings, including extra funding for our Peatlands Programme, publication of the Agriculture Bill, the announcement of a three-month delay to the implementation of an annual holding nitrogen limit as part of the implementation of an all-Wales Nitrate Vulnerable Zone (NVZ), and the announcement of proposals to establish a state-owned renewable energy company.
3. The UK Government has emerged from a period of extraordinary turbulence, with the economy under even greater pressure and a lack of clarity around almost all its environmental policies (with the exception of fracking on which there was a swift U-turn). At the time of writing, we await the Chancellor's budget, which will surely see deep cuts to public spending, and to see whether the Prime Minister does decide to attend the Conference of the Parties (COP)27 after all. Whilst the

environment has not always been at the top of the agenda during this extraordinary period, the howl of outrage from environmental non-governmental organisations (eNGOs), along with a more muted, but nonetheless powerful, show of support for the Environmental Land Management Scheme (ELMS) from some farmers and land managers, highlighted the widespread support for nature.

4. In the run up to COP27 in Egypt in November and COP15, which will be chaired by China but held in Montreal in December, there will be renewed focus on progress (or lack thereof) towards environmental targets. COP15 will be particularly important in setting targets for biodiversity, and we have been working closely with the other UK nature conservation bodies on a joint statement and communications plan. This will be launched at an event at the Royal Society in London on 23 November.
5. I am grateful to Mike Evans for attending the recent meeting of the European Environment Protection Agencies in Romania for me. As ever, this high-powered group covered some really interesting ground, and is a good way for us to stay connected to wider European developments.

## Stakeholders

6. In September I met the Chair of the Infrastructure Commission, David Clubb, and the Joint Chief Executives of the Centre for Digital Public Services, Myra Hunt and Harriett Green. I also met the Chief Executives of Wales' National Parks, and the Chief Executives of Natural England, Marian Spain and NatureScot, Francesca Osowska, and with the leaders of several of Wales' eNGOs. I met Nicholas Boys Smith, founding Director of the social enterprise Create Streets and also attended the Canal and Rivers Trust event celebrating Glandwr Cymru's tenth anniversary at the Senedd.
7. In October, I spent a happy day with the Institute of Chartered Foresters (ICF) at their Study Day. Whilst the event was in Herefordshire, it was organised by our staff, and in particular John Browne. It was a good opportunity for me to catch up with Richard Stanford, the Chief Executive of the Forestry Commission, and Louise Simpson, the new Chief Executive of ICF.
8. In November I met Andrew Morgan, Chair of the Welsh Local Government Association (WLGA), and Hilary McGrady, Chief Executive of the National Trust.

## People

9. Congratulations to Tracey Dunsford in our Water Resources Team for being awarded the President's Medal by the Chartered Institute of Water and Environmental Management (CIWEM) for her long-standing contribution to the work of the Institute as Wales' President.

10. Justin Albert has stepped down as Director of National Trust Cymru and has been replaced by Lhosa Daly.
11. James Bevan has announced that he will be stepping down as Chief Executive of the Environment Agency on 31 March 2023.

## Strategic Issues

### Biodiversity Deep Dive

12. NRW has been working with others to support the Minister, who has led a Biodiversity Deep Dive, to develop a set of collective actions that we can take in Wales to support nature recovery and resilience. The focus has been on action to protect and effectively manage at least 30% of our land, freshwater and sea for nature by 2030 (30 by 30). This is one of the targets which form part of a new Global Biodiversity Framework (GBF) to be agreed at COP15 later this year.
13. The recommendations were published on 3 October and include objectives to transform our protected sites series so that it is better, bigger and more effectively connected, raising the ambition set out in our National Peatland Action Programme, unlocking the potential of designated landscapes, continuing to reform land and marine management and planning, unlocking private investment to deliver for nature and to develop and adapt monitoring and evidence frameworks.
14. NRW has a critical role in making sure the recommendations of the Deep Dive are urgently turned into action to recover and build a nature-positive Wales. There will be a further statement from the Minister before Christmas.

### National Peatlands Action Plan and IUCN Conference

15. The first week of October was an eventful week for peatlands in Wales.
16. On Monday, the Minister announced the recommendations of the Wales Biodiversity Deep Dive, which include a commitment to increase the delivery capacity of the National Peatland Action Programme. The scale and pace of delivery has been substantially raised so that by 2030 the programme would be capable of reaching the net zero 2050 target of 45,000ha of peatland restored. The Minister is currently considering the funding options to deliver the work and intends to provide further announcements later this year.
17. Tuesday saw the launch of International Union for the Conservation of Nature's (IUCN) UK Peatland Programme three-day conference in Aberystwyth. The Minister addressed the conference and set out her support and ambition for the future management of peatlands in Wales. The gathering presented opportunities for policy makers, scientists, land managers and practitioners from different disciplines to share their knowledge and experience of peatland

conservation and management. I also spoke at the event and called for a ban on the sale of peat for horticultural purposes in Wales, which prompted the Minister to announce that Welsh Government would be looking to follow England and Scotland and put a ban in place from 2024.

18. In addition to its location in Wales, this year's conference was of particular significance to NRW in that it was hosted by the New LIFE for Welsh Raised Bogs Project and the National Peatlands Action Programme, and provided an excellent opportunity for showcasing the two projects. The event was a resounding success with over 220 delegates attending.
19. The week ended with the launch of the new EU LIFE Quake project at Crymlyn Bog. The Minister also attended the event. The programme will spend just over £4.5 million over the next four years to restore Quaking Bogs in Wales.

### **Wales Announces Publicly Owned Renewable Energy Developer**

20. On 25 October the Minister for Climate Change, Julie James, announced the decision to set up a state-owned energy developer in response to energy insecurity, the cost of living crisis and the increasing threats posed by the climate and nature emergencies. The initial focus of the state-owned energy developer will be to develop wind energy projects on the NRW-managed Welsh Government Woodland Estate (WGWE). NRW has been part of the Renewable Energy Developer (RED) programme since its inception and Sarah Jennings sits on the Board.
21. It is expected to take until April 2024 to establish and staff up the new organisation. In the meantime, an interim Welsh Government (WG) team will carry out feasibility work on a number of candidate sites across Wales; this is expected to take up to twelve months. During this time NRW will work closely with the interim team to assist with the identification of risks, issues and opportunities for delivery of the Sustainable Management of Natural Resources (SMNR). Given the impetus, we are currently exploring how to cope with the increased demand in workload across our Commercial and Operations teams.

### **Marine Licensing**

22. I have a meeting with the First Minister and Julie James in a couple of weeks' time on marine licensing. In preparation for this meeting, and following up the work on the Renewable Energy Deep Dive, we have submitted the information we provided earlier in the year outlining the capacity needed to deliver marine and terrestrial advisory and evidence functions as a Service Level Agreement (SLA). The options seek to make the current Offshore Renewable Energy Programme capacity permanent while presenting further options to be able to continue providing a viable service by scaling up and down across the peak of renewables development forecast over the next five to ten years.

23. We have also engaged with WG and their consultants ICF during the end-to-end process review which is expected to formally report on its findings and recommendations in October / November. WG have shared draft copies of the summary and technical report with us for comment and we did raise a number of concerns relating to the summary report. Our feedback has been discussed with WG in more detail and they committed to seeking amendments to the reports through dialogue with ICF.
24. The SLA does not include the cost for actions needed to implement the recommendations of the end-to-end review of marine licensing. Once these are costed, the SLA can be expanded to cover the full breadth of end-to-end advisory and regulatory services.

### **MPA Network Completion Project**

25. WG, supported by NRW and the Joint Nature Conservation Committee (JNCC), have been working with a task and finish group of marine stakeholders to identify a small number of possible Marine Conservation Zones (MCZs) in Welsh waters. The work is taking place to fulfil a 2017 Ministerial commitment to meet national and international obligations to create an ecologically coherent network of Marine Protected Areas (MPAs). The significance of the project was highlighted by its inclusion in WG's recently published Biodiversity Deep Dive recommendations.
26. A stepped process has been developed for the identification of possible MCZs. Areas of Search have been identified; the next step involves drafting the boundaries of possible MCZs within these areas. To inform this stage, WG is expected to launch an informal pre-consultation engagement process shortly. The intended audience is primarily marine sectors and stakeholders, but all information will be publicly available and we anticipate interest from some communities.
27. Information will be disseminated via pages on WG's Business Wales website, social media, targeted emails, an opinion poll and engagement days. Detail will be provided on the process adopted and the six chosen Areas of Search. A key focus for the period of wider engagement is to further our knowledge of socio-economic interests within the Areas of Search, through feedback and discussions with stakeholders.
28. We anticipate that there may be concern about the location of some Areas of Search and the process in general. The previous consultation on highly protected MCZs in 2012 resulted in strong localised opposition to the proposals, and the current MCZ process has the potential to resurrect localised resentment and opposition. The issue is being treated as a reputational risk and detailed lines to take have been shared internally.

## **Recreation Strategy**

29. Following the Board's direction in September, we have assembled the team and started work on the structure of the Recreation Strategy. Key milestones in the development of the strategy include internal and external consultation between December and March 2023, the preparation of a first draft for consideration by the NRW Land Estate Committee (NRWLEC) in May, and a final draft by September, for consideration by the Board in November 2023.
30. Following publication of the strategy, internal and external communications and staff training will take place. The first progress report will be submitted to the NRWLEC in April 2024.
31. The new Corporate Plan will determine the scope of the Recreation Strategy. The approach we are taking includes a consultative approach to engagement and evidence-gathering using evidence already collated, rather than a full public consultation or systematic evidence review. We are aiming for relevance at both national and Place levels and to provide a framework in which decisions are made on what more to do and what to change, stop, reduce, delay or transfer. Our evaluation plan is based on identifying trends in indicators of the key outcomes we want and the desired changes in trends.
32. Previous strategic decisions on recreation will be looked at again if appropriate once the strategy is finalised.

## **Infrastructure Consenting Bill**

33. The First Minister has announced that the Infrastructure Consenting Bill will be part of the 22/23 legislative programme at the Senedd.
34. The Bill would apply to terrestrial and marine developments. In the context of marine, this would be relevant for offshore renewable energy installations and ports / harbours. Larger offshore installations (50-350 MW) will be required to seek infrastructure consent, while smaller installations (10-50 MW) have the option of either infrastructure consent or a marine licence and s.36 consent. The regulations will also be relevant to proposals and developments to increase the capacity of ports and harbours.
35. The Bill will include deeming of a marine licence. NRW would be responsible for the discharge of conditions of the deemed licence, with enforcement retained by WG, which will require input from our regulatory and advisory functions.
36. Our regulatory and advisory functions have been actively engaged with WG to understand their expectations of our role in the process, to help influence the

drafting of the legislation. The Executive Team (ET) have recently considered a paper which detailed the options for the consultation arrangements with NRW, including consideration of funding for this service. We have communicated our preferred option to WG and remain in ongoing dialogue.

### **Abstraction Licences – New Authorisations**

37. In January 2018, many abstraction licensing exemptions were removed following Water Act 2003 amendments to the Water Resources Act 1991. Under The Water Abstraction (Transitional Provisions) Regulations 2017, these previously exempt abstractions need to be brought under regulatory control by 31 December 2022.
38. Following a three-year window for new licence applications to be submitted, NRW has determined the applications over a two-year period, within the New Authorisation work programme.
39. Of 117 applications received, around 25 medium- and high-risk applications are still under determination. We are confident these will be completed before the December deadline. The light-touch and risk-based policy approach underpinning the Transitional Regulations generally means that abstraction activities will be licensed in line with evidenced historical abstractions. In certain cases, however, we reduce the quantity of water abstracted or include licence conditions that help mitigate potential impacts. We may refuse an application if we believe serious environmental damage may occur as a consequence of the abstraction.
40. Any applications not determined before the deadline would be deemed refused. The abstractors would have no legal right to continue abstracting but would have a right of appeal for non-determination of the application.

### **Welsh Government's Water Governance Review**

41. Following the River Pollution Summit at the Royal Welsh Show on 18 July, the First Minister issued a written statement welcoming the commitment from all representatives present at the summit and the pledges made. One of the eight agreed areas of intervention involves working with partners to review existing governance structures to ensure the all-Wales collaborative approach, endorsed at the summit on 18 July, is streamlined and fit for purpose.
42. WG have commissioned consultants (KPMG) to lead this work and we are supporting them in their review, which is underway. The outcome will be confirmed this autumn as part of a Special Area of Conservation (SAC) Rivers Action Plan. This will help ensure that government, regulators and all sectors are working as efficiently as possible, and together, to ensure the actions are delivered through appropriate structures and organisations.

43. WG will monitor progress closely and will reconvene the River Pollution Summit in early 2023.

### **Waste Regulatory Reform Programme Team**

44. WG made a commitment to Extended Producer Responsibility (ExPR) in both their Beyond Recycling Strategy and Programme for Government, as a key tool to move Wales towards a circular economy. To deliver this, they have established an ExPR Programme that covers a range of wider reforms.
45. WG has committed to a three-year funding package for NRW to establish a new Waste Regulatory Reform Programme Team, working alongside Waste Policy & Approaches teams to ensure NRW can deliver its statutory duties as the regulatory body. We are working closely with WG, Defra and the other environmental agencies to influence the regulatory reforms and are considering some novel approaches to resourcing this work.
46. The high-priority reforms include:
- Extended Producer Responsibility for packaging, batteries, waste electrical equipment and textiles – to increase the duties of the producers of such goods to pay the full net end-of-life management costs for the packaging they place on the market.
  - Introducing a Deposit Return Scheme – to place duties of brand owners of single-use drinks containers to place a refundable deposit on drinks bottles and cans they place on the market.
  - Amended Material Recycling Regulations – will increase sampling requirements and increase the numbers of defined Material Recovery Facilities in Wales from twelve to potentially over 100.
  - Introduce Business and Public Sector Recycling Regulations – to increase the requirements on organisations and businesses to separate waste at source and increase recycling rates.
  - Transfrontier shipments of waste – to tighten controls of waste exports.
  - Waste exemptions review – to amend current legislation, establish tighter controls and allow the regulator to introduce charges.
47. Significant transformational change will be needed within NRW to meet the expectations of the ExPR Programme, including, for example: the design of our regulatory approach and recruitment to waste regulation teams; updates to policy, procedure, and guidance documents; the design of new IT and charging schemes; and, not least, a cultural shift in who and how we regulate the waste industry. The reforms relating to Waste Exemptions and Transfrontier Shipments of Waste (TFS) are being lead from the Waste Policy team.

48. NRW's new programme team will identify and manage the impacts and risks across all the reforms under WG's ExPR programme and develop the new delivery models needed to meet our regulatory duties. Due to the pace, scale and complexity of the reform and in line with Programme Management Office (PMO) procedures, a Waste Regulatory Reform Programme Board will be established to support the work of the team.

## Operational Issues

### Cardiff Parkway \ Hendre Lakes

49. We have previously provided our advice on the likely environmental effects from the proposed Cardiff Parkway business park and railway station development. Our responses considered the impact the development would have on protected species, designated sites and flood risk and were included in full in the Planning Committee Report on Cardiff Council's Planning Committee website dated 6 April 2022.
50. Whilst the Council were minded to grant the application, it has now been 'called in' by WG. This is not a challenge to the merits of the case or the properly made decision of the Local Planning Authority; it is procedural on whether the case meets certain specific criteria, which means it is better determined by Ministers. The proposal will now be reassessed by a Planning Inspector and a recommendation made to the Minister, who will ultimately decide whether or not to grant planning.

### LIFE Quake and Four Rivers for LIFE Projects

51. October saw the formal launches of the LIFE Quake and 4 Rivers for LIFE projects, both expected to run for five years to the end of 2026.
52. The 4 Rivers for LIFE launch was hosted by Coleg Sir Gâr at Llanelli. Around eighty delegates attended including the Minister and our project partners, Dŵr Cymru/Welsh Water, Coed Cymru Woodland Trust and the Brecon Beacons National Park Authority. The project will draw on best practice for riparian woodland creation, sustainable agricultural land management, community engagement, management of water resources, and nature-based river restoration techniques.
53. A £9m budget will see the restoration of freshwater features of the rivers Usk, Tywi, Teifi and Cleddau, improving habitat for species such as lamprey, salmon, shad and freshwater pearl mussels. The project is additionally funding a major upgrade of NRW's Cynrig breeding and rearing hatchery facility, as part of the projects' aim to re-establish viable populations of the critically endangered freshwater pearl mussel in south Wales.

54. The partnership will also see the roll out of the Tywydd Tywi weather station projects, installing a number of weather stations across the catchments and an accompanying app to support farmers in planning agricultural activities in line with current weather conditions.
55. Separately, the Life Quake project aims to restore peatland, quaking bogs and their wider wetland landscapes to favourable conservation status. The main focus is quaking bogs and there are seven project sites at Crymlyn Bog, North West Pembrokeshire Commons, Preseli, Rhos Goch, Corsydd Eifionydd, Gweunydd Blaencleddau and Cors Caron. The habitat has been assessed as 'unfavourable' at these sites. Poor conditions are often caused by the land being over-grazed by animals, while insufficient grazing on some sites has led to important plants being smothered by dominant or invasive species. Other factors affecting the sites are abandonment of land management, poor drainage and widespread pollution.
56. The project will address poor water conditions by restoring historical drainage and flow regimes. Over the lifetime of the project, 65km of fencing and other infrastructure will be installed across the sites to allow the right levels of sustainable grazing and support the marsh fritillary butterfly metapopulations, which are in decline. Mowing, scraping and excavation will take place to remove vegetation and undesirable invasive species currently smothering the important plants and mosses that create quaking bogs. Extensive stakeholder and community engagement will accompany the planned works to raise levels of understanding, appreciation and adoption of the techniques used to restore and maintain each of the sites.
57. The LIFE Quake launch event at Crymlyn Visitor Centre was attended by around fifty people, including the Minister and our project partners, the Pembrokeshire Coast and Snowdonia National Park Authorities and National Trust. The first steering group meeting will take place in November and initial engagement with key stakeholders is continuing; a first newsletter has also been released.
58. The Welsh Raised Bogs Project has recently been extended to 31 March 2024.

### **Flood Risk Management on the River Taff**

59. During the storms of February 2020, more than 1,500 properties were flooded in the Taff catchment. As a steep and fast-responding catchment with much of the floodplain under development, it is difficult to envisage how each flood risk management authority can better manage storm events of this magnitude in the future, given the size and scale of the flood risk and the potential impact on other locations.
60. We are therefore starting work on a Strategic Flood Masterplan project, which will take a holistic, catchment-wide flood risk management (FRM) approach. It will be

led by NRW as the authority with the remit across the whole area, in collaboration with other flood risk management authorities (RMAs), as essential partners. The approach will ensure that flood risk is considered at the appropriate scale, and opportunities to manage risk are maximised through the delivery of a long-term common vision bridging unitary authority boundaries, optimising expenditure of public money.

61. The intended outcome will be a comprehensive programme of proposed catchment-scale interrelated projects to be delivered collectively by the flood risk management authorities.
62. We started our public engagement at Rhondda Cynon Taf County Borough Council's Strategic Flood Risk Board and will now be meeting with local authorities, Dŵr Cymru and other potential partners. Focussed engagement will seek to secure and formalise long term collaboration of the project from partners.
63. An indicative project timeline can be found below, and an outline project plan is available if required:
  - Oct 2022 – Commence engagement with all potential partners; develop project approach
  - Nov 2022 – Develop draft Terms of Reference
  - Q4 2022 – GW3 Business Justification Case
  - Mar 2023 – Regular engagement with partners; data collection; option analysis
  - Q1 2024 – Initial draft Masterplan for review
  - Mar 2024 – Develop resultant FRM programme
  - Q4 2024 – Final Masterplan for review
  - Q2 2025 – Masterplan release; FRM programme launch
64. Whilst this is a long-term, strategic vision for the catchment, we will of course continue with our programme of works within the catchment. Producing the Masterplan will bring us into much closer working with the other RMAs and if any easy wins come to light, we will investigate their feasibility for standalone projects, outside of this one.

### **Decarbonisation in Pembroke**

65. In October, NRW staff met RWE's Pembroke Net Zero Centre (PNZC), where they are developing options for the decarbonisation of its 2.2 GW natural gas-fired power station in Pembroke; this plant alone can generate over 5 million tons

of CO<sub>2</sub> per year. The location provides the unique advantage of being within an industrial hub and creating collaboration opportunities with partners from within the South Wales Industrial Cluster (SWIC) who together cover the full low-carbon value chain, from ship transport and storage of CO<sub>2</sub> to the supply of clean hydrogen. Many of these industries already hold permits and are regulated by NRW.

66. The PNZC is currently working on three distinct elements in the drive to Net Zero. Firstly, the decarbonisation of Pembroke Power Station, including carbon capture and storage conversion feasibility studies and investigating burning hydrogen in the power station instead of natural gas. Secondly, green hydrogen production, including feasibility studies for an initial 100-300 MW 'pathfinder' electrolyser on the Pembroke site whilst also looking at GW-scale opportunities. Finally, a floating offshore wind development in the Celtic Sea (up to 1 GW in scale).
67. If successful, Pembrokeshire would be home to the largest decarbonisation project in Europe, attracting investment of up to £4 billion into the area. Projects on this scale will require inputs from various divisions of NRW including regulation, permitting (marine and industry) and planning. This is just one project in Wales as part of the journey to decarbonise, and we are currently recruiting additional staff to engage with industry at an early stage to ensure projects consider the best environmental options, seek the correct permissions and look for opportunities to achieve multiple benefits.

### **Kronospan Consolidated Permit Issued**

68. On 4 October, NRW completed the variation and consolidation of the two existing permits for the Kronospan site in Chirk, which had been previously issued by NRW and Wrexham CBC. We have now become the single environmental regulator for this installation and will conduct all future regulatory functions in relation to its permit.
69. This work was undertaken in response to the WG direction to NRW in 2018 requiring the consolidation of the permit and for NRW to become the sole regulator. We have issued external communications confirming the permit consolidation and our future regulatory role.

### **Drumcastle Permit Variation Issued**

70. We issued the permit variation for a High Public Interest site at Nine Mile Point Waste Processing Facility, Cwmfelinfach, Caerphilly on 13 October. The permit for this site was previously issued to Hazrem Environmental following their appeal to the Planning Inspectorate in 2017. It was transferred to Drumcastle in January 2022.

71. Although it has never been operational, the site has continued to be subject to a high level of public and political interest regarding its perceived environmental impact in the community. These concerns include potential air quality, noise and odour emissions.
72. The variation removes the combustion of natural gas for the drum waste drying and the regenerative thermal oxidiser from the process. This was the principal aspect that contributed to NO<sub>x</sub> (nitric oxide and nitrogen dioxide gas) emissions when the Hazrem application was determined, and the variation therefore removes the impact and risk. The amended process adds an activated carbon filter, designed to treat odour of the extracted air from the building's single emission point.

## Internal Issues

### Internal Evidence Conference

73. Our third Internal Evidence Conference was held in Cardiff in late October. It was the first we have held in person and was a great opportunity for people to reconnect with colleagues and friends from the world of academia. We shared a wealth of information about how we turn evidence into policy, and included excellent guest speakers such as the outgoing Future Generations Commissioner Sophie Howe and Gideon Henderson, Defra's Chief Scientific Adviser. It was a thought-provoking and engaging event and I wish to commend all of the staff who presented and the Evidence team for the success of the event.

### **Natur a Ni (Nature and Us): What future do we want for our natural environment?**

74. The findings from the first phase have been analysed and published on our website and [www.natureandus.wales](http://www.natureandus.wales) as a final report, supported by a video and involvement report. Social media has been issued around the publication and it has been sent to people who took part in the first phase. The raw data will also be made available to others in the near future.

### Phase 2 activity

75. The first phase highlighted a clear desire from people across Wales to shape a more positive future for nature and local communities. The Nature and Us team devised nine statements based on the key themes from Phase 1 that reflect what life could look like in the future. We have been testing these statements with members of the public between August and October, through an anonymous survey at free public events and through focus groups with groups under-represented in Phase 1. The survey was also sent to all Phase 1 respondents and we are currently analysing the findings.

76. A workshop with public bodies was held in September to discuss citizen involvement and address the nature and climate emergencies more widely. We are holding follow-up events to maintain momentum and progress actions.

#### Citizens' assembly

77. We wish to bring all the conversations together at a citizens' assembly to be held in February 2023. The role and purpose of the citizens' assembly will be:
- To consider the evidence on the climate and nature emergencies, and the public views that we have captured to date through Nature and Us.
  - To agree the shared vision for the natural environment for Wales.
  - To recommend actions that the public can take now, and how other organisations (including national and local government, NRW, public bodies and businesses) can support this action.
  - To recommend how we can better involve citizens in communicating the vision and encouraging action.
78. Two tenders have been awarded to support this work and we have started recruiting for an assembly Advisory Panel through our existing Advisory Group and wider networks. Three Intensive Panel meetings are being planned during November to co-design the assembly with this group.

#### Working with the Arts

79. We have been expanding the range of ACW-funded arts projects supporting the Nature and Us engagement. The outputs of this work will help communicate the work we have done to the assembly members as well as communicating and supporting implementation of the final vision.

#### Wider work – People's Plan for Nature

80. Nature and Us Senior Specialist Advisor and Programme Executive are members of the People's Plan for Nature Advisory Group, and we are liaising to ensure both initiatives build on each other's strengths.

#### Next steps

81. Over the coming weeks, we will analyse the outputs of the Phase 2 engagement. We are working with OB3 and our Evidence team to agree a framework for the report and best ways to visualise the findings. We will agree the timeline and planning for the citizens' assembly and prepare for the Advisory Panel meetings.

## Renewal

82. An options paper exploring the opportunities offered by upcoming lease breaks has been published, and a business case is in development. As part of the accommodation strategy refresh, Cantref Court office in Monmouth was closed in September.
83. Our Supporting People workstream has published a range of draft people policies to ensure they are up to date, enable new ways of working and support hybrid working. These are now out to consultation.
84. Our Agile Space workstream is finalising design work for agile workspaces in five of our offices. Work is due to begin on delivering these spaces in late autumn / early winter.
85. A staff salary sacrifice scheme for electric vehicles is also being progressed. It is hoped that this will reduce some of our commuter emissions.

## Business Planning and Performance Management

86. To support implementation of the new Corporate Plan from April next year, we have set in train two projects to improve our wider business planning and performance management. The first is a project to develop a balanced scorecard for scrutiny of organisational health across several key indicators. Turner & Townsend consultants have been appointed and are finalising their discovery phase of engagement with LT, ahead of preparing a draft scorecard in December for testing.
87. We recognise that as an organisation we spend too much time focused on the annual business planning process. The new Governance Framework, with the move to a term-of-Government remit letter, means there is a real opportunity to streamline our approach, including the interface with the supporting service and Place plans. In doing this, we need to reimagine the purpose of these different planning documents and build on the progress we have made in the development of the Service Level Agreements. This work has been included in the Strategic Supplier specification, and we expect to start work with the consultants from early November.

## Communications & Digital

88. Managing media requests and issues more widely related to water quality continue to dominate the team's activity with a significant amount of work invested in preparing for in-depth interviews such as BBC Investigates, broadcast on 22 October. The impact of climate change on Fairbourne continues to attract interest with interviews completed with BBC's The One Show and Drych programme on S4C.

89. The Communications team supported the launch of the two new LIFE projects and worked closely with colleagues internally and at WG to manage communications around the publication of the Biodiversity Deep Dive recommendations. Speech-writing support was also provided for the senior team for events during the week of the Wales Biodiversity Conference.
90. Proactive communication around the Acorn Antics project and Ynys Llanddwyn's inclusion in the First 100 Geological Heritage Sites list as part of UNESCO International Geodiversity Day secured widespread media coverage. We have also promoted our partnership work to remove diseased trees while preserving ancient Roman mine workings at Dolaucothi Goldmines Forest, and Bwlch Nant yr Arian and Ynyslas visitor centres' retention of the Quality Assured Visitor Attractions status. We continue to promote our response to pollution incidents and prosecution outcomes.
91. Looking forward, we will be working with colleagues across the UK to raise awareness of issues associated with the two COPs. We will have a small stand at the Royal Welsh Winter Fair on 28 and 29 November. I will be attending and have meetings planned with the Farming Unions.
92. We have completed the first phase of digital content improvements resulting from the Ministerial Deep Dive, publishing improved user-centred content for woodland creation. We are now using the results from the user research to address more fundamental issues with WG and NRW processes and systems, working closely with WG.

## Forward Look

Wednesday 23 November – Nature Conservation Bodies' joint event at the Royal Society

Monday 28 November – Winter Fair, Llanelwedd

Thursday 1<sup>st</sup> December – People and Remuneration Committee

Thursday 8<sup>th</sup> December – Finance Committee

Wednesday 14<sup>th</sup> December – Board Update Call

Thursday 15<sup>th</sup> December – Audit and Risk Assurance Committee

Thursday 12<sup>th</sup> January – Flood Risk Management Committee

Tuesday 17<sup>th</sup> January – Evidence Advisory Committee

Thursday 26<sup>th</sup> and Friday 27<sup>th</sup> January – NRW Board Meeting

Tuesday 6<sup>th</sup> June – Senedd Event

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2022
<b>Title of Paper:</b>	Evidence Advisory Committee (EAC) Update
<b>Paper Reference:</b>	22-11-B06
<b>Paper sponsored by:</b>	Peter Rigby – EAC Chair
<b>Paper presented by:</b>	Peter Rigby
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To note the update

### Issue

1. This paper provides an update to the Board following the Evidence Advisory Committee (EAC) meeting on 17<sup>th</sup> October 2022. The minutes from the meeting can be made available to any Board member interested.

### Update

#### Standard Committee Business

2. An update was provided to EAC regarding the Peatland Programme and discussions were ongoing regarding costs, as this had been queried by EAC in the June meeting. There would be a further discussion on the Peatland Programme at a future meeting.

#### National Park Designation

3. EAC were presented with an overview of the current position of the National Park Designation programme. There were ongoing discussions with Welsh Government (WG) regarding the suggested area of search.
4. EAC discussed the content of the update and considered the issues related to the designation process.

#### Data Analytics in NRW: Opportunities and Challenges

5. An overview was provided of the various opportunities and challenges regarding data analytics and EAC provided advice on how these could be managed. The three areas

of data analytics that were presented were: How the Bayesian statistics could help to estimate uncertainty quantification for the Water Framework Directive (WFD) classification; the River Wye Water Quality Data Dashboard and monitoring programme; and the machine learning prediction of river phosphate in unmonitored water bodies.

6. EAC discussed the skills gap within the data analytical area of NRW and how the resources and skills required could be obtained. Also discussed was the use of ICT within this area and how new ways to facilitate the changes in software were being identified.

#### Streamlining Water Framework Directive (WFD) Tools

7. EAC were presented with an overview of the WFD Classification, the elements involved, how it could be used within NRW, and the challenges identified. A demonstration of NRW's online system for WFD was provided and the Committee discussed how it could be developed in the future and what the priorities were.

#### EAC Governance / AOB

8. EAC discussed and approved the EAC Terms of Reference.

# Board Paper

	<b>Paper Details</b>
<b>Paper title:</b>	Flood Risk Management Committee (FRMC) Update
<b>Paper Reference:</b>	22-11-B07
<b>Paper sponsored by:</b>	Julia Cherrett – Interim Chair of FRMC
<b>Paper Presented by:</b>	Julia Cherrett
<b>Purpose of the paper</b>	Information
<b>Recommendation</b>	To note the update

## Issue

1. This paper provides an update to the Board following the strategic discussion session and FRMC meeting on 21<sup>st</sup> October 2022. The minutes from these meetings can be made available to any Board member interested.
2. Issues that in the opinion of the FRMC Chair should be brought to the attention of the whole Board are highlighted below.

## Update

### Flood Recovery and Review Implementation Programme

3. An update was provided on the Flood Recovery and Review Implementation Programme. The Red Amber Green (RAG) status remained as Amber, reflecting the challenges around recruitment, staff training, and three overdue actions. These issues were discussed by the Committee and the method for tracking the actions transferred to the Land Stewardship team was clarified. FRMC requested that the benefits which a community would expect to see from the actions were added to the report.

### Capital Programme

4. An update on the Capital Programme was provided, with a summary of the projects' lifecycles and decision points. Discussions would continue to take place with Welsh

Government regarding the projects. FRMC welcomed a suggestion for a half day workshop on prioritisation.

### Asset Management and SR02

5. FRMC were provided with information regarding managing FRM assets in the context of SR02, which included the increasing trend of flood assets given favourable status on the Business Plan Dashboard; and planned actions to reduce the SR02 score. The Committee asked for more assurance on the magnitude of the small number of assets that were below target condition. The Flood Risk team explained the way that high risk assets were managed in the context of SR02 and it was agreed that the Committee would be provided with more formal detail.

### Flood Risk Management Plan

6. The current position of the Flood Risk Management Plans (FRMP) was presented to FRMC. The FRMP could be published in 2023 following feedback from the consultation phase. It was noted that the consultation was being developed with the Communications team, to ensure the information and language were accessible and clear to all.

### Long Term Investment Requirements

7. An overview of the Long Term Investment Requirements Report was provided for managing the flood defence asset base in Wales. The Report was to be discussed further in the planned workshop referred to above.

### Dinas Dinlle Project

8. FRMC were provided with an overview of the Project and shortlisted options to consider. FRMC endorsed the Strategic Outline Case for the Dinas Dinlle Project by correspondence.

### Other Business

9. The FRMC Terms of Reference were approved by correspondence.
10. Following the meeting, FRMC attended a site visit to the Cowbridge Reservoir which is part of a flood defence scheme for the River Thaw. The Committee were able to see the capital work that had been undertaken in response to the Measures in the Interest of Safety identified in 2019.

# Board Paper

Paper Title:	Protected Areas Committee (PrAC) Update
Paper Reference:	22-11-B08
Paper Sponsored By:	Dr Rosie Plummer - PrAC Chair
Paper Presented By:	Dr Rosie Plummer
Purpose of Paper:	Information
Recommendation:	To note the update

## Issue

1. This summary provides an update on matters that in the opinion of the PrAC Chair should be brought to the attention of the Board following the last PrAC meeting, which was held on 6 October 2022.

## Update

2. The Committee discussed the Biodiversity Policy and the Deep Dive update, the PrAC governance and other items detailed below.

### Potential National Park Designation

3. A verbal update was provided regarding the latest Tirweddau Cymru – Landscapes Wales meeting, including aspects of the Biodiversity Deep Dive and the Sustainable Farming Scheme.
4. Recruitment was underway and a Programme Manager had been appointed for the Designated Landscapes Programme. It was noted that the Minister for Rural Affairs and North Wales is now responsible for the prospective new National Park following a recent review of Ministerial responsibilities. An initial area of search outline had been completed.
5. Discussions took place around broader implications and potential governance arrangements for the prospective new National Park, the various management and governance options would be considered within the designation process.
6. The Committee were alerted to a petition submitted to the Senedd's Petitions Committee seeking Area of Outstanding Natural Beauty (AONB) designation of the Cambrian Mountains, which is sufficient for it to be debated by the Senedd in due course.

### Special Area of Conservation (SAC) Phosphates Project

7. The Committee were notified of an action plan from the First Minister's summit which NRW had contributed to; and a 3-month delay in the implementation of Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021.
8. Discussions took place around nutrient calculators and nutrient neutrality. Legal advice provided to NRW noted NRW has no legal powers to insist on anything more than nutrient neutrality. However, NRW were looking at this area in more detail to understand what scope there may be within their remit.

### Deep Dive of Strategic Risk 05

9. PrAC were provided with an update on the Deep Dive of Strategic Risk 05. Members scrutinised the risk controls, considered the effectiveness of the planned actions to reducing those risks, and offered comment.

### Protected Sites Warning Letters

10. The Committee reviewed two warning letters issued by NRW to itself on matters related to PrAC's remit. It was suggested that NRW would benefit from a more joined-up cross-organisation lessons learned approach from these incidents.

### Protected Sites Notification Meetings

11. PrAC has a series of holding dates for prospective protected sites notification meetings in the coming year to ensure it is able to meet the requisite schedules to consider any unresolved objections prior to designation.

## Board Paper

<b>Date of meeting:</b>	16 November 2022
<b>Title of Paper:</b>	<b>Wales Land Management Forum (WLMF) Update</b>
<b>Paper Reference:</b>	22-11-B09
<b>Paper sponsored by:</b>	Zoe Henderson, WLMF Chair
<b>Paper prepared by:</b>	Bronwen Martin, Specialist Advisor: Wales Land Management
<b>Paper presented by:</b>	Zoe Henderson, WLMF Chair
<b>Purpose of the paper</b>	Information

## Wales Land Management Forum (WLMF)

1. The Wales Land Management Forum (WLMF) meetings take place four times per year, and they provide an opportunity for Natural Resources Wales (NRW) and other WLMF membership organisations to share information, identify common interests and work together in a collaborative way on strategic land management issues.

[Natural Resources Wales - Wales Land Management Forum \(WLMF\)](#)

## Update

### 5<sup>th</sup> September 2022 Meeting

2. The most recent WLMF meeting was held on 5<sup>th</sup> September 2022.
3. A dry weather update was provided by Tracey Dunford (NRW) which also included an overview of the Wales Drought liaison Group and a subsequent group discussion.
4. Brendan Hardiman (NRW) gave a presentation about Water Efficiency and highlighted the work of the Wales Water Efficiency Group. A summary of the benefits of water efficiency was provided along with some helpful links to further information. Members also had the opportunity to ask questions.
5. Sue Ginley (NRW) joined the meeting to provide an overview and update on NRW's Corporate Plan. Members were informed of an upcoming opportunity to provide feedback and comments on the NRW Corporate Plan.

6. Nick Thomas (NRW) gave a brief presentation on Nature Networks, which is part of NRW's work to bring Sites of Special Scientific Interest (SSSIs) into better condition. This work also has a key focus on Land Management Agreements.
7. All WLMF members had the opportunity to share updates from their own organisations.
8. Members were informed of a potential Wildfire Conference/Extreme Weather planning workshop or Climate Change Conference in 2023 prior to the wildfire season in March. This workshop/conference would be for land managers, policy makers, etc with a mixture of workshops, presentations and stands so that people can showcase the work they have been doing in preventive action and sustainable management of the landscape within Wales. The Healthy Hillside team within NRW are currently looking into the logistics of where and how (in-person with possible hybrid function) to host the conference.
9. The next WLMF meeting will be held on Monday 5th December 2022.
10. Once the meeting minutes have been reviewed and formally agreed by members, they are published on the WLMF page on the NRW website.

## WLMF Sub Group on Agricultural Pollution

11. The primary purpose of the WLMF Sub Group is to identify opportunities to eliminate agricultural pollution in Wales whilst maintaining a thriving farming sector following five key themes (advice & guidance, voluntary approach, regulation, innovation, and investment), and working in collaboration with a range of agricultural and environmental stakeholders.

[Natural Resources Wales - Wales Land Management Forum \(WLMF\) Sub Group on Agricultural Pollution](#)

## Updates

### 19<sup>th</sup> September 2022 Meeting

12. Following the death of Her Majesty Queen Elizabeth II, it was confirmed that Monday 19th September 2022 would be a National Bank Holiday for Her Majesty's State Funeral. Consequently, this WLMF Sub Group meeting was postponed, and written updates were circulated to members.
13. Written updates for September included information regarding the following:
  - WLMF Sub Group Alternative Measures Task & Finish Group Report
  - Special Areas of Conservation (SAC) Rivers Update
  - NRW Corporate Plan to 2027

## 17<sup>th</sup> October 2022 Meeting

14. This meeting included an extensive discussion regarding Lesley Griffiths' (Minister for Rural Affairs, North Wales and Trefnydd) written statement on the Cooperation Agreement: Agricultural Pollution (published on 5<sup>th</sup> October 2022) – [Welsh Government: Written statement - Cooperation Agreement: Agricultural Pollution](#). Members were keen to understand how the written statement and next steps would impact farmers in Wales. Welsh Government provided clarification.
15. Welsh Government delivered a presentation on Ammonia in Wales which included an overview of the National Emissions Ceilings Regulations 2018 and a summary of ammonia emission trends in Wales.
16. Caroline Hawkins (NRW) joined the meeting to provide an overview and update on NRW's Corporate Plan. Members were informed of an upcoming opportunity to provide feedback and comments on the NRW Corporate Plan.
17. There was a group discussion about priorities. Prior to the meeting, members were asked 'what are your organisation's main priorities regarding agricultural pollution?' and were given an action to share one or two priorities from their individual organisation linked to tackling agricultural pollution in Wales (including any examples of actions undertaken by their organisation). The purpose of this ask was to make sure that the WLMF Sub Group evolves and has direction going forward to tackle agricultural pollution that will meet the group's main themes. Those who were unable to attend the meeting were asked to email their written action for it to be read out during the meeting.
18. A brief update was provided on the Small Business Research Initiative (SBRI) Expression of Interest (EOI) which has been submitted with the challenge of 'Nutrient Efficiency'. An overview of the next steps was discussed including how the process could be funded.
19. The next WLMF Sub Group meeting is scheduled for Monday 21<sup>st</sup> November 2022.
20. Once the meeting minutes have been reviewed and formally agreed by members, they are published on the WLMF Sub Group page on the NRW website.

## NRW Board Paper

<b>Date of meeting:</b>	16 November 2022
<b>Title of Paper:</b>	Finance Performance Report
<b>Paper Reference:</b>	22-11-B10
<b>Paper sponsored by:</b>	Rachael Cunningham, Executive Director of Finance and Corporate Services
<b>Paper prepared by:</b>	Rob Bell, Head of Finance; Mark Collins, Business Finance Manager
<b>Paper presented by:</b>	Rob Bell, Head of Finance; Mark Collins, Business Finance Manager
<b>Purpose of the paper</b>	Approval (Change in forecast) / Discussion (Financial Performance)
<b>Summary</b>	<p><b>To approve:</b></p> <p>A revision to the forecast – from £235.6m to £235.8m.</p> <p><b>To consider</b></p> <p>Financial performance to the end of September 2022.</p>

## Background

1. There is a separate paper for approvals.

### Financial Performance to 30 September 2022

2. The Finance Report provides detail on progress across the different types of income, expenditure, and programmes. Annex A summarises the key messages in respect of:
  - Performance to end of September 2022, compared to the latest forecast.
  - Risks to us being able to spend within our funding levels.
  - Commentary by exception on how we are progressing against forecast for the different types of expenditure.
  - Forecast changes.

There is one part of the report that is still being developed - an analysis of non-staff costs.

3. In previous meetings we have explained significant changes to our forecasted funding/income this financial year – mainly in relation to the Flood Capital Programme, Timber and other types of commercial income. This resulted in the forecast reducing to £235.6m. This month, the forecast moved marginally to £235.8m.
4. Income at the end of September was £100.8m which is above the forecast to date (£100.5m) – 0.3% variance. Expenditure was £95.7m against a forecast of £96.1m – 0.4% variance and 40.6% of the budget. Although expenditure is on profile, I am concerned that we will be overspent at the end of this financial year for reasons outlined in this report. The same time last year, we had expenditure of £85.4m (37.6% of annual budget).
5. Key messages regarding our income performance as at the end of September are:
  - Timber income is £17.7m and in line with the revised forecast to date of £17.5m, and at this stage we are predicting that the outturn will reach £36m and may exceed it (marginally). All but one month's despatches from the forest have been in the range of £3m to £3.2m. Obviously there is a further risk given the current economic situation, which we will closely monitor.
  - All subsistence charges have been issued for the financial year and we have seen some relatively small increases in some regimes, and forecasts will be updated accordingly in October.
6. Key messages regarding our expenditure performance are:
  - Staff – spend to the end of September was £50.5m against a budget of £51.8m. The underspend is reflective of staffing levels running at a vacancy rate of approximately 11% against a budget of 6% although a considerable amount of the vacancies is in ring-fenced project-related posts. That said, we have spent £4m more on staff costs than the same time last year. Directorates have been re-prioritising salary savings due to the impact that vacancy levels will be having on delivery, taking into consideration the funding source.
  - Non-Staff budgets – overall the budget is fairly similar to last year's with a lot of fixed costs included. It also includes more variable elements such as Forest Operations. We are slightly ahead of budget at the end of September (2%) and we are over £2m ahead of where we were this time last year.
  - Overall, we have £64m budgeted for capital and revenue projects – although reduced because of the Flood Capital Programme, this is still 15% more than we spent last financial year (£55.6m). We have spent £3.6m more than we did this time last financial year.
    - Flood Capital Programme – now that we have reduced the forecast to £17.0m, the current level of over-programming is £3.9m. The programme is progressing well and the team feel that this is the minimum we can spend. We will consider approaching Welsh Government (WG) for an increase once we are more confident of this position. Spend is £5.5m against £4.9m forecast to date against the core programme budget of £14.5m.
    - Non-Flood Capital Programme – 3rd year of this programme. Spend is as per budget at this stage of the year (£3.1m). We anticipate using the full

year budget. Overall budget is £15.5m, and the most likely outcome is spend of approximately £15.6m.

- Externally funded projects – we now have several projects in progress at the same time, resulting in an overall budget of £8.4m. Expenditure to date is £2.3m and slightly ahead of plan (£2m).
- ICT D&I budget is currently £6.8m, with spend to date of £2.9m, which is ahead of budget by £0.4m - the programme is very over-subscribed this year and will need to be managed.

7. Contained within the expenditure budgets are:

- Undistributed project budgets of £0.4m (revenue). This is due to project budgets allocated that have not been assured and therefore project codes not allocated.
- We have a pay provision for the 2% pay award (£2.1m), and budgets approved for posts not yet created (£1.2m), which presents a risk in the delivery of those priorities and for the overall salary budget (these are part of the salaries forecast review which is just concluding).
- The central level of over-programming is approximately £4m. There is also an inflation contingency of £0.5m.

## Risks and opportunities

8. We hold a risk in the Finance and Corporate Services Risk Register for 'in year spend'. This also links to SR01 (Insufficient Funding – Medium Term). With a larger budget this year, there is a slightly increased risk to utilising the budget – but the increase is mostly funded from WG 'ring-fenced' programme budgets and, if we forecast early enough, then WG will be able to take appropriate action.

9. We currently have three significant pressures on our budget, which are addressed in this paper:

- Reduction in timber income and WG's view that the Forest Holiday receipt should be netted off the additional Grant in Aid promised in the "Letter of Comfort".
- Affording the pay award increase from 2% to 4%. We are in the process of concluding the review of the salary budget.
- We still have a £4m over-programming embedded into the budget. That has not reduced and there are not many risks of underspend being signalled. I would much prefer for that to be nearer £2m-£3m at this stage of the year.

### Timber Income / Forest Holiday receipt

10. We are due to receive the income from the sale of Forest Holidays, but we have not yet included it within our forecast. We have submitted a paper to WG recommending that we retain it, to offset the reduction in timber income. WG's current position is that this receipt should be netted off the additional Grant in Aid promised at the beginning of the year (£7.1m). That will mean that we will need to find in year reductions to our budget, but we are hopeful this can also be offset by further increases in timber and other commercial income over the next six months.

11. It is our understanding that we will receive formal confirmation allowing us to draw down the additional £7.1m funding from WG that was promised in the letter of comfort (but reduced for the sale of the Forest Holidays to £5.3m).

### **Pay Position**

12. We have undertaken a review of our staff budgets for the remainder of the year. We are still finalising the calculations and we want the individual Directors to approve before sharing more widely. We will conclude before the end of October and MyNRW updated accordingly. Our initial calculations are suggesting that we can afford the 4% pay award but any further salary savings (if any) should really be used to reduce over-programming. We are awaiting the outcome of WG's pay offer. This has implications on next year's budget. We still need to confirm how much of the National Insurance savings we can retain. I would expect to retain the element that is related to charges as a minimum.
13. No additional funding is being provided by Welsh Government.

### **Overall Position**

14. We began the financial year with over-programming of £4m. We have yet to see any return of budget (due to slippage) with budgets being re-invested as allowed. Usually, we would plan on over-programming of £3m but increased that due to the higher budget this year. But, with the reduction in timber income and WG's plans to net the £1.8m reduction against the £7m income, I am concerned about our ability to meet this level of over-programming on top of the £1.8m now being deducted from the additional Grant in Aid.
15. Finance will quickly assess how much potential there is for underspends or increase in income in the remaining budget. In the meantime, I recommend that any other underspends identified this year are returned to Finance to offset against over-programming. No new projects / pieces of work should be allocated new budgets.
16. We are also aware of other pressures in respect of inflation that will need to be taken into consideration.
17. We will then re-visit to understand whether anything needs to be stopped to enable us to spend within budget.

### **Wider implications**

18. The wider implications are:
  - (a) **Finance:** This report is about the financial performance of NRW.
  - (b) **Wellbeing of Future Generations Act (WBFGA):** Every component of the budget contributes to one or many of our Wellbeing Objectives.

## Next Steps

19. We encourage budget and project managers to notify Finance of any changes to forecast which can then be considered within Leadership / Directorates.
20. Finance will review risks within the budget every month and instigate targeted re-forecasting where we are aware that changes are required. We will also undertake more significant re-forecasting exercises on a periodic basis for items such as staff budgets. Programmes such as D&I, Flood and Non-Flood Capital are re-forecasted every month. Following the review of salaries' budgets in September, we will now focus on other risks to understand how much we can reduce the level of over-programming by.
21. This report will be presented to Executive Team, Leadership Team and WG Sponsorship meeting as well as the Board.
22. If there are any re-prioritisation decisions, they will be communicated through Finance in a timely manner and will be in line with Managing our Money.
23. This report is produced every two months for the Board. The financial performance annex is produced every month for Executive Team.

## Recommendation

24. Board to scrutinise financial performance to end of September 2022.
25. Board to approve change to bottom line forecast is increased to £235.8m.

## Index of Annexes

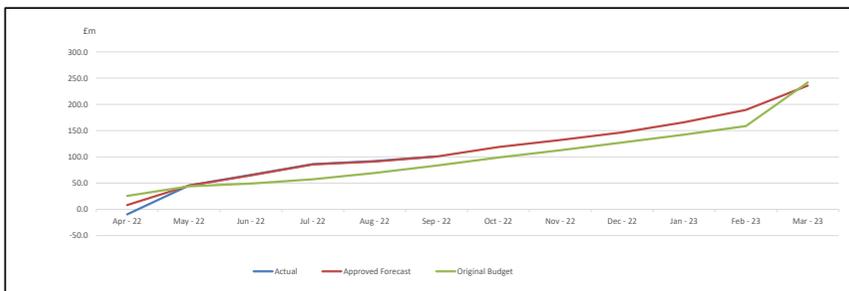
Annex A – Financial Performance Report

## NRW Board & Executive Team Budget Performance Report as at September 2022

### SECTION 1: NRW Financial Performance Summary

Section 1. Summary	Actual YTD £m	Approved Forecast YTD £m	Variance YTD £m	Var YTD %	Approved Forecast FY £m	Remaining Budget %	Original Budget FY £m	Commentary
Income	100.8	100.5	0.3	0.3%	235.8	57%	241.9	Income to date is in line with the budget. During September anticipated income for the year has risen by £0.2m to £235.8m. The key changes relate to an increase in WG grants (£0.9m) and charges (£0.1m) and a reduction in European funding (£0.8m). We are continuing to re-assess European income in October and expect that to increase again. We have not yet accounted for the forest holiday receipt in our forecast and WG's current position will be to net-off the £1.8m against our additional £7.1m Grant in Aid, promised in the Letter of Comfort. We have retained the timber income forecast at £36m, but that is being reviewed and may increase marginally.
Expenditure	95.7	96.1	0.4	0.4%	235.8	59%	241.9	Expenditure to date is progressing to profile although there are variances between the different types of expenditure. There are risks to our overall outturn which I have outlined below in the key messages section and the cover paper. Expenditure was £95.7m against a forecast of £96.1m – 0.4% variance and 40.6% of the budget spent. Although expenditure is on profile, I am concerned that we will be over-spent at the end of this financial year for reasons outlined in this report. The same time last year, we had expenditure of £85.4m (37.6% of annual budget).

Income



Expenditure



### SECTION 1.2:

#### Key messages on budget position

We currently have 3 significant pressures on our budget:

- Reduction in timber income and WG's view that the forest holiday receipt should be netted off the additional Grant in Aid promised in the "Letter of Comfort". Risk = £1.8m. In mitigation, we are expecting some commercial income streams to increase in forecast but not to £1.8m.
- Affording the pay award increase from 2% to 4%. We are in the process of concluding the review of the salary budget. Our initial expectations are we expect to be able to afford the 4% pay award but little else.
- We still have a £4m over-programming embedded into the budget. That has not reduced and there are not many risks of underspend being signalled. I would much prefer for that to be nearer £2-£3m at this stage of the year. Finance will focus on non staff related budgets in October and November and recommend that any further budget reductions are returned to Finance.

### SECTION 2:

#### NRW Financial Performance - by Account Type

Section 2.1:	Actual YTD £m	Approved Forecast YTD £m	Variance YTD £m	Variance YTD %	Approved Forecast FY £m	Remaining Budget FY %	Original Budget FY £m	Commentary
<b>INCOME by Account Type</b>								
Charges	28.4	27.7	0.6	2%	39.2	28%	39.0	Charges ahead of profile by £0.6m due to EPR Water Quality and Installation subsistence income. This is likely to lead to an increase in the full year forecast with this income available to be used for the benefit of those income streams.
Commercial	26.3	26.4	0.0	0%	58.7	55%	59.1	
European & external	1.8	1.8	0.0	0%	8.4	78%	9.6	
Grant in aid	44.3	44.5	-0.2	0%	127.9	65%	133.9	
Brought forward	0.0	0.0	0.0	0%	1.7	100%	0.3	
<b>TOTAL: NRW</b>	<b>100.8</b>	<b>100.5</b>	<b>0.4</b>	<b>0%</b>	<b>235.8</b>	<b>57%</b>	<b>241.9</b>	

Section 2.2:	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE by Account Type	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Staff	50.5	51.8	1.3	2%	108.8	54%	104.6	Vacancy levels have increased in September to 11% (increase of 28.4 fte vacancies) compared to budgeted level of 6% resulting in an underspend £2.9m, of which £1.6m relates to core posts where Directorates have reviewed the latest forecast to year and incorporating any re-purposing to meet their delivery targets. The other significant variance is in respect to staff costs for projects (£1.4m behind profile) - the impact will need to be considered by programme and project managers. The results of the salary forecast review are being concluded and will be approved by individual Directors. We expect that to fund the increase in pay award to 4% and forecast changes will be processed in October.
Non Staff	25.3	24.9	-0.5	-2%	63.0	60%	64.2	Non Staff costs are slightly ahead of the year to date profile, predominantly linked to Land Stewardship & Projects Delivery costs within Operations (£0.4m & £0.2m over spent respectively), which is offset slightly by an under spend of £0.1m within EPP, split across a number of areas.  The Land Stewardship allocation within Operations is being reviewed. The over-programming has been set at a relatively high level given the reduction in timber income, and is unlikely to be met without reductions in the programme due to WG current position on us retaining the Forest Holiday sale. In mitigation, we are hopeful that timber and energy income might exceed the current forecast (£36m).  The impact of inflation on building costs are being assessed and is likely to use up all of the inflation contingency.
Revenue Projects	6.0	5.6	-0.3	-6%	19.9	70%	21.9	The key variances relate to ICT D&I over programming & Glasir. The D&I element will need to be assessed against the whole (capital and revenue) programme, restructuring to ensure it is affordable. Glasir over spend is just a timing issue with the budgets only reflecting 3 months of European Funding, rather than 6. This will be corrected for future reporting. For the remainder of the year this is funded through WG grants.
Capital Projects	13.9	13.7	-0.1	-1%	44.0	69%	51.3	Whilst the current spend is in line with the budget, there still exists considerable over programming: Flood (£3.9m), Nature & Climate Emergencies (NaCE) (£3.4m) & ICT (£0.7m). The Flood capital programme is progressing well and the team feel that this is the minimum we can spend. We will consider approaching WG for an increase once we are more confident of this position. The NaCE over-programming balance is reducing each month and we are confident that the outturn will be in line with funding. The ICT position probably poses the greatest risk of over spend - it is over subscribed.
<b>TOTAL: NRW</b>	<b>95.7</b>	<b>96.1</b>	<b>0.4</b>	<b>0%</b>	<b>235.8</b>	<b>59%</b>	<b>241.9</b>	

**Expenditure Performance further analysed:**

Section 2.2.1 :	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE - Staff by Detail Account	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Trajectory	53.6	56.5	2.9	5%	118.6	55%	112.0	Vacancy turnover is running over target by 5% and Directorates have been re-prioritising some of the underspends towards achieving their delivery targets. We have budgeted for a 2% pay award this year and the 4% offer will need to be afforded. The results of the salary forecast review are being concluded and will be approved by individual Directors. We expect that to fund the increase in pay award to 4% and forecast changes will be processed in October.
Workforce Recharges	-5.8	-7.4	-1.6	21%	-15.8	63%	-13.1	This is mainly due to vacancies on posts funded directly from projects (£1.4m), the impact of which will need to be assessed within the overall project forecast. The small remaining balance is mainly due to rechargeable works being behind budgeted profile.
Other Staff	2.8	2.8	0.0	0%	6.1	55%	5.6	
<b>TOTAL: NRW Staff</b>	<b>50.5</b>	<b>51.8</b>	<b>1.3</b>	<b>2%</b>	<b>108.8</b>	<b>54%</b>	<b>104.6</b>	

Section 2.2.3 :	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE - Revenue Projects by Programme	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Revenue Project Programme - Core Activities	0.2	0.2	0.0	10%	0.9	78%	0.9	
Revenue Project Programme - Options Fees	0.8	1.2	0.3	29%	2.4	65%	2.4	Delay in the acquisition of the land for compensatory planting.
Revenue Project Programme - External Funded	2.0	1.7	-0.3	-16%	6.0	67%	6.0	The current over spend is predominantly linked to a number of waste projects (£0.1m) & Glasir (£0.2m) within EPP. The Glasir element is just a timing issue with the budgets only reflecting 3 months of European Funding, rather than 6, with the waste projects awaiting funding from charge balances. These will be corrected for future reporting.
Revenue Project Programme - Flood Risk	0.0	0.0	0.0	0%	0.1	69%	0.1	
Revenue Project Programme - Grants & Partnership	0.1	0.0	-0.1	-100%	2.7	98%	2.7	This is a risk area with limited spend to date (2%) against the £2.7m full year forecast. Although the profile for grant spend is predominantly in Quarter 4.
Revenue Project Programme - WG funded	0.0	0.0	0.0	0%	0.2	100%	0.0	
Revenue Project Programme - Nature & Climate Emergencies (NaCE)	0.2	0.2	0.0	19%	1.1	86%	0.3	Whilst the year to date spend is in line with the budget, there is still 86% of the full year budget remaining but we expect to use the full budget.
Revenue Project Programme - WG Grants	0.5	0.5	0.0	-3%	1.6	70%	1.7	
Revenue Project Programme - Reservoir Compliance	0.0	0.1	0.0	39%	0.2	83%	0.3	
Revenue Project Programme - Land Stewardship	0.3	0.4	0.1	27%	0.9	71%	1.1	Predominantly linked to Bala Plynio Coups project in NW Wales.
Revenue Project Programme - ICT D&I	0.4	0.0	-0.4	0%	0.0	0%	0.0	Currently there is no revenue funding for D&I projects. We are looking at the possibility of recategorizing the projects and potentially moving them to capital, although given the pressures on the capital D&I budget, this will further increase the pressures on that income stream.
Revenue Project Programme - Unfunded Pressure Bid (Internal funded)	0.9	0.9	0.0	2%	1.7	45%	0.9	
Revenue Project Programme - Other	0.5	0.4	-0.1	-15%	1.3	62%	0.9	
Revenue Project Programme - Water Resource Projects	0.1	0.1	0.0	35%	0.4	84%	0.4	Genuine delay in the spend due to availability of contractors.
Revenue Project Programme - Unallocated Balances	0.0	0.0	0.0	0%	0.4	100%	4.2	
<b>TOTAL: NRW</b>	<b>6.0</b>	<b>5.6</b>	<b>-0.3</b>	<b>-6%</b>	<b>19.9</b>	<b>70%</b>	<b>21.7</b>	

Section 2.2.4 :	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE - Capital Projects by Programme	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Capital Project Programme - Options Fees	0.7	0.7	0.0	0%	3.0	76%	3.0	
Capital Project Programme - WG Funded	0.1	0.1	0.0	-2%	0.1	49%	0.0	
Capital Project Programme - Land Stewardship	0.9	1.1	0.2	22%	2.8	68%	3.1	Reservoir compliance programme slightly behind planned profile, although a number of outstanding consultancy costs will reduce the current variance. This area underspent last year. Any reductions will help fund the over-programming in Land Stewardship due to the reduction in timber income.
Capital Project Programme - External Funded	0.3	0.3	0.0	8%	1.5	82%	2.3	
Capital Project Programme - Flood Risk	5.5	4.9	-0.6	-13%	14.5	62%	18.7	The over programming has increased slightly from last month, now standing at £3.9m. This is mainly due to an increase in the Stephenson Street project (£800k). The flood capital programme is progressing well and the team feel that this is the minimum we can spend. We will consider approaching WG for an increase once we are more confident of this position.
Capital Project Programme - WG Grants	0.1	0.1	0.1	0%	0.9	92%	0.9	
Capital Project Programme - Nature & Climate Emergencies (NaCE)	3.1	3.1	0.1	2%	12.6	76%	14.1	The Programme funding has reduced by £0.4m, reducing the forecast to £15.5m (inclusive of overheads). The level of over programming has reduced by £1.2m from last month, and is likely to reduce as we enter last 6 months of the year and spend should be in line with what's available within the programme.
Capital Project Programme - Other	0.4	0.5	0.0	8%	0.8	48%	1.1	
Capital Project Programme - ICT D&I	2.4	2.5	0.1	4%	6.8	65%	6.3	Whilst the current position is in line with the budget, there is an overprogramming balance of £0.7m.
Capital Project Programme - Water Resources Project	0.3	0.4	0.2	41%	1.0	75%	1.8	Genuine delay in the spend due to availability of contractors. Likely to under spend based on the current programme, which puts further pressure on next years project delivery.
Capital Project Programme - Unallocated Balances	0.0	0.0	0.0	0%	0.0	0%	0.1	
<b>TOTAL: NRW</b>	<b>13.6</b>	<b>13.7</b>	<b>0.1</b>	<b>1%</b>	<b>44.0</b>	<b>69%</b>	<b>51.3</b>	

**SECTION 3:  
NRW Financial Performance - by Directorate**

Section 3.1:	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
INCOME by Directorate	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Communications, Customer and Commercial	7.0	7.0	-0.1	-1%	18.3	62%	19.8	
Corporate Strategy & Development	0.2	0.2	0.0	7%	0.2	7%	0.0	
Evidence Policy & Permitting	2.3	2.2	0.1	6%	16.9	86%	16.4	Current income received is slightly ahead of the planned profile. Limited risk to the year end position.
Finance & Corporate Services	70.4	70.2	0.3	0%	149.5	53%	153.1	Charges ahead of profile by £0.6m due to EPR Water Quality and Installation subsistence income. This is likely to lead to an increase in the full year forecast with this income available to be used for the benefit of those income streams.
Operations	21.0	21.0	0.0	0%	50.9	59%	52.5	
<b>TOTAL: NRW</b>	<b>100.8</b>	<b>100.5</b>	<b>0.3</b>	<b>0%</b>	<b>235.8</b>	<b>57%</b>	<b>241.9</b>	

Section 3.2:	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE by Directorate	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Communications, Customer and Commercial	4.0	4.4	0.4	8%	15.5	74%	14.5	Predominantly linked to vacancies within core posts (£0.2m) and revenue project costs (£0.1m).
Corporate Strategy & Development	4.9	5.1	0.3	5%	11.0	56%	9.1	The current underspend is mainly due to staff costs (£0.3m under spent).
Evidence Policy & Permitting	28.2	26.1	-2.2	-8%	65.6	57%	60.0	The current overspend is almost solely due to capital projects (£2.4m over spent), mainly Flood (£2m) and NaCE (£0.3m) programmes. With the capital over programming budgets being held in EPP and delivery of the various projects split across NRW, one would expect to see an over spend at this time of year, which should reduce as we move towards year end. Revenue projects are inline with the year to date budget, non staff under spent by £0.1m and core staff costs under by £0.3m.
Finance & Corporate Services	12.4	12.6	0.3	2%	28.6	57%	33.3	Whilst overall the current Directorate position looks fine, there are some significant over programming figures with the revenue & capital ICT programmes (£1.4m overall) and inflationary pressures being assessed.
Operations	46.2	47.9	1.7	4%	115.1	60%	125.1	Overall, the Directorate is £1.7m under spent, predominantly linked to capital projects (£1.9m under) - mainly Flood (£1.1m under), Reservoir Compliance (£0.2m) & the NaCE (£0.4m) programmes. The Flood under spend offsets over programming within EPP. Revenue projects are under spent by £0.1m linked to Land Stewardship funded projects in South Central Ops. Non staff costs are over spent by £0.6m, linked to Land Management activities across the majority of Operations (£0.4m) and Projects Delivery (£0.2m). The Projects Delivery element is only temporary, pending redistribution to the relevant projects. Core staff costs under spent by £0.3m.
<b>TOTAL: NRW</b>	<b>95.7</b>	<b>96.1</b>	<b>0.4</b>	<b>0%</b>	<b>235.8</b>	<b>59%</b>	<b>241.9</b>	

**Expenditure Performance further analysed:**

Section 3.2.1 :	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget
EXPENDITURE by Leadership Team	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m
Head of Finance	-1.5	-1.5	0.0	1%	-3.8	60%	1.5
Head of Legal Services	0.9	1.0	0.0	5%	1.9	52%	1.9
Head of Sustainable Commercial Development	1.6	1.8	0.2	10%	9.9	84%	9.4
Head of ICT	7.4	7.3	-0.1	-1%	18.2	59%	17.6
Head of People Management	1.0	1.1	0.1	5%	2.5	60%	2.0
Head of Business Support Services and Adlywio	6.2	6.4	0.3	4%	13.0	52%	13.4
Head of Communications and Digital Transformation	1.1	1.1	0.1	5%	2.5	57%	2.2
Head of Organisational Development	1.2	1.3	0.1	9%	2.8	57%	2.1
Head of Governance and Board Secretary	0.9	1.0	0.1	9%	1.8	49%	1.9
Head of Natural Resource Management Policy	13.8	13.4	-0.4	-3%	35.9	61%	38.6
Head of Regulation & Permitting	4.6	4.4	-0.2	-4%	10.4	56%	8.7
Head of Knowledge & Evidence	2.8	2.8	0.1	2%	6.1	54%	5.8
Head of Flood & Incident Response Management	3.8	1.5	-2.3	-147%	4.9	23%	-3.1
Head of Land Stewardship	2.1	2.5	0.4	16%	5.6	63%	7.4
Head of Operations - North East Wales	5.1	5.7	0.6	10%	13.3	61%	11.5
Head of Operations - Mid Wales	6.6	6.8	0.1	2%	15.6	57%	15.4
Head of Operations - North West Wales	5.4	5.2	-0.2	-3%	11.7	54%	10.7
Head of Operations - South Central Wales	12.2	13.4	1.2	9%	32.7	63%	18.3
Head of Operations - South East Wales	5.0	5.0	0.0	1%	10.5	52%	9.5
Head of Operations - South West Wales	8.7	8.2	-0.5	-6%	22.0	61%	24.7
Head of Operations - Development, Planning & Marine Services	2.9	2.8	0.0	-1%	7.6	62%	6.4
Director Of Finance & Corporate Services	0.1	0.1	0.0	28%	0.2	64%	0.2
Director Of Operations	0.2	0.7	0.5	66%	1.7	86%	28.6
Director Of Evidence Policy & Permitting	1.1	1.4	0.2	15%	2.7	57%	2.5
Director Of Corporate Strategy & Development	0.1	0.1	0.0	9%	0.2	45%	0.2
Director Customer Communications & Commercial	0.7	0.8	0.1	12%	1.7	58%	1.6
Head of Customer	0.7	0.7	0.0	6%	1.4	53%	1.3
Head of Internal Audit and EMS	0.2	0.2	0.1	26%	0.6	68%	0.5
Head of Corporate Strategy & Programme Management Office	0.7	0.6	-0.1	-10%	1.8	61%	1.0
Head of Business Transformation	0.1	0.1	0.0	0%	0.4	85%	0.0
<b>TOTAL: NRW</b>	<b>95.7</b>	<b>96.1</b>	<b>0.4</b>	<b>0%</b>	<b>235.8</b>	<b>59%</b>	<b>241.9</b>

Section 3.2.2 :	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Remaining Budget	Original Budget	Commentary
EXPENDITURE - Staff Trajectory by Directorate	YTD £m	YTD £m	YTD £m	YTD %	FY £m	FY %	FY £m	
Head of Sustainable Commercial Development	2.8	3.1	0.3	9%	6.3	56%	6.2	Staff costs are below budget due to level of vacancies, Directorate Leadership have reviewed the latest forecast to the year end and will be reviewed by Directors before amending. Staff budgets will be amended accordingly during October.
Head of Legal Services	3.4	3.4	0.0	1%	7.2	53%	6.5	Current vacancy levels in line with budget.
Head of Natural Resource Management Policy	15.5	16.4	0.9	5%	33.7	54%	31.3	Staff costs are below budget due to level of vacancies, Directorate Leadership have reviewed the latest forecast to the year end and will be reviewed by Directors before amending. Staff budgets will be amended accordingly during October.
Head of Finance	1.3	1.5	0.3	18%	6.0	79%	5.9	Staff costs are below budget due to level of vacancies, Directorate Leadership have reviewed the latest forecast to the year end and will be reviewed by Directors before amending. Staff budgets will be amended accordingly during October. The percentage variance is skewed because F&CS hold the LGPS pension credit budget.
Head of Operations - North East Wales	30.6	32.0	1.4	4%	65.3	53%	62.2	Staff costs are below budget due to level of vacancies, Directorate Leadership have reviewed the latest forecast to the year end and will be reviewed by Directors before amending. Staff budgets will be amended accordingly during October.
<b>TOTAL: NRW</b>	<b>53.6</b>	<b>56.5</b>	<b>2.9</b>	<b>5%</b>	<b>118.6</b>	<b>55%</b>	<b>112.0</b>	

#### SECTION 4: NRW Changes to Full Year Forecast

Section 4.1: INCOME	Opening Budget	August Approved Forecast	September Approved Forecast	Change In Forecast
by Funding Type	£m	£m	£m	£m
Charges	39.0	39.0	39.2	0.1
Commercial	59.1	58.7	58.7	0.0
European & external	9.6	9.2	9.4	-0.3
Grant in Aid	133.9	127.0	127.8	0.9
Brought forward	0.3	1.7	1.7	0.0
<b>TOTAL: NRW</b>	<b>241.9</b>	<b>235.6</b>	<b>235.8</b>	<b>0.2</b>

Section 4.2: EXPENDITURE	Opening Budget	August Approved Forecast	September Approved Forecast	Change In Forecast
by Directorate	£m	£m	£m	£m
Communications, Customer and Commercial	14.5	15.9	15.5	-0.4
Corporate Strategy & Development	9.1	10.9	11.0	0.1
Evidence Policy & Permitting	60.0	64.7	65.6	0.8
Finance & Corporate Services	33.3	29.6	28.6	-1.0
Operations	125.1	114.5	115.1	0.6
<b>TOTAL: NRW</b>	<b>241.9</b>	<b>235.6</b>	<b>235.8</b>	<b>0.2</b>

#### Section 4.3:

- 1) Income change (Charges) - Increase in 2 charge regimes income forecasts (£0.1m).
- 2) Income change (Grant in Aid) - Additional WG grant funding for Inland Bathing Water (£0.1m), 4Rivers for LIFE (£0.1m), Gamebirds (£0.2m), WG Waste reform and delivery (£1m) offset by NaCE programme reduction (£0.4m).
- 3) Income change - (European & external) - Review of external funding projects (£0.8m reduction).
- 4) Expenditure change - CCC - mainly due to the transfer of wind energy funding to Land Stewardship (EPP) (£0.5m).
- 5) Expenditure change - FCS - mainly movement in contingencies budget.
- 6) Expenditure changes - Ops - Additional NaCE and FCRM/W/R capital programme allocations (£0.8m and £0.3m respectively), WG funding for 4 Rivers for LIFE (£0.1m) offset by a reduction in external funding projects (£0.7m).
- 7) Expenditure change - EPP - Mainly additional WG Grant funding for Gamebirds, Waste Reform & NRW Delivery and Glastir project funding (£1.8m) offset by a reduction in NaCE programme - mainly allocated to Operations (£1.1m).

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## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2022
<b>Title of Paper:</b>	Business Plan Performance Dashboard 2022/23 and Internal Performance Report 2022/23
<b>Paper Reference:</b>	22-11-B11
<b>Paper sponsored by:</b>	Clare Pillman, Chief Executive
<b>Paper prepared by:</b>	Sioni Davies (Advisor, Corporate Planning and Performance); Caroline Hawkins (Corporate Planning, Performance and Strategic Assessment Manager)
<b>Paper presented by:</b>	Executive Team
<b>Purpose of the paper</b>	Scrutiny
<b>Summary</b>	<p>The Board is requested to scrutinise NRW performance for the second quarter of 2022/23 and specifically consider:</p> <ul style="list-style-type: none"> <li>• Progress against each measure reported on the Business Plan Performance Dashboard</li> <li>• Progress against each measure reported on the Internal Performance Report</li> </ul>

## Background

1. The Business Plan Performance Dashboard is one of the Board's principal means of scrutinising delivery. It was developed in parallel with the of 2022/23 Business Plan working with the Board, Executive Team and Leadership Team. The annual Business Plan relates to our Corporate Plan to March 2023; our new Corporate Plan will be published in Spring 2023. The performance measures shown within this Quarter 2 Report and supporting dashboards reflect the work we are undertaking with the resources we have available in 2022/23 and is separate to the wider focus of the Baseline Exercise.
2. The Business Plan Dashboard Performance Report can be seen at Annex 1 and consists of a:

- **Dashboard** providing an overview of performance against the 2022/23 measures set out by the strategic priorities reflected in our Business Plan.
  - **Topics index** set out by strategic priority to help navigate the report.
  - **Summary for each Topic** reflecting progress across the area of work.
  - **Details for each specific measure** with their year-end position.
3. The Internal Performance Report can be seen at Annex 2 and covers 11 internally focused measures.

## Assessment

4. The current employment market with low unemployment, means that all sectors of the economy (private, public and third) are reporting difficulties recruiting into roles traditionally easy to fill. This important context explains some of the difficulties we are experiencing across the organisation in recruiting staff and the impact it is having on the delivery of some of our measures. Reflecting the importance of this issue, work is in train to radically overhaul our recruitment process through technology, process re-engineering, establishment of placement opportunities, reducing reliance on fixed term appointments as well as changing how we sell the benefits of working for NRW. This new focus will be supported through a new Talent Acquisition specialist, who will be tasked with taking a more strategic view of our organisational recruitment requirements and practices. We are updating the People and Remuneration Committee (PaRC) on a regular basis on the development and implementation of our People Transformation Programme, including the workstreams relating to recruitment.
5. The Board is requested to scrutinise the Business Plan Performance Dashboard Report, noting the key issues below. Further detail can be found in the report itself (Annex 1):

	Quarter 1 (1 April – 30 June 2022)	Quarter 2 (1 July to 30 Sept 2022)	Quarter 3 (1 Oct – 31 Dec 2022)	Expected Year End (to 31 <sup>st</sup> March 2023)
Red	1	2		1
N/A	1	0		1
Amber	6	12		6
Green	23	17		23
<b>Total</b>	<b>31</b>	<b>31</b>		<b>31</b>

6. **Two measures are Red.** These are:

- **Delivering targeted action for declining species or those on the edge of extinction**

Our milestone for this measure is complete the review of NRW's Conservation Translocations Policy and Process (moving / reintroducing populations of particular species to particular sites). We have not completed this activity. We expected to be Amber in Q2 and although this work has started it has been delayed because of staff changes. We have now successfully recruited into a new Species Policy Fixed Term Appointment to enable this work to be progressed. Our milestone for the next

reporting period is agree the programme of work to deliver NRW actions within the Wales Action Plan for the Recovery of Curlew. We expect to complete the work and be Green by the end of Q4.

- **Complete re-design of our freshwater quality monitoring network**

Our milestone for this measure is to develop and publish the freshwater quality monitoring strategy. We have not completed this activity. Recruitment is in progress for a specialist officer to complete the monitoring network redesign work and lead the implementation work to follow in 2023-4 and 2024-5. Our milestone for the next reporting period is develop the implementation plan. Whilst we are on track to deliver the 2022-3 monitoring programme, the issues we have had finding a suitable candidate will delay the completion of the redesign of the freshwater monitoring network. We currently expect to be Red at year end.

7. **Twelve measures are Amber in Q2. These are:**

- **Support delivery of recommendations and actions from Renewable Energy deep dive**

We continue to implement many of the actions including completion of the review of resources needs and options for advice and consenting, agreeing a Forward Plan with the Joint Nature Conservation Committee (JNCC) to address transfer of offshore advisory powers to NRW and input to the End to End Review of Marine Licensing. The Service Level Agreement (SLA) resolution is not completed and is now past the deep dive delivery date, hence delivery is Amber. We expect to be Amber at year end as getting back to Green requires us to continue to work on resource needs to support the work.

- **Develop a low emission fleet and deliver a low emission and climate adapted built estate**

Our milestone for this measure is completion of our Accommodation Strategy – The Right Space in the Right Place - along with its associated long-term delivery plan with a focus on addressing the climate emergency. We are Amber as we have a draft strategy that needs revisions, and the delivery plan is still in development but will be completed by the end of October. We expect to be Amber at year end.

- **Permits and licences issued within statutory timescales**

Our milestone for this measure is 90% of permits and licences issued within statutory time period. We successfully issued 83.3% of permits within statutory timescales, but our permitting service is under pressure as we are experiencing difficulty recruiting suitable technical staff. We are currently developing options to improve the quality and quantity of applicants. We are also reviewing and updating guidance to help improve processes and application quality but given the pressures on our service the milestone is likely to be Amber at year end.

- **Category 1 and category 2 compliance breaches are subjected to further assessment**

Our milestone for this measure is 95%. We are tracking the follow up compliance effort for breaches which we identified between January 2022 and March 2022. We

recorded 21 category breaches during that period and over the subsequent six months carried out further compliance work for 19 of those breaches which includes production of casefiles and suspension of activity. We have ongoing compliance effort relating to the remaining two breaches which have exceeded the target of six months and are showing as Amber. For Q2, this gives a performance of 90%. We expect to be Amber in Q3 and Green by end of Q4.

- **Implement Flood Review recommendations / actions**

Following significant challenge and scrutiny at the Flood Recovery and Review Board, this milestone is not fully completed for this quarter. We have closed off two of the twelve Work Area Closure Reports. Two further Closure Reports are awaiting sign off, while five reports are drafted and currently being reviewed for approval. Once approved, these and the remaining Closure Reports will be signed off during October / November. We are on track to achieve our target of Work Area and Programme Closure Reports and expect to be Green by year end.

- **Maintain flood risk assets in high-risk locations at target condition**

Our target for this measure is 98% of the 3,500 or so flood risk assets in high-risk systems at target condition. This is a suitably challenging target to hit and maintain. We are at 97.9% at end of September 2022. This meant that 76 out of 3524 assets were below condition. Some of these need longer term projects to fix and we have a capital funded programme for these.

To be within target and Green, we need to have fewer than 70 assets not at target condition. We monitor performance monthly through the FRM Business Board dashboard. Between end of Quarter 1 and end of Quarter 2 we have made fixes to 19 assets but also 19 different assets have become below their required condition. This is a dynamic landscape.

Our target for the next reporting period is 98% of flood risk assets in high-risk systems at target condition. We currently expect we will be Green at year end, but it is a volatile measure as it depends on what is found in the inspections, and the year-end position cannot be predicted with certainty, particularly as we go into the winter period.

- **Produce Flood Risk Management Plans (FRMPs)**

Our milestone for this measure is FRMPs' consultation completed. Internal consultation has taken place, but the external consultation has been delayed due to resource constraints. A draft for consultation has now been translated and is due to be posted on the consultation platform by the end of October. Our milestone for the next reporting period is FRMPs published; this is unlikely to be delivered in the next quarter but should be achieved in Q4. We expect to be Green at year end, despite the delays to interim milestones.

- **UK Woodland Assurance Standard (UKWAS) Corrective Action Requests (CARs) and Observations Progress**

In 2021, we retained certification with fewer CARs than in 2020 and we want fewer still. We have therefore defined success as showing improvement rather than

simply retaining certification. Our auditors have closed both CARs from 2020. Closing all CARs before the next audit is good. However, routine internal audits have found gaps in the areas for focus by the UKWAS auditors. Additional CARs may be opened at the UKWAS audit. Our back to Green pathway is to close the internal CARs prior to the UKWAS audit and to continue to prepare staff and systems, now with weekly update meetings. This is helping. Nevertheless, we are currently not on track to achieve our year end milestone of fewer CARs open after this year's audit than after last year's audit. However, we are confident of retaining certification overall. We therefore judge that the performance so far is tolerable balancing this business area's work across all our strategic risks.

- **Response to environmental governance issues and liaison with Interim Assessor**

We have participated in an Interim Environmental Protection Assessor (Wales) (IEPAW) panel discussion at the Royal Welsh Show on hedgerow legislation in Wales and attended the first IEPAW stakeholder meeting to monitor and engage with third party stakeholders and their potential areas of interest. The Strategic Environmental Policy team has been established as a permanent resource to organise our work on environmental governance. This measure is Amber due to team members currently being recruited. We expect to be Green at year end.

- **Deliver programmes to review statutory water quality requirements**

Our milestone for this measure is to report the Urban Waste Water review findings and finalise ready for Ministerial sign-off the Dee and Western Wales River Basin Management Plans (RBMPs). We have completed the Ministerial sign-off of the Dee and Western Wales RBMPs. Due to delays in identifying a suitable external reviewer, we are in the final stages of completing the Urban Waste Water Review of sensitive areas. This will inform Welsh Government (WG) designation of these waters and any water company nutrient stripping requirements, which will feed into Periodic Review 24 (PR24) investment decisions. We expect to be Green at year end.

- **Deliver NRW input to the various Water Company Planning Programmes**

Our milestone for this measure is to notify PR24 requirements to water companies for inclusion in plans. Whilst not complete, we continue to work closely with Companies to identify environmental enhancement schemes required for funding through Ofwat's Price review. We continue to play an active role in the WG PR24 Forum and expect to be Green at year end.

- **Progress of our work to reduce pollution from metal mines**

Our milestone for this measure is to provide a progress update towards Q4 target showing number of assessments, designs, trials, and constructions in progress and completed. Some outputs have been delayed due to the need to understand potential further design refinements following ground investigations and to accommodate issues following external stakeholder consultation. We expect we will be Amber at year end but will strive to complete the Dylife outline designs to

achieve Green. We are planning the programme and work over multiple years to accommodate flexibility in delivery across the whole programme.

8. There are **17 measures** that are **Green** in Q2. Some to note are:

- **NRW progress on key deliverables for Special Areas of Conservation (SAC) Rivers Project**

We have completed this activity in that we published the updated planning guidance at the end of July which clarified a number of issues and approved the publishing of the nutrient neutrality principles on our website. Whilst we are currently on track to achieve a proportion of our year end milestone activity of reduced impact of nutrients especially in SAC rivers (and contribute to establishment and delivery of Nutrient Management Plans for SAC rivers) this may prove difficult to measure. Also, the Nutrient Management Boards are just being established, following changeover of Chairs after the Local Authority elections in May. Funding has now been secured by WG but having the Plans in place and delivering fully on them by the end of the financial year will be unlikely. We currently expect we will be Amber at year end.

- **Deliver against agreed actions for Year 1 of 'All Together' (Diversity and Inclusion Strategy)**

We have completed this activity. We have initiated 35% of Year 1 planned actions. Our Networks celebrated diversity through raising awareness of events on our Intranet and Yammer pages. Our newly recruited Equality Diversity & Inclusion (EDI) Lead Specialist is progressing the delivery of the Action Plan to support the All Together Strategy. Due to the time of joining, there may be some delay in delivery for Q3, but we anticipate catching up and will be Green by the end of the year.

- **Progress of Nature and Us / Natur a Ni programme**

Our milestone for this measure is to report on Phase 1 playback events; Overview of Phase 2 events, including key user groups involved; Report on initial visioning events. We have completed this activity and we have published the findings from Phase 1 in two reports. Our milestone for the next reporting period to draft a vision will not be completed but back on track in Q4 with the citizens assembly drafting the vision using the findings and Phase 2 engagement report produced in Q3.

9. The Board is requested to scrutinise the Internal Performance Report, noting the key issues below. Further detail can be found in Annex 2.

	Quarter 1 (1 April – 30 June 2022)	Quarter 2 (1 July to 30 Sept 2022)	Quarter 3 (1 Oct – 31 Dec 2022)	Expected Year End (to 31 <sup>st</sup> March 2023)
Red	1	1		0
Amber	5	3		3
Green	5	7		8
<b>Total</b>	<b>11</b>	<b>11</b>		<b>11</b>

10. Below are the measures to note for Q2. For further details, please refer to Annex 2.

- Although this measure for Active Monitoring is Red for Q2, a significant amount of work is being done to improve how we manage and capture our performance in this critical area of work. Management Information data will now compare the statistics from the current month to the same month in the previous year e.g., August 2021 compared to August 2022 to give a like-for-like view. The Well-being Health & Safety Team are currently working with teams in Operations to develop a bespoke active monitoring template that has mobile device update accessibility, ready for communications and launch in Q4. The template for non-operational activities (for support services teams) is already in place. This work will bring us back to Amber by year end.
- Sgws (priorities and development agreement) remains Amber at the end of September at 82%, up from 56% (Green is 90% or higher), a significant improvement on the position reported last quarter following managers' action on this. We still expect to be Green at year end.
- Payments performance to our suppliers remains Amber at the end of September (at 91%), up from 89% in Q1. We still expect to be Green at year end.
- In relation to non-compliance (enforcement response within NRW) this measure is Amber with three enforcement notices issued to NRW this year. Our ambition to meet Green is to have zero. Any response is reviewed internally and by our external auditors (e.g., for ISO14001 and UKWAS). Amber is still expected at year end, as this measure reports cumulatively through the year and cannot be turned around in year.
- Complaints responded to within 20 days is now Green, up from Amber in the last report, with no response made outside of this timescale (less than or equal to 5% is being considered Green). Green is currently expected at year end.

## Risks and opportunities

11. If the performance information provided does not accurately reflect progress towards delivery of the Business Plan, and the operation of NRW as an organisation, then the Board will be unable to fulfil their role to scrutinise delivery.

## Wider implications

- Finance:** There are no significant financial implications in providing the performance report itself, however part of our quarterly review obviously considers allocation of our resources and finance and performance papers are therefore closely linked.
- Equality:** The relevant Equality Impact Assessment covers our Well-being Statement, Business Plan 2022/23 and Corporate Plan up to 2023.

## Next Steps

12. Both Performance Reports will be discussed with Welsh Government and submitted to the Minister for Climate Change. They will be published on the Natural Resources Wales website.

## Recommendation

13. The Board is requested to scrutinise and agree the Business Plan Performance Dashboard report and the Internal Performance Report - and confirm suitability for publication.

## Index of Annexes

- Annex 1 – Business Plan Performance Dashboard 2022/23
- Annex 2 – Internal Performance Report 2022/23

## Annex 1: Business Plan Performance Dashboard 22/23 (to quarter 2)

The green, amber or red status\* of each of our Business Plan's dashboard measures.

### Responding to the climate emergency and the nature emergency...

Current	Measure	Year end	Page
Amber	<a href="#">Support delivery of recommendations and actions from Renewable Energy deep dive</a>	Amber	6
Amber	<a href="#">Develop a low emission fleet and deliver a low emission and climate adapted built estate</a>	Amber	7
Amber	<a href="#">Implement Flood Review recommendations / actions</a>	Green	9
Amber	<a href="#">Maintain flood risk assets in high risk locations at target condition</a>	Green	10
Green	<a href="#">Properties with reduced level of risk or sustained protection through capital work</a>	Green	11
Amber	<a href="#">Produce Flood Risk Management Plans</a>	Green	12
Green	<a href="#">Priority actions undertaken on protected sites across Wales to improve condition of features</a>	Green	14
Red	<a href="#">Delivering targeted action for declining species or those on the edge of extinction</a>	Green	15
Green	<a href="#">Management of programmes to address and restore habitats across Wales</a>	Green	17
Green	<a href="#">Action undertaken to restore Welsh peatlands including degraded NRW Estate peatland</a>	Green	18
Green	<a href="#">Develop the biodiversity and cultural value of the NNRs in our direct care</a>	Green	20
Amber	<a href="#">UKWAS Corrective Action Requests and Observations progress</a>	Amber	21
Green	<a href="#">Area of new woodland created on the NRW Estate</a>	Green	22
Green	<a href="#">Timber volume offered to market</a>	Green	23
Green	<a href="#">Deliver actions in the Wales Marine Protected Area (MPA) Network Management Action Plan</a>	Green	25
Amber	<a href="#">Permits and licences issued within statutory timescales</a>	Amber	27
Amber	<a href="#">Category 1 and category 2 compliance breaches are subjected to further assessment</a>	Green	28
Green	<a href="#">Decision on an appropriate enforcement response within 3 months</a>	Green	29
Green	<a href="#">Response to incidents initially categorised as 'High' within 4 hours</a>	Green	31

\*For [key to green, amber and red performance assessment](#): see page 54.

### Using our expertise, alongside that of others...

Current	Measure	Year end	Page
Red	<u>Complete re-design of our freshwater quality monitoring network...</u>	Red	34
Amber	<u>Response to environmental governance issues and liaison with Interim Assessor</u>	Green	36
Green	<u>Inform development of Welsh Government future land management policy &amp; legislation</u>	N/A	37
Green	<u>Develop and implement programme to examine a proposed new National Park</u>	Green	38
Green	<u>Work to set strategic direction for development and implementation of projects</u>	Green	40

### Improve water quality through raising awareness...

Current	Measure	Year end	Page
Amber	<u>Deliver programmes to review statutory water quality requirements</u>	Green	43
Amber	<u>Deliver NRW input to the various Water Company Planning Programmes</u>	Green	44
Green	<u>NRW progress on key deliverables for Special Areas of Conservation (SAC) Rivers Project</u>	Amber	46
Amber	<u>Progress of our work to reduce pollution from metal mines</u>	Amber	47

### Involving a diverse range of stakeholders...

Current	Measure	Year end	Page
Green	<u>Deliver against agreed actions for Year 1 of 'All Together' (Diversity and Inclusion Strategy)</u>	Green	50
Green	<u>Ongoing development and delivery of combined training, resource and projects</u>	Green	51
Green	<u>Progress of Nature and Us / Natur a Ni programme</u>	Green	53

### Developing NRW into an excellent organisation...

See 'Internal Performance report' for measure positions related to this priority

For [key to green, amber and red performance assessment](#): see page 54.

Direct links to each Topic in this performance report (*links below / right*)

### **Responding to the climate emergency and the nature emergency...**

- [Decarbonisation \(page 5\)](#)
- [Managing Flood Risk \(page 8\)](#)
- [Nature Emergency \(page 13\)](#)
- [Habitat Restoration \(page 16\)](#)
- [NRW Estate \(page 19\)](#)
- [Marine Environment \(page 24\)](#)
- [Regulation \(page 26\)](#)
- [Incident management \(page 30\)](#)

### **Using our expertise, alongside that of others...**

- [Improving and presenting evidence... \(page 33\)](#)
- [Providing Advice and Guidance \(page 35\)](#)
- [Using Area Statement \(page 39\)](#)

### **Improve water quality through raising awareness...**

- [Water Planning \(page 42\)](#)
- [Water Management \(page 45\)](#)

### **Involving a diverse range of stakeholders...**

- [Diversity and Inclusion \(page 49\)](#)
- [Nature and Us \(page 52\)](#)

Each topic report (*linked above / left*) reflects a short summary of recent progress in relation to that topic and also states the Business Plan dashboard measures related to that topic

## Priority: Responding to the climate emergency and the nature emergency, focussing on Nature Based Solutions and Decarbonisation

The climate and nature emergencies are inextricably linked - what we deliver to address climate change can also help reduce biodiversity loss and vice versa. Nature based solutions lie at the heart of this. Much of our work provides these multiple benefits, improving biodiversity and locking in carbon through our planned work on peatland restoration, woodland creation, and management of marine inter-tidal habitats.

Our business as usual work reflects a huge part of many people's jobs. For example, monitoring and collating data to inform our decision making on reducing Wales' and NRW's carbon footprint; managing our estate to maximise carbon sequestration opportunities; planning for and responding to drought and flooding incidents as well as the emergence of new threats to our natural environment such as pests and diseases. We control carbon emissions through our regulatory duties, permitting the use of emerging technologies that contribute to the decarbonisation of our economy.

Our NRW Business Plan sets out the following topics in relation to this priority:

- [Responding to the climate emergency - decarbonisation](#)
- [Responding to the climate emergency - managing flood risk](#)
- [Responding to the nature emergency](#)
- [Nature based solutions - habitat restoration](#)
- [Nature based solutions - enabling tree planting and woodland creation](#)
- [Nature based solutions - managing the NRW Estate](#)
- [Nature based solutions - managing the marine environment](#)
- [Responding to the climate and nature emergencies - regulation](#)
- [Responding to the climate and nature emergencies - incident management and response](#)

The following pages reflect recent progress for topics with measures in the Business Plan dashboard, along with the latest performance position in relation to the Business Plan dashboard measure/s for each.

## Topic: Responding to the climate emergency - decarbonisation

### Topic summary progress:

- New Climate Change and Decarbonisation Team Leader and Team Technical Support roles have now been filled and started in their roles providing greater capacity to progress and develop the programme.
- The Fleet Forward Plan and Procurement Forward Plan are in final draft while the Built Estate Plan is midway through its development to provide the key elements of the Net Zero Plan at year end.
- Work has commenced to review the Climate Change and Decarbonisation Change Programme (CCDCP)/Climate Emergency work programme to incorporate all key climate action in NRW while the drafting of our climate change adaptation plan is almost completed.
- The climate change training resources are under development and the annual Welsh Government (WG) carbon reporting for 2021/22 has been completed.
- Leadership Team Group Climate Emergency Sub-group has been established and begun considering the mainstreaming of climate action across NRW.

Topic owner: Ruth Jenkins

### Business Plan dashboard measure/s for this topic:

- Support delivery of recommendations and actions from Renewable Energy deep dive
- Develop a low emission fleet and deliver a low emission and climate adapted built estate

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Support delivery of recommendations and actions from Renewable Energy deep dive

This measure reflects our activity to support delivery of [recommendations and actions arising from Welsh Government's \(WG\) Renewable Energy deep dive](#), recognising our contribution in relation to these in order for Wales to at least fully meet its energy needs and tackle the nature and climate emergencies.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to progress NRW's deep dive actions. This measure is amber.**
- We continue to implement and have completed many actions relevant to NRW including: review of resources needs and options for advice and consenting (complete); putting in place relevant resources (ongoing - business case submitted to WG in June 2022, subsequent Service Level Agreement (SLA) due October); participating in WG's end to end review of marine licensing (completing October); identifying evidence needs and mechanisms to address - marine complete but requires funds to deliver evidence, and terrestrial review reliant on the SLA response. Forward plan agreed with Joint Nature Conservation Committee (JNCC) to address transfer of offshore advisory powers to NRW. Advice being given on grid expansion and sustainable procurement and financing. The Service Level Agreement resolution is not completed and is now past the deep dive delivery date, hence delivery is amber.

### What we are doing next:

- We will now continue to work across NRW and with WG and JNCC to deliver the deep dive actions.
- We are not currently on track to achieve our **year end milestone activity to complete the first year of NRW's contribution to Welsh Government's Renewable Energy Deep Dive Recommendations** in quarter 4.
- We are working proactively to set out and agree with WG the resources required to complete the deep dive work and enable us to move forward with the services required to deliver appropriate renewable energy in the marine and terrestrial environment. Getting back to green requires us to continue to work on resource needs to support the work with final submission of the SLA to WG by the end of October.

Measure owner: Ruth Jenkins

Q1	to Q2	to Q3	Expected year end
Green	Amber		Amber

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Develop a low emission fleet and deliver a low emission and climate adapted built estate

This measure reflects activity forming part of our Adfywio/Renewal programme to develop a low emission fleet and deliver a low emission and climate adapted built estate.

### Latest position (to end of September 2022):

- Our **milestone for this measure is completion of our Accommodation Strategy – The Right Space in the Right Place - along with its associated long-term delivery plan with a focus on addressing the climate emergency.** We have not completed this activity. We have a draft strategy that needs revisions, and the delivery plan is still in development. We have been delayed by several factors; a key member of staff being off sick for a period, cancelled programme boards, it will be completed by the end of October. Our quarter 1 target for the role out of HVO fuel is completed.
- **This measure is amber.**

### What we are doing next:

- We will now work to revise the accommodation strategy for review in November. Work on detailed delivery plans for the short to medium term. We are part way through the development of procurement exercise for electric vehicle charging infrastructure for the NRW fleet.
- Our **milestone for the next reporting period is to deliver the first of the Accommodation Strategy approved recommendations.**
- We are not currently on track to achieve our **year end milestone activity to deliver Adfywio programme commitments for 2022/23** in quarter 4 and are expecting to be amber at year end.

Measure owner: Victoria Rose-Piper

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Amber

See [here](#) for key used for green, amber or red status  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Topic: Responding to the climate emergency - managing flood risk

### Topic summary progress:

- Our capital programme is progressing well, with significant schemes at Llyn Tegid, Cowbridge and Stephenson St (Newport) advancing, plus development work for schemes in future years.
- The Flood Recovery and Review Implementation Programme continues to oversee delivery of the recommendations from the February 2020 Flood Review. We are producing closure reports for the work areas, to capture the evidence of delivery for the complete actions, and to provide clear evidence of transfer to other work programmes where the action is ongoing or for delivery over the longer term.
- Our routine annual maintenance programmes are underway, as we continue to operate on a prioritised basis within the budgets available to us. We continue to make process and delivery improvements in this area, and there is a significant workload here.
- We have 34 projects in our Improvements Programme, at various stages. Several are significant projects which are delivering core customer-facing systems, such as the Flood Warning Service replacement project, which is progressing well.
- We have continued to address the relevant recommendations from the 'Toddbrook review' into reservoir safety, as we seek to do more to go beyond compliance to ensure safety.
- We continue to push for recognition of and action against the challenges ahead, particularly regarding the need for significant adaptation in response to the Climate Emergency.
- Overall, much significant work continues to be delivered. The main challenge is volume of work and rising external expectations, with high workload on our staff. Recruitment is challenging, with skills shortages across the industry. We have increased our activities on the skills and capability agenda in response to this issue and risk.

Topic owner: Jeremy Parr

### Business Plan dashboard measure/s for this topic:

- Implement Flood Review recommendations / actions
- Maintain flood risk assets in high risk locations at target condition
- Properties with reduced level of risk or sustained protection through capital work
- Produce Flood Risk Management Plans

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Implement Flood Review recommendations / actions

The February 2020 floods were the most significant floods in Wales since the 1970s, and our Review into our own performance identified areas for improvement and recommended actions. This measure reflects delivery tracking of the remaining improvements identified in [our Review](#).

### Latest position (to end of September 2022):

- Our **milestone for this measure is to draft, review and approve a further 4 Work Area Closure Reports (this totals 9 of the 12 work areas closed). This measure is amber**, we have not fully completed this activity. We have closed off 2 of the 12 work area closure reports. Two further closure reports are awaiting sign off, while 5 reports are drafted and being reviewed for approval. Once approved, these and the remaining closure reports will be signed off October / November. We remain satisfied that the recommendations in each work area are being delivered, but the closure reports need finalising to provide evidence. The delay is due to scrutiny to ensure we have captured the required evidence on completed actions or transferred the ongoing delivery to outside this programme.

### What we are doing next:

- Our **year end milestone activity is to implement recommendations / actions, to complete work area and programme closure reports by year end (with 59 of the 74 actions undertaken, and 15 longer term actions in the other three work areas not covered by programme closure transferred to our relevant NRW Business Boards for tracking)**. We will achieve our year end milestone activity. This will mean completion of 57 of the 74 actions, (two actions have been removed from this number following our closure process where we identified these had not been completed fully so are now back in delivery), with 17 longer term actions transferred to our relevant Business Boards for tracking. These won't complete till mid-2023. We will bring this target to green by completing the outstanding 7 Reports during October / November and completing the remaining 3 Reports (totalling 12 / 12 work areas closed).

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

### Measure: Maintain flood risk assets in high risk locations at target condition

NRW owns and/or maintains 3,500 assets in high risk systems, forming part of the national flood defence infrastructure, providing benefit to thousands of properties in Wales. It is vitally important that these assets are maintained, as a poor condition asset anywhere within the system can impact that location – it is only as good as its weakest link.

#### Latest position (to end of September 2022):

- Our **target for this measure is 98% of flood risk assets in high risk systems at target condition**. We are at 97.9% at end of September 2022. **This measure is amber**. This meant that 76 out of 3524 assets were below condition. Some of these need longer term projects to fix and we have a capital funded programme for these.
- To be within target and ‘Green’, we need to have fewer than 70 assets not at target condition. We monitor performance monthly through the FRM Business Board dashboard. Between end of quarter 1 and end of quarter 2, we have made fixes to 19 assets but also 19 different assets have become below their required condition. This is a dynamic landscape.

#### What we are doing next:

- We have plans to return more assets to target condition in the near future. We will continue to fix below standard assets as soon as we practically can, but recognising that some of the works take considerable planning.
- We have secured more resources for asset inspections so will have a better understanding of asset condition. This may mean that more assets will be assessed as below their required condition, and negatively impact the numbers.
- Our **target for the next reporting period is 98% of flood risk assets in high-risk systems at target condition**. We currently expect we will be green at year end, but it is a volatile measure as it depends on what is found in the inspections, and the year-end position cannot be predicted with certainty, particularly as we go into the winter period.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

### Measure: Properties with reduced level of risk or sustained protection through capital work

This measure reflects the number of properties benefitting from a reduced level of flood risk (moving from a higher risk category to a lower through a new scheme or improvement works) or sustained level of flood risk (through capital maintenance work).

#### Latest position (to end of September 2022):

- Our target is **1,000 properties by year end**.
- Key projects are progressing well, and we are currently forecasting that we will surpass our target at year end. The majority of properties will be claimed as we reach key delivery windows, including working on sea defences (September), fisheries embargo for in-river work (October) and financial year end (March). This is reflected in our profiles for the year. Key projects this year include Llanfair TH (33 properties), Llyn Tegid (800 properties), Afon Wydden (150 properties) and Cowbridge (150 properties), and these are on track.
- **This measure is green** as we are on track for delivery.

#### What we are doing next:

- We will now monitor the progress of key projects and ensure that we meet the target of 1,000 properties. We are also continuing to develop projects that will contribute to delivery of this target in future years.
- We are currently **on track to achieve our year end milestone activity of 1,000 additional properties directly provided with reduced risk / sustained level of protection and are set to be green at year end**.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Produce Flood Risk Management Plans

This measure reflect our progress in producing updated [Flood Risk Management Plans \(FRMPs\)](#) and includes updates in relation to their development, consultation around them, their publication and future monitoring. The updated plans will identify what is at risk of flooding alongside the objectives and measures that we propose to manage the risk of flooding.

### Latest position (to end of September 2022):

- Our **milestone for this measure is FRMPs consultation completed.**
- Internal consultation has taken place, but external consultation has been delayed due to resource constraints. A draft for consultation has now been translated and is due to be posted on the consultation platform by the end of October.
- **This measure is amber** due to the delays in starting the external consultation.

### What we are doing next:

- We will now proceed with the external consultation for a period of 12 weeks. Once this is complete, the plans will be finalised and published.
- Our **milestone for the next reporting period is FRMPs published**, this is unlikely to be delivered in the next quarter but should be achieved in quarter 4.
- We are on track to achieve **year end milestone activity of all FRMPs published (and FRMPs incorporated into Business as Usual and monitored)** in quarter 4, and **we expect to be green at year end**, despite the delays to interim milestones.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year end
Green	Amber		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Topic: Responding to the nature emergency

### Topic summary progress:

The Senedd have declared a nature emergency for Wales. NRW is progressing the priorities of the Vital Nature Strategy and Work Programme, putting biodiversity and ecosystem resilience at the very centre of our work. Examples include:

- Working with Welsh Government to develop Nature Networks, a Welsh 3-year costed programme to enhance biodiversity and build ecosystem resilience with protected sites at its core.
- Contributing to the Welsh Government Deep Dive into biodiversity looking at actions we can take in Wales take to contribute to the global target to protect 30% of the land and sea by 2030, tackling our nature and climate crises.
- We have joined forces with Welsh Government and the National Lottery Heritage Fund to deliver the Nature Networks Fund - a project to strengthen the resilience of Wales' network of protected land and marine sites and support a green recovery for nature and communities.

Topic owner: Martyn P. Evans

### Business Plan dashboard measure/s for this topic:

- Priority actions undertaken on protected sites across Wales to improve condition of features
- Delivering targeted action for declining species or those on the edge of extinction

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## Measure: Priority actions undertaken on protected sites across Wales to improve condition of features

Improving protected site condition is essential for maintaining biodiversity and building ecosystem resilience. This measure reflects how we are progressing with actions to improve protected sites across Wales to fully provide ecosystem service benefits and function as a core part of a resilient ecological network - enabling habitats and wildlife to thrive.

### Latest position (to end of September 2022):

- Our **milestone for this measure is 30% of actions completed/underway.**
- We have completed this activity. We have reported that 46% of actions in the annual plan are now underway or complete.
- **This measure is green.**

### What we are doing next:

- We will now continue with delivery of NRW actions for designated sites and on the NRW Estate, working with stakeholders, partly funded through the Welsh Government Nature Networks Fund.
- Our **milestone for the next reporting period is 50% of actions completed/underway.**
- We are currently on track to achieve our **year end milestone activity of 80% of planned actions completed** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Martyn P. Evans

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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### Measure: Delivering targeted action for declining species or those on the edge of extinction

This measure reflects actions to address biodiversity loss and build ecosystems resilience - what we are doing as targeted actions for declining species or those on the edge of extinction in Wales. Unless we reverse biodiversity decline and build resilient ecosystems, our well-being and that of future generations will suffer.

#### Latest position (to end of September 2022):

- Our **milestone for this measure is complete the review of NRW's Conservation Translocations Policy and Process (moving / reintroducing populations of particular species to particular sites).**
- We have not completed this activity. We expected to be Amber in Q2 and although this work has started it has been delayed because of staff changes. We have now successfully recruited into a new Species Policy Fixed Term Appointment to enable this work to be progressed. We expect to complete the work by the end of quarter 4.
- **This measure is red.**

#### What we are doing next:

- We will now recommence the review of NRW's Conservation Translocations Policy and Process and continue to deliver the Freshwater Pearl Mussel strategy alongside other work for declining species.
- Our **milestone for the next reporting period is agree the programme of work to deliver NRW actions within the Wales Action Plan for the Recovery of Curlew.**
- We are currently on track to achieve our **year end milestone activity to progress specific projects illustrating our work in this area (and submit the National Heritage Lottery Fund stage two application for Natur am Byth)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Martyn P. Evans

Q1	to Q2	to Q3	Expected year end
Green	Red		Green

See [here](#) for key used for green, amber or red status

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## Topic: Nature based solutions - habitat restoration

### Topic summary progress:

NRW is progressing the priorities of the Vital Nature Strategy and Work Programme, putting biodiversity and ecosystem resilience at the centre of our work. Examples include:

- Working with Welsh Government to develop Nature Networks, a Welsh 3-year costed programme to enhance biodiversity and build ecosystem resilience with protected sites at its core supporting the actions in biodiversity deep dive.
- Continuing to deliver its peatland restoration programme ensuring that peatlands are sustainably managed and safeguarded to recover their critical biodiversity resource, store carbon, reduce greenhouse gas emissions and play their role as a component of Natural Flood Risk Management.
- Working with Welsh Government to upscale peatland restoration targets.
- Continuing to build a programme for grassland restoration with a Pilot Project underway in Carmarthenshire & Pembrokeshire

Topic owner: Ruth Jenkins

### Business Plan dashboard measure/s for this topic:

- [Management of programmes to address and restore habitats across Wales](#)
- [Action undertaken to restore Welsh peatlands including degraded NRW Estate peatland](#)

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## Measure: Management of programmes to address and restore habitats across Wales

This measure reflects our progress with management of programmes to address and restore habitats across Wales, including updates through the year on the Nature Networks Programme, Grassland programme and LIFE Quake project.

### Latest position (to end of September 2022):

- Our **milestone for this measure is complete recruitment for LIFE Quake project.**
- We have completed this activity and the project was launched by the Minister at an event at Crymlyn Bog near Swansea on 07/10/2022.
- **This measure is green.**

### What we are doing next:

- We will now start to carry out some of the actions for the LIFE project most notably construct a track at Crymlyn bog, which will enable us to access the Glan y Wern Canal which cuts through the Bog.
- Our **milestone for the next reporting period is to agree a framework for the delivery of the Wales Grassland Programme.** We are on track to meet this milestone and are letting a contract to provide information on key grassland areas in Wales.
- We are currently on track to achieve our **year end milestone activity to establish new Welsh Government and EU LIFE restoration programmes (including complete the implementation of the LIFE Quake project set up phase)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Ruth Jenkins

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Action undertaken to restore Welsh peatlands including degraded NRW Estate peatland

We are continuing to progress a national programme of peatland restoration across Wales. This measure reflects key action taken to [restore Welsh peatlands](#), including on the NRW Estate. It includes an update on the number of hectares of peatland restoration activity undertaken on the NRW Estate and on other land.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to award National Peatland Action Programme (NPAP) Strategic Allocated Fund grants to partners.**
- We have completed this activity. All grant award letters have been sent to 9 Strategic Allocated Fund recipients. All grant award letters have also been sent to recipients of NRW and NPAPs first development grant recipients.
- **This measure is green.**

### What we are doing next:

- We will now continue to monitor the grants progression and continue with the direct groundworks delivery component of the programme.
- Our **milestone for the next reporting period is to commence National Peatland Action Programme groundworks.**
- We are currently on track to achieve our **year end milestone activity to deliver 450 ha of peatland restoration activity as part of the National Peatland Action Plan (including approximately 120ha on the NRW Estate)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Martyn P. Evans

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Topic: Nature based solutions - managing the NRW Estate

### Topic summary progress:

- The NRW land estate is the Welsh Government Woodland Estate and National Nature Reserves (NNRs) for which we are responsible. At 160,000ha, it is 7% of the size of Wales because it is 7% of Wales. It includes among other things:
  - 80 designated Special Areas of Conservation and Sites of Special Scientific Interest, 56 NNRs.
  - 40% of Wales woodland, 19,000ha of ancient woodland sites, and 60% of Wales' sustainable timber harvest.
  - 3.5M visits per year on 955km walking, 25 accessible; and 8 horse-riding trails; 566km mountain biking trails; 6 visitor centres; and 3,702km of forest roads for recreation as well as forest management.
  - 441MW installed capacity of renewable energy. 32.9MtC carbon stocks (81% woodland, 9% bog/fen, 10% other).
  - 27 reservoirs, 160 ex-industrial spoil tips, 18,000 ash trees to make safe, 200km unauthorised bike trails to sort.
- Our main aim for the Estate is sustainable management of natural resources. These cost £50M per year of which £30M to £40M is funded by sustainable enterprise. With these resources we are:
  - Adapting to climate change and enabling society to adapt, especially for flood risk and to safeguard clean water.
  - Reducing greenhouse gas emissions by maintaining the area of woodland, converting degraded deep peat into healthy wet peatland habitat, providing harvestable timber; and supporting increases in on-shore wind-power.
  - Improving ecological processes to enable nature to adapt to climate change and protecting key species / habitats.
  - Providing opportunities for people to enjoy the outdoors benefiting health, well-being and social capital.
  - Enabling communities to use their local NRW Estate. Supporting sustainable private enterprise.
- The measures in this topic illustrate this range of services. “Action undertaken to restore Welsh peatlands including NRW Estate peatland” and “Management to address and restore habitats across Wales” are also relevant.
- We hold ourselves to high standards of sustainable land management, including for example Forest Industry Safety Accord (FISA) requirements and ISO45001 health and safety management standards; UK Woodland Assurance Standard (UKWAS), and ISO14001 environmental management system.

Topic owner: Dominic Driver

### Business Plan dashboard measure/s for this topic:

- [Develop the biodiversity and cultural value of the NNRs in our direct care](#)
- [UKWAS Corrective Action Requests and Observations progress](#)
- [Area of new woodland created on the NRW Estate](#)
- [Timber volume offered to market](#)

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### Measure: Further develop the biodiversity and cultural value of the NNRs in our direct care

This measure reflects the delivery of priority actions being carried out to further develop the value of National Nature Reserves (NNRs) in NRW's direct care. The priority actions reflect those we have deemed the most important to generate beneficial ecological processes.

#### Latest position (to end of September 2022):

- Our **milestone for this measure is to have made sufficient progress to be confident about reaching the year-end milestone.**
- We have completed this activity. Of the 133 priority actions, 20 are underway, 22 have contracts awarded, 18 are out for tender and 15 are completed. Two are no longer required, no update was available for 3. Fifty three have yet to be started.
- The status is green for 114 projects and amber for 6 (mostly due to contractor shortages). Eleven are red due to staff shortages. Any funding released has been reallocated to other priority works.
- **This measure is green.**

#### What we are doing next:

- We will now continue to deliver the planned program of works in accordance with the agreed timetable.
- Our **milestone for the next reporting period is to have made sufficient progress to be confident about reaching the year-end milestone.**
- We are currently on track to achieve our **year end milestone activity of 80% of 133 priority actions across 44 NNRs delivered (80% of planned priority actions)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Dominic Driver

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Measure: UKWAS Corrective Action Requests and Observations progress

This measure reports on the annual UK Woodland Assurance Standard (UKWAS) external audit.

Being certified via UKWAS shows we [sustainably manage the Welsh Government Woodland Estate \(WGWE\)](#) reaching Forest Stewardship Council® (FSC®) and Programme for the Endorsement of Forest Certification (PEFC) international standards.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to have made sufficient progress to be confident of the year-end milestone.**
- In 2021, we retained certification with 1 major Corrective Action Request (CAR), 1 minor CAR and 5 Observations (Obs), fewer than in 2020, we want fewer still. We have therefore defined success as showing improvement rather than simply retaining certification. Our auditors have closed both CARs. We believe we have evidence to close 3 Obs. The auditors will assess this during the audit (November 2022). One Obs will remain open with progress assessed yearly.
- **This measure is amber.** Closing all CARs before the next audit is good. However, routine internal audits have found gaps in the areas for focus by the UKWAS auditors. Additional CARs may therefore be opened at the UKWAS audit. Our back to green pathway is to close the internal CARs prior to the UKWAS audit and to continue to prepare staff and systems, now with weekly update meetings.

### What we are doing next:

- Our **milestone for the next reporting period is to have made sufficient progress to be confident of achieving the year-end milestone.** The audit findings will be known at quarter 3. We will continue to build on further improvements in sustainable forest management and prepare for the November 2022 audit.
- We are not currently on track to achieve our **year end milestone of fewer CARs open after this year's audit than after last year's audit.** However, we are confident of retaining certification overall. We therefore judge that the performance so far is tolerable balancing this business area's work across all our strategic risks.

Measure owner: Dominic Driver

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Amber

See [here](#) for key used for green, amber or red status

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### Measure: Area of new woodland created on the NRW Estate

This measure reflects the area of new woodland created on the NRW Estate (hectares acquired / identified if already in ownership and hectares where work is done to establish new woodland by planting and/or natural colonisation). It covers the contribution of NRW's land estate to woodland creation and progress on the commitment to the [Welsh Government Woodland Estate \(WGWE\)](#) being bigger in 25 years than it was in 2018.

#### Latest position (to end of September 2022):

- Our **milestone for this measure is to have made sufficient progress to be confident about reaching the year-end milestone**
- We have acquired 44ha and have 250ha in progress. We have 164ha (sites acquired in 2021/22) for planting this year. We have secured approval from Welsh Government to continue work to acquire sites through a range of mechanisms including acquisition and leasing.
- **This measure is green.**

#### What we are doing next:

- We will continue to carry out public engagement, plan and secure contractors for planting in quarter 3 and quarter 4.
- Our milestone for the next reporting period is to have made sufficient progress to be confident about reaching the year-end milestone.
- We are currently on track to achieve our **year end milestone of an additional 150 ha of land acquired / identified for woodland creation (contributing to 350 ha total over the life of the programme) plus 150 ha woodland created in 2022/23.**
- We currently expect we will be green at year end.

Measure owner: Dominic Driver

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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### Measure: Timber volume offered to market

This measure reflects a commitment set out in the [Timber Sales and Marketing Plan](#). We currently offer an available timber harvest of around two thirds of the total Welsh market, generating significant income and supporting the timber economy in Wales

#### Latest position (to end of September 2022):

- Our **target for this measure is 352,000m<sup>3</sup> offered to market.**
- We have offered 335,300 m<sup>3</sup> to market so far which is within the 15% tolerance.
- **This measure is green.**

#### What we are doing next:

- The October 2022 sale will market an additional 238,100m<sup>3</sup>. The February 2023 sale is currently being compiled.
- Our **target for the next reporting period is 591,000m<sup>3</sup> offered to market.**
- We are currently on track to achieve 95% of our **year-end target of 750,000m<sup>3</sup> offered to market.** This is within tolerance but may be below the Timber Sales and Marketing Plan minimum.
- We currently expect we will be green at year end.

Measure owner: Elsie Grace

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Topic: Nature based solutions – managing the marine environment

### Topic summary progress:

The marine programme continues to be steered as a single integrated programme of marine work across NRW. Work has continued/commenced this year in priority areas such as:

- Delivery of the Offshore Renewable Energy Programme and support of renewable energy deep dive implementation including now converting the business case to WG for resources to expand to keep pace with renewables development into a Service Level Agreement.
- Beginning to implement work in the new marine projects team to delivery capital funded projects under Nature Networks to improve the condition of Marine Protected Areas.
- Advising WG on environmental considerations in developing a spatial approach to marine planning.
- Approving our guidance on assessing coastal squeeze.
- Working with partners to deliver the marine Area Statement.
- Managing the Burry and Dee cockle fisheries and delivery of our Dee conservancy function.
- Continuing to delivery fisheries environmental impact assessments under the assessing Welsh Fishing Activity project to WG.
- Signing off and delivering to our marine evidence programme and revised our priority evidence needs.
- Responding to proposed changes in environmental management policy and legislation from Defra and exploring implications with WG.

Topic owner: Rhian Jardine

### Business Plan dashboard measure/s for this topic:

- [Deliver actions in the Wales Marine Protected Area \(MPA\) Network Management Action Plan](#)

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## Measure: Deliver actions in the Wales Marine Protected Area (MPA) Network Management Action Plan

This measure reflects progress with [Marine Protected Areas network](#) management actions. The marine protected area network is a key tool in developing greater resilience in the marine environment and is an integral consideration for all developments in the marine area, through Wales National Marine Plan policy (WNMP).

### Latest position (to end of September 2022):

- Our **milestone for this measure is to review action progress and report to NRW's Marine Subgroup.**
- We have completed this activity; we updated the Marine Subgroup on 13th July. The landfill impacts on the MPA project is going well and the contractor gave an update 20th September. All other NRW actions this year are ongoing or longer-term projects, and all are progressing well. One multi-year project on the Biosecurity Plan for Pen Llyn a'r Sarnau is nearing completion. The mid-year review meeting for the MPA Management Steering Group in on 17th October. A review of all projects will be given as well as planning for the next call for actions. The Action plan and Annual report are late this year due to WG resource availability, but they are due to be published very soon.
- **This measure is green.**

### What we are doing next:

- We will now continue to work on projects and collate information for the next Steering Group meeting.
- Our **milestone for the next reporting period is to review action progress and report to Wales MPA Network Management Steering Group.**
- We are currently on track to achieve our **year end milestone activity to deliver 100% actions by year end (and sign off and report on final delivery).**
- We currently expect we will be green at year end.

Measure owner: Rhian Jardine

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Topic: Responding to the climate and nature emergencies - Regulation

### Topic summary progress:

- The measures for Regulation show performance are on track, except for Compliance.
- Overall, for quarter 1 and quarter 2, 86% of permits and licences were issued within statutory timescales. We continue to liaise closely with WG in relation to their end-to-end review of marine licensing. We continue to issue new general licences following conclusion of the Wild Bird Review. Recruitment to technical vacancies is proving difficult and resulting in delays to determination of some permits. Recruitment has progressed and has included the creation of temporary posts to help improve performance, due to a backlog in the work queue before applications are duly made. We are reviewing and updating duty making guidance to help improve processes and application quality. Permit reviews for five Energy from Waste Installations are progressing to implement new European standards for this sector. Our determining of the New Authorisations transitional applications is on track for completion in quarter 3 in advance of the deadline of 31<sup>st</sup> December 2022.
- For Compliance, more site visits have been occurring after the Covid restrictions have been lifted, leading to more Category 1 and 2 Compliance breaches being discovered. However, inspection frequency is below that expected. This is a consequence of cross-subsidy to permitting activity and increased incident response (GiA) which reduce the resources available for planned compliance activities. Recent events at COMAH sites have resulted in resources being diverted to reactive work, with non nuclear Radioactive Substances Regulation (RSR) inspections particularly impacted.
- Enforcement activity has also been returning to expected pre-pandemic levels. An increasing number of cases, including some high-profile cases have progressed through to court. An increased focus on Enforcement is in progress, the results of which will become clearer over 2022-23.

Topic owner: Nadia De Longhi

### Business Plan dashboard measure/s for this topic:

- Permits and licences issued within statutory timescales
- Category 1 and category 2 compliance breaches are subjected to further assessment
- Decision on an appropriate enforcement response within 3 months

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## Measure: Permits and licences issued within statutory timescales

This measure reflects permits and licences issued within [statutory timescales \(which vary by permit\)](#), and additionally includes an additional progress update in quarter 3 on completion of specific permit reviews (for energy from waste installations) and new authorisations applications (in relation to water resources).

### Latest position (to end of September 2022):

- Our **milestone for this measure is 90% of permits and licences issued within statutory time period.**
- **This measure is amber.** We successfully issued 83.3% of permits within statutory timescales, but our permitting service is under pressure including difficulty recruiting suitable technical staff.
- Overall, for quarter 1 and quarter 2 we have successfully issued 86% of permits within statutory timescales.

### What we are doing next:

- We are currently developing options to improve the quality and quantity of applicants. We are also reviewing and updating guidance to help improve processes and application quality.
- Our **milestone for the next reporting period is 90% of permits and licences issued within statutory time period, and complete the determination of the Water Resources New Authorisations applications, and complete the BREF (Best Available Techniques Reference documents) permit reviews for the Energy from Waste Installations**
- We will aim to achieve 90%, however given the pressures on our service the **milestone activity of 90% of permits and licences issued within statutory time period** is likely to be amber at year end.

Measure owner: Nadia De Longhi

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Amber

See [here](#) for key used for green, amber or red status

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### Measure: Category 1 and category 2 compliance breaches are subjected to further assessment

This measure reflects the number of category 1 and category 2 compliance breaches and provides assurance that they have been subjected to follow up compliance effort in the subsequent 6 months. Poor performance at permitted sites has the potential for a wide range of impacts. This measure also reflects additional updates each quarter, including in relation to service standards, compliance performance, water company performance and storm overflows action

#### Latest position (to end of September 2022):

- Our milestone for this measure is **95% (and finalise Regulatory Service Standards - the level of compliance activities and performance monitoring framework) and publish water company Environmental Performance Assessment report**. In Q2, we are tracking follow up compliance effort for breaches which we identified between January 2022 and March 2022. We recorded 21 category breaches during that period and over the subsequent 6 months carried out further compliance work for 19 of those breaches which includes production of casefiles and suspension of activity. We have ongoing compliance effort relating to the remaining 2 breaches which have exceeded the target of 6 months **and are showing as amber**.

#### What we are doing next:

- We will continue to prioritise follow up compliance effort where we have identified Category 1 and 2 breaches to ensure operators are taking the appropriate action to come back into compliance.
- Our milestone for the next reporting period is **95% and update on compliance performance based on our Regulation Business Board metrics**.
- We will proactively monitor delivery of this measure. This will help ensure we achieve our **year end milestone activity of 95% (and report on milestones from Regulatory Action Plan within Storm Overflow Roadmap) and are green** in quarter four.

Measure owner: Martin Cox

Q1	to Q2	to Q3	Expected year end
Red	Amber		Green

See [here](#) for key used for green, amber or red status

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### Measure: Decision on an appropriate enforcement response within 3 months

This measure reflects decisions on appropriate enforcement response in relation to environmental crime being made within three months. This measure also reflects additional updates each quarter, including in relation to enforcement priorities and annual regulatory and waste crime reporting

#### Latest position (to end of September 2022):

- Our **milestone for this measure is 95% of decisions in relation to environmental crime being made within three months (and complete strategic assessment of enforcement priorities).**
- We have completed this activity. **This measure is green.**

#### What we are doing next:

- We will continue to make decisions and take enforcement action swiftly.
- Our **milestone for the next reporting period is 95% of decisions in relation to environmental crime being made within three months.** We have finalised our Annual Regulatory Report for 2021 which is due to be published on our website shortly.
- We are currently on track to achieve our **year end milestone activity of 95% of decisions in relation to environmental crime being made within three months (and complete tackling waste crime annual report)** in quarter four.
- We currently expect we will be green at year end.

Measure owner: Nadia De Longhi

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Topic: Responding to the climate and nature emergencies - incident management and response

### Topic summary progress:

- **Preparedness:** We are putting in place a new framework contract to provide a consistent air quality incident monitoring response across Wales. We have also been working internally and with multi-agency partners to review and improve our preparedness for radiation, marine pollution, fire and coal tip incidents.
  - **Guidance:** We have been developing and updating a range of internal guidance, including our incident categorisation guidance and guidance on responding to reservoir incidents and operating incident rooms virtually.
  - **Training:** To enable increases in resilience (below), we are improving our procedures for training staff to carry out incident response roles, including clarifying roles and responsibilities. New cohorts of staff have been scheduled to undertake the Incident Management Foundation Programme and Land Management Duty Officer training.
  - **Resilience:** Rota resilience will start to improve following the recent rota contractual consultation work and subsequent implementation, which will mean more staff will be joining rotas following completion of their training. The implementation of this work is underway, with priority being given to those rotas with significant resilience issues.
- **Response:** An average of 675 incidents were reported to us each month of quarter 2, which we responded to in line with our policies and procedures. We are also continuing our ongoing response to drought and avian influenza and have stood up a strategic incident response group to support our response to these incidents and potential winter pressures.
- **Review:** We are finalising the confirmation of actions resulting from the review of Storms Dudley, Eunice & Franklin and continue to undertake reviews of environmental and business continuity incidents, embedding our learning from incidents.
- **Business continuity:** We are continuing with work to improve our ability to respond and maintain continuity of our key services, with a focus on planning for disruptions to staff levels and energy supply, as well as technology disruptions.
- **Systems:** We are continuing to work closely with our technology department and external supplier to upgrade our incident recording system to a new web-based version.

Topic owner: Lyndsey Rawlinson

### Business Plan dashboard measure/s for this topic:

- Response to incidents initially categorised as 'High' within 4 hours

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### Measure: Response to incidents initially categorised as ‘High’ within 4 hours

For incidents we initially class as High Level (using our Incident Categorisation Guidance criteria), we aim to respond within four hours of being notified. This is to ensure we prioritise our efforts on the high impact incidents, and we act within a suitable timeframe to minimise harm and impact. Response may include physical attendance at the site, but also includes other activities, such as contacting professional partners.

#### Latest position (to end of September 2022):

- Our **target is responding to 95% of these incidents within four hours**, with this being calculated for incidents with accurate data only (i.e., not missing or negative times). We report on records with these data quality issues separately.
- **We have achieved this in quarter 2, with 98%**. In relation to data quality, 5 out of the 484 incidents initially categorised as High-level have missing response details. While response times for these 5 would not affect our overall compliance for this measure, we are addressing them with specific officers (as outlined below). A further 10 records have a negative response time, i.e., the response time was recorded as being before the notification time in error.
- **This measure is green.**

#### What we are doing next:

- We are continuing to check all incident records that have missing response details and are asking managers to ensure their teams review the records and correctly record these details. We are also updating our guidance, with new training on incident recording due to be delivered in October.
- Our **target for the next reporting period remains 95%**. We are currently on track to meet our **year end target of 95%** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Lyndsey Rawlinson

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## **Priority: Using our expertise, alongside that of others, with evidence from SoNaRR2020, to support innovative, integrated decision making to tackle the climate emergency and nature emergency**

Our business as usual activity here involves working with national stakeholders to gather, share, promote and update evidence on the state of natural resources in Wales, and using evidence based [Area Statements](#) to inform our priorities, projects and engagement with stakeholders in our seven places, particularly the Public Services Boards as they prepare their well-being assessments and plans. All our work is rooted in good evidence and using and sharing it with partners and communities to advocate for and deliver SMNR.

Our NRW Business Plan sets out the following topics in relation to this priority:

- [Improving and presenting evidence about the natural environment](#)
- [Providing advice and guidance](#)
- [Work with partners and communities using area statements](#)

The following pages reflect recent progress for topics with measures in the Business Plan dashboard, along with the latest performance position in relation to the Business Plan dashboard measure/s for each.

## Topic: Improving and presenting evidence about the natural environment

### Topic summary progress:

- Through our Bridges to the Future work programme, we are exploring the use of systems thinking approaches and tools to help us communicate more effectively around the three systems identified for transformative change within SoNaRR – the energy, transport and food systems.
- As part of our Healthy Hillside Wildfire project, we are working with Bath University and RAMP (Royal Society Rapid Action Modelling group) to explore approaches to wildfire risk modelling, display of datasets, and interpretation of results using a variety of statistical and spatial analysis.
- We are providing Futures and Foresight input to our Well-being planning work with Public Service Boards and our Area Statements. The Three Horizons model is being utilised to help communicate effectively around “where we are now”, “where we need to get to” and “what needs to change”.
- We have recently finalised a report looking at the impacts of diffuse pollution from house and road construction, forestry work, and engineering works on rivers.
- As part of NRW's evidence programme development delivered a workshop to identify challenges around evidence needs identification and policy and operations join up.
- Established a Knowledge Exchange Network with senior Natural England colleagues to identify aligned challenges and presented at their interdisciplinary workshop, working together to encourage integration and interdisciplinary advice.
- Directed the planning committee for NRW's 3<sup>rd</sup> (face to face) evidence conference and attracted Wales Future Commissioner, Defra's chief scientific advisor and numerous external and internal presenters to support awareness of evidence generation across the organisation.

Topic owner: Chris Collins

### Business Plan dashboard measure/s for this topic:

- [Complete re-design of our freshwater quality monitoring network](#)

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

### Measure: Complete re-design of our freshwater quality monitoring network

This measure reflects activity to complete the re-design of our freshwater quality monitoring network and monitoring programme and complete this year's monitoring programme. For this year, the quality of water in our rivers and streams, is a particular focus for us, as is developing our evidence and understanding of nutrient impacts in SAC (Special Areas of Conservation) rivers to inform a strategy for their long term remediation.

#### Latest position (to end of September 2022):

- Our **milestone for this measure is to develop and publish freshwater quality monitoring strategy.**
- We have not completed this activity, because of delays in recruiting an officer to lead the work.
- **This measure is red.**

#### What we are doing next:

- Recruitment is in progress for a specialist officer to complete the monitoring network redesign work and lead the implementation work to follow in 2023-4 and 2024-5.
- Our **milestone for the next reporting period is develop implementation plan.**
- We are not currently on track to achieve our **year end milestone activity of complete the redesign of our freshwater quality monitoring network and monitoring programme (and complete the 2022-23 monitoring programme)** in quarter 4. Whilst we are on track to deliver the 2022-3 monitoring programme, the issues we have had finding a suitable candidate will delay the completion of the redesign of the freshwater monitoring network. We currently expect to be red at year end.

Measure owner: Chris Collins

Q1	to Q2	to Q3	Expected year end
Green	Red		Red

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Topic: Providing advice and guidance

### Topic summary progress:

- We are and will be working with the Welsh Government Land Reform Unit (LRU) who are responsible for developing the Sustainable Farming Scheme. We are also working positively with the LRU on Designated Sites proposals.
- We are working positively with Rural Payment Wales to design the operational aspect of the Sustainable Farming Scheme.
- We are engaging with the LRU, Forestry and Agriculture teams to understand Welsh Government timescales so we can support the development of the Sustainable Farming Scheme in the optimum way.

Topic owner: Ruth Jenkins

### Business Plan dashboard measure/s for this topic:

- Response to environmental governance issues and liaison with Interim Assessor
- Inform development of Welsh Government future land management policy & legislation
- Develop and implement programme to examine a proposed new National Park

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Response to environmental governance issues and liaison with Interim Assessor

This measure relates to NRW's response to environmental governance issues and liaison with the Interim Environmental Protection Assessor (Wales) (IEPAW) and proposed environmental oversight body

### Latest position (to end of September 2022):

- Our **milestone for this measure is to respond to relevant submissions including calls for evidence and published reports within 20 working days.**
- We have participated in an IEPAW panel discussion at the Royal Welsh Show on hedgerow legislation in Wales. We have attended the first IEPAW stakeholder meeting to monitor and engage with third party stakeholders and their potential areas of interest. The Strategic Environmental Policy team has been established as a permanent resource to organise our work on environmental governance on behalf of the organisation.
- **This measure is amber** due to team members currently being recruited.

### What we are doing next:

- We will now continue to recruit to the Strategic Environment Policy team and begin development of a longer term organisational structure to engage with IEPAW and respond to relevant submissions including calls for evidence and published reports within 20 working days.
- Our **milestone for the next reporting period is to respond to relevant submissions including calls for evidence and published reports within 20 working days.**
- We are currently on track to achieve our **year end milestone activity to provide submissions and evidence when required (and respond to relevant submissions including calls for evidence and published reports within 20 working days)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Ruth Jenkins

Q1	to Q2	to Q3	Expected year end
Green	Amber		Green

See [here](#) for key used for green, amber or red status

To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

### Measure: Inform development of Welsh Government future land management policy & legislation

This measure reflects provision of NRW advice and guidance to inform the development of Welsh Government future land management policy and legislation impacting on more than 90% of land in Wales. This includes activity around a regulatory standard for land in Wales, and development of Welsh Government's Sustainable Farming Scheme policy.

#### Latest position (to end of September 2022):

- Our **milestone for this measure is to provide advice to Welsh Government on opportunities to develop a proportionate and deliverable regulatory standard for land in Wales.**
- We have completed this activity. We have submitted advice to Welsh Government in relation to the potential scope of National Minimum Standards.
- **This measure is green.**

#### What we are doing next:

- We will now support scrutiny activities associated with the Agriculture (Wales) Bill and continue development of a Service Level Agreement.
- Our **milestone for the next reporting period is support the development of Welsh Government's Sustainable Farming Scheme (SFS) policy and supporting legislation, responding to requests and evidence needs, helping develop options.**
- We will assess our expected end of year status as soon as possible once the Welsh Government timetable is clearer.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year end
N/A	Green		N/A

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Develop and implement programme to examine a proposed new National Park

This measure reflects activity to develop and implement a programme to examine a proposed new National Park in North East Wales to cover the Clwydian Range and Dee Valley.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to progress programme milestones.**
- The initial recruitment of programme posts has been completed. The Programme Manager and Team Leader will lead on taking the Programme through the Programme Management Office (PMO) process. The Area of Search scoped is to be discussed by Protected Areas Committee (PrAC) on 6 October. Meetings arranged with Local Authorities within the Area of Search, Ministerial briefing to be arranged following recent Ministerial rearrangements. Statement prepared on our role as Designating Body, Communications and Stakeholder Plan to be prepared. We will work with WG Planning Division to prepare a statement explaining potential implications for the Planning System in Wales.
- **This measure is green.**

### What we are doing next:

- We will now complete the recruitment process, establish a detailed Designated Landscapes programme working with PMO, complete senior meetings with Local Authorities, finalise the Area of search, finalise and commence wider communications and engagement strategy, amend NRW Board paper for January 2023 informed by PrAC and Executive Team discussion, prepare training for our staff and Board.
- Our **milestone for the next reporting period is to progress programme milestones.**
- We are currently on track to achieve our **year end milestone activity of develop and implement a programme to examine a proposed new National Park in North East Wales (and review progress and report to our NRM Business Board and the Protected Areas Committee of our Board)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Rhian Jardine

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Topic: Work with partners and communities using Area Statements

### Topic summary progress:

- Looking strategically at how the Area Statement process could be improved, we drew up a paper outlining how the use of Area Statement powers at a national level could unblock delivery of the Sustainable Management of Natural Resources.
- This paper was presented at a meeting of the NRM Business Board on Wednesday 14th September and will now progress to Executive Team.
- The development of this paper involved capturing feedback from Non-Governmental Organisations (NGOs) including NFU Cymru and RSPB and liaising with internal networks across NRW including SMNR Advisors and Area Statement Practitioners.
- We have started discussions with Welsh Government around how a National Area Statement could help with a national conversation on responding to the climate and nature emergencies.

Topic owner: Martyn P. Evans

### Business Plan dashboard measure/s for this topic:

- Work to set strategic direction for development and implementation of projects

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Work to set strategic direction for development and implementation of projects

This measure reflects work with staff and partners to set strategic direction for the development and implementation of projects that address Area Statement and Public Services Boards' (PSBs) priorities and opportunities

### Latest position (to end of September 2022):

- Our **milestone for this measure is to support 15 Public Services Boards (PSBs), using our evidence from SoNaRR2 and Area Statements to inform the preparation of well-being assessments and plans.**
- We have not completed this activity as it is ongoing. We have created a second iteration of the Well-being Planning Framework which has been applied to draft PSB well-being objectives. We have shared, with PSB partners, Welsh Government, and the Office of the Future Generations Commissioner, a two-page summary of the steps to take we are recommending in relation to addressing the climate and nature emergencies. We have worked with the Well-being Planning Leadership Group and Oversight Group to develop our collective ambition for PSB well-being plans.
- **This measure is green.**

### What we are doing next:

- We will now develop a third iteration of the Well-being Planning Framework and support our PSB reps to use this to respond to draft well-being plan consultations during quarter 3 and quarter 4.
- Our **milestone for the next reporting period is to input into the development of Welsh Government's Natural Resources Policy (NRP), feeding in our assessment of NRW's implementation of the first NRP.**
- We are currently on track to achieve our **year end milestone activity on use of Area statements in the Well-being Assessments and Plans of PSBs (and to ensure that all 15 PSB Well-being Plans are scrutinised and signed off by the NRW Board)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Martyn P. Evans

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## **Priority: Improving water quality, through raising public awareness using our regulatory and enforcement powers effectively and driving collaboration with others, to reduce the impacts on biodiversity and human health, including from agricultural and land management practices**

For this year, water management – both the quality and quantity of water in our rivers and streams, is a particular focus for us. We face the ongoing challenge of raising the quality of our rivers and streams for people and biodiversity whilst balancing the competing demands on the use and management of land and water. Our business as usual work here includes monitoring and reporting, providing advice and guidance, regulation and enforcement where necessary, and working with water companies and Welsh Government, as well as specific projects to tackle the legacy of former metal mine workings and their impacts on watercourses.

Our NRW Business Plan sets out the following topics in relation to this priority:

- [Water Planning](#)
- [Water management](#)

The following pages reflect recent progress for topics with measures in the Business Plan dashboard, along with the latest performance position in relation to the Business Plan dashboard measure/s for each.

## Topic: Water Planning

### Topic summary progress:

- We continue to work with companies to identify environmental enhancement schemes required for funding through Ofwat's Price review and play an active role in WG's Pr24 Forum. We have invited companies to present to our Board members in November as an opportunity for them to receive feedback on the proposed scale and pace of investment.
- We have provided response to Ofwat's consultation on their Pr24 approach to ensure that it reflects the priorities and aspirations within Wales and to Water companies on their Drainage and Waste Water Management Plans. We have advised water companies on water resources management plans, Water Resources West's regional plan and the Severn Thames transfer scheme ahead of public consultation on draft plans due from November.
- We are supporting WG and others in taking forward the First Minister commitments made following the summit held at the SAC Rivers Summit at the Royal Welsh Show, including WG's review of Water Governance arrangements.

Topic owner: Sian Williams

### Business Plan dashboard measure/s for this topic:

- [Deliver programmes to review statutory water quality requirements](#)
- [Deliver NRW input to the various Water Company Planning Programmes](#)

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Deliver programmes to review statutory water quality requirements

This measure reflect activity to deliver programmes to review statutory requirements for water quality, identifying annual or periodic requirements. The measure includes updates on reviews associated with nutrients and urban waste water, and the progress of River Basin Management Plans

### Latest position (to end of September 2022):

- Our **milestone for this measure is to report the Urban Waste Water review findings and finalise ready for Ministerial sign off the Dee and Western Wales River Basin Management Plans.**
- We have completed the Ministerial sign off of the Dee and Western Wales RBMPs. Due to delays in identifying a suitable external reviewer, we have not yet completed, but we are in the final stages of completing the Urban Waste Water Review of sensitive areas to inform WG's designation of these waters and any water company nutrient stripping requirements, which will feed into PR24 investment decisions.
- **This measure is amber.**

### What we are doing next:

- Before the end of the year, we will present our recommendations from this Review to Welsh Government and discuss next steps.
- Our **milestone for the next reporting period is finalise for Ministerial sign off the Wales documents for the final Severn River Basin Management Plan.**
- We are currently on track to achieve our **year end milestone to finalise Dee and Severn River Basin Management Plans and identify statutory requirements for water quality in 2022/23 (and identify statutory requirements for water quality for delivery in 2023-24)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year end
Amber	Amber		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Deliver NRW input to the various Water Company Planning Programmes

This measure reflects NRW input to Water Company Planning Programmes in 2022/23, including in relation to water resources management, regional plans affecting Wales, PR24 and storm overflows action.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to notify PR24 requirements to water companies for inclusion in plans.**
- Whilst not complete, we continue to work closely with companies to identify environmental enhancement schemes required for funding through Ofwat's Price review. We continue to play an active role in WG's Pr24 Forum.
- **This measure is amber.**

### What we are doing next:

- We will now invite companies to present to our Board members in November, as an opportunity for them to receive feedback on the proposed scale and pace of investment.
- Our **milestone for the next reporting period is update on progress on delivery of NRW's actions in relation to the joint storm overflow roadmap.**
- We are bolstering our resource to ensure that we are on track to achieve our **year end milestone to provide input into Water Company planning programmes (and provide our response to Water company draft water resource management plans and regional plans within or affecting Wales)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year end
Green	Amber		Green

See [here](#) for key used for green, amber or red status

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## Topic: Water Management

### Topic summary progress:

- In July, we published the River Basin Management Plans (RBMPs) in Wales for the Western Wales and for the cross border Severn River Basin Districts (RBDs). These plans outline a programme of measures necessary to prevent further deterioration, work towards achieving good overall status and support the achievement of the conservation objectives for Special Areas of Conservation (SAC) rivers.
- The approach we have taken is to identify ten Opportunity Catchments for addressing Water Framework Directive (WFD) objectives and the wider SMNR and well-being outcomes. Opportunity Catchments will focus staff resource across our functions to support partners to deliver integrated catchment management solutions.
- We continue to work closely with the Environment Agency who lead the development and publication for the cross border Severn RBD which is on track to be published in December 2022. This plan will incorporate the Opportunity Catchments for addressing Water Framework Directive (WFD) Regulation objectives and the wider SMNR and well-being outcomes. It is due to be published by December 2022, subject to approvals from both Defra and WG.

Topic owner: Sian Williams

### Business Plan dashboard measure/s for this topic:

- [NRW progress on key deliverables for Special Areas of Conservation \(SAC\) Rivers Project](#)
- [Progress of our work to reduce pollution from metal mines](#)

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: NRW progress on key deliverables for Special Areas of Conservation (SAC) Rivers Project

This measure reflects NRW progress on key deliverables for [Special Areas of Conservation \(SAC\) Rivers Project](#).

### Latest position (to end of September 2022):

- Our **milestone for this measure is to develop updated planning advice to planning authorities and develop NRW guidance on nutrient neutrality.**
- We have completed this activity. We have published the updated planning guidance on our website at the end of July which clarifies a number of issues. We have received internal approval to publish the nutrient neutrality principles on our website and will be published soon.
- **This measure is green.**

### What we are doing next:

- We will now continue to develop the advice and guidance identified in the project. We continue to receive a high level of correspondence in this area.
- Our **milestone for the next reporting period is agree Evidence and Monitoring Programme and develop advice on nutrient neutral mitigation measures.**
- Whilst we are currently on track to achieve a proportion of our **year end milestone activity of reduced impact of nutrients especially in SAC rivers (and contribute to establishment and delivery of Nutrient Management Plans for SAC rivers)** in quarter 4, it may prove difficult to measure. Also, as the Nutrient Management Boards are only just starting to get established and funding secured by WG, having the Plans in place and delivering on them by the end of the financial year will be unlikely.
- We currently expect we will be amber at year end.

Measure owner: Rhian Jardine

Q1	to Q2	to Q3	Expected year end
Green	Green		Amber

See [here](#) for key used for green, amber or red status  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Progress of our work to reduce pollution from metal mines

This measure reflects progress with the assessment and remediation of high risk sites, in line with our [Metal Mine Strategy](#) - Delivering a safe local environment and improvements to local air and water quality and ensuring the sites are safe.

### Latest position (to end of September 2022):

- Our **milestone for this measure is to provide a progress update towards quarter 4 target showing number of assessments, designs, trials and constructions in progress and completed.** We have completed:
  - All 14 preliminary assessments, 3 completed this quarter.
  - 1 of 5 detailed designs, one completed at Frongoch this quarter.
  - Construction of 11 of 15 assets, 1 completed at Frongoch this quarter.
  - No outline designs or trials have been completed in the year to date, in line with the start of year baseline.
- **This measure is amber.** Some outputs have been delayed due to the need to understand potential further design refinements following ground investigations and to accommodate issues following external stakeholder consultation.

### What we are doing next:

- We will now complete one outline design, three detailed designs, one trial and construction of two assets.
- Our **milestone for the next reporting period is to provide a progress update towards quarter 4 target showing number of assessments, designs, trials and constructions in progress and completed.**
- We are not currently on track to achieve our **year end milestone activity of delivery of 14 preliminary assessments, 8 outline designs, 5 detailed designs, 1 trial and construction of 15 assets** in quarter 4. 1 outline design (Pandora) will be completed in the next financial year, up to 5 outline designs (Dylife) are at risk, 1 detailed design (Esgair Mwyn) is at risk and construction of 1 asset (at Pandora) will be delayed into next year.
- We expect we will be amber at year end, but will strive to complete the Dylife outline designs to achieve green.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year end
Green	Amber		Amber

See [here](#) for key used for green, amber or red status

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## **Priority: Involving a diverse range of stakeholders in our work to help drive a Just and Green Recovery following the pandemic**

The unique benefits of nature for people's physical health and mental well-being and the role it could play in a just recovery came into sharp focus during the Covid-19 pandemic. In addition to our business as usual activity in this area, we will work closely with Welsh Government, our partners and local communities to promote learning and responsible recreation in the outdoors.

We have a leading role to play in this in collaboration with others. Green jobs – enabling employment whilst looking after the natural environment, as well as driving opportunities to use local green spaces and reconnect with the natural environment - will advantage not only societal wellbeing, but also nature itself and SMNR.

Our NRW Business Plan sets out the following topics in relation to this priority:

- [Diversity and Inclusion](#)
- [Creating a shared vision for the natural environment to 2050 - Nature and Us](#)

The following pages reflect recent progress for topics with measures in the Business Plan dashboard, along with the latest performance position in relation to the Business Plan dashboard measure/s for each.

## Topic: Diversity and Inclusion

### Topic summary progress:

- Our recently appointed Equality, Diversity and Inclusion (EDI) Specialist joined us in September 2022.
- We have also partnered with other environmental organisations, in a project entitled 'Ethnicity in the environment', which is due to hold their first event in November 2022.
- The Work and Wellbeing passport was launched in September 2022.

Topic owner: Sarah Stacey

### Business Plan dashboard measure/s for this topic:

- Deliver against agreed actions for Year 1 of 'All Together' (Diversity and Inclusion Strategy)
- Ongoing development and delivery of combined training, resource and projects

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Deliver against agreed actions for Year 1 of 'All Together' (Diversity and Inclusion Strategy)

This measure reflects delivery against the first year of ['All Together'- NRW's Diversity and Inclusion Strategy'](#).

### Latest position (to end of September 2022):

- Our **milestone for this measure is 35% of year 1 planned actions are initiated.**
- We have completed this activity. We have initiated 35% of year 1 planned actions.
- Our Networks celebrated diversity through raising awareness of events on our Intranet and Yammer pages.
- **This measure is green.**

### What we are doing next:

- Our newly recruited EDI Lead Specialist is progressing the delivery of the action plan to support the All Together Strategy. Due to the time of joining, there may be some delay in delivery for quarter 3, but we anticipate catching up by the end of the year.
- Our **milestone for the next reporting period is 75% of year 1 planned actions initiated.**
- We are currently on track to achieve our **year end milestone activity to deliver first year of 'All Together' strategy (with 100% of year 1 planned actions initiated)** in quarter 4.
- We currently expect we will be green at year end.

Measure owner: Sarah Stacey

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Measure: Ongoing development and delivery of combined training, resource and projects

This measure reflects the ongoing development and delivery of NRW's combined health and educator training, resource and communication projects, including the delivery of Wales Outdoor Learning Week.

### Latest position (to end of September 2022):

- Our **milestone for this measure is completion of 10 resources and 2 communication projects.**
- We have successfully launched new resources in partnership with the Sands of LIFE team highlighting [the importance of sand dunes](#), remodelled our water section to draw out a new page on [water quality and pollution](#) and added resources to our [Language and Literacy](#) page. Our communication projects have included working in partnership with Sustrans to promote Healthy Travel Wales Day, press coverage for a [GP training session](#), promotion of our [5 ways to well-being poster](#), re-establishing our MoU with Public Health Wales, launching our [Acorn Antics](#) campaign and a [blog post to welcome Curriculum for Wales](#).
- **This measure is green.**

### What we are doing next:

- We will now deliver Acorn Antics and a further trainee GP session. Educator training in partnership with Techniquest will be delivered and bespoke courses as requested. Resources to support Coed y Brenin Visitor Centre and highlight health and well-being benefits will be branded and resources on wildfire developed in partnership with the Healthy Hillside project.
- Our **milestone for the next reporting period is completion of a further 10 resources, 5 training courses and 2 communication packages**
- We are currently on track to achieve our **year end milestone activity of complete full programme of training, resources and communication projects, engaging and influencing a minimum of 500 individuals and organisations throughout the year** in quarter 4. We currently expect we will be green at year end.

Measure owner: Ruth Jenkins

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Topic: Creating a shared vision for the natural environment to 2050 - Nature and Us

### Topic summary progress:

- The findings from phase 1 have been analysed and published on our website [www.natureandus.wales](http://www.natureandus.wales) as a final report, supported by a video and involvement report. The raw data has been checked for any offensive content and will be made available to others (such as the PSBs) in the near future.
- Over the summer, we have addressed gaps highlighted in Phase 1 in level of involvement and reach into specific communities and parts of Wales by setting up roadshows and holding focus groups with target audiences. We used 9 statements based on the phase 1 findings, to explore what life could look like in the future and explore underlying motivations and barriers.
- We are working with an artist to record some of the stories people are sharing in response to the 9 statements to turn them into digital audio works. Each of the final audio works will be approximately 3 minutes in length to be shared on our website and social media.
- We have started planning for a citizens assembly to bring together the final vision early next year. Two contracts have gone out to tender to recruit a sortition and recruitment provider and a facilitator for the assembly.

Topic owner: Sarah Williams

### Business Plan dashboard measure/s for this topic:

- [Progress of Nature and Us / Natur a Ni programme](#)

*[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]*

## Measure: Progress of Nature and Us / Natur a Ni programme

This measure reflects activity on [Nature and Us](#) / [Natur a Ni](#) programme relating to preparing a shared vision for the natural environment in Wales to 2050.

### Latest position (to end of September 2022):

- **Our milestone for this measure is to report on phase 1 playback events (metrics, sample content); Overview of phase 2 events, including key user groups approached and involved; Report on initial visioning events.**
- We have completed this activity. We have [published the findings](#) from phase 1 in 2 reports.
- We have addressed gaps from phase 1 through engaging groups underrepresented in the phase 1 survey.
- Using 9 mini vision statements to explore different futures, we attended 6 roadshows in under-represented areas, and been holding focus groups with farmers, small businesses, ethnic minority groups and young people. We are also working with an artist to create digital audio works from the responses to the 9 statements.
- **This measure is green.**

### What we are doing next:

- We will hold final focus groups, analyse and publish phase 2 findings. We have started planning for a citizens assembly early in the new year, to agree the vision for the natural environment in 2050 and recommend actions to get us there.
- Our **milestone for the next reporting period is to draft a vision**. This is expected to be amber but on track to be completed in quarter 4 by the citizens assembly, using the findings and final report on phase 2 engagement that will be produced in quarter 3.
- We are currently on track to achieve our **year end milestone activity of prepare shared vision for the natural environment in Wales to 2050 (and prepare shared vision and programme evaluation)**.
- We currently expect to report green at year end.

Measure owner: Sarah Williams

Q1	to Q2	to Q3	Expected year end
Green	Green		Green

See [here](#) for key used for green, amber or red status

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## Key: Green, amber or red ratings

The detail of how the green, amber or red status is determined for each measure in our Business Plan dashboard is shown below. We only depart from this where necessary, for the specific measure being considered (e.g. using specific tolerances for numeric targets to be a fair reflection of performance, and to ensure alignment with long-standing performance reporting approaches for these).

Each quarter through the year, we report both a current position to that quarter's end, and an expected year end position. At the end of each financial year, we report each year end performance position within our Annual Report and Accounts, with that final reported position for each measure reflected as green, amber or red. In that report, **Green reflects achieved target or milestone**, **Amber reflects close to target or milestone**, and **Red reflects missed target or milestone**.

Some measures have no pre-set green, amber or red categorisation, when the nature of a measure means a pre-set approach would not make sense. This is most often the case for new/emerging work areas. The status for these measures is therefore based on a common-sense reflection approach – i.e. the fair reflection of the position at that time.

### Responding to the climate emergency and the nature emergency...

Page	Measure	Type	Red is...	Amber is...	Green is...
6	Support delivery of recommendations and actions from Renewable Energy deep dive	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
7	Develop a low emission fleet and deliver a low emission and climate adapted built estate	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
9	Implement Flood Review recommendations / actions	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be	Activity reflected is effectively complete

				completed a month later than planned)	
10	Maintain flood risk assets in high risk locations at target condition	Numeric target	Figure / target not achieved.	Within 30% of figure / target	98% (with no integer rounding)
11	Properties with reduced level of risk or sustained protection through capital work	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
12	Produce Flood Risk Management Plans	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
14	Priority actions undertaken on protected sites across Wales to improve condition of features	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
15	Delivering targeted action for declining species or those on the edge of extinction	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
17	Management of programmes to address and restore habitats across Wales	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete

18	Action undertaken to restore Welsh peatlands including degraded NRW Estate peatland	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
20	Develop the biodiversity and cultural value of the NNRs in our direct care	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
21	UKWAS Corrective Action Requests and Observations progress	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
22	Area of new woodland created on the NRW Estate	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
23	Timber volume offered to market	Numeric target	Figure / target not achieved.	Within 30% of figure / target	85% (with integer rounding, i.e. $\geq 84.5\%$ would be green)
25	Deliver actions in the Wales Marine Protected Area (MPA) Network Management Action Plan	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete

27	Permits and licences issued within statutory timescales	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
28	Category 1 and category 2 compliance breaches are subjected to further assessment	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
29	Decision on an appropriate enforcement response within 3 months	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
31	Response to incidents initially categorised as 'High' within 4 hours	Numeric target	Figure / target not achieved.	Within 30% of figure / target	95% (with integer rounding, i.e. $\geq 94.5\%$ would be green)

### Using our expertise, alongside that of others...

Page	Measure	Type	Red is...	Amber is...	Green is...
34	Complete re-design of our freshwater quality monitoring network...	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
36	Work to set strategic direction for development and	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be	Activity reflected is effectively complete

	implementation of projects			completed a month later than planned)	
38	Response to environmental governance issues and liaison with Interim Assessor	Text update	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to red rating applies, focused on fair reflection of position	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to amber rating applies, focused on fair reflection of position	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to green rating applies, focused on fair reflection of position
39	Inform development of Welsh Government future land management policy & legislation	Text update	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to red rating applies, focused on fair reflection of position	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to amber rating applies, focused on fair reflection of position	No pre-set Red / Amber / Green rating approach in place, i.e. common-sense approach to green rating applies, focused on fair reflection of position
40	Develop and implement programme to examine a proposed new National Park	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete

### Improve water quality through raising awareness...

Page	Measure	Type	Red is...	Amber is...	Green is...
43	Deliver programmes to review statutory	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be	Activity reflected is effectively complete

	water quality requirements			completed a month later than planned)	
44	Deliver NRW input to the various Water Company Planning Programmes	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
46	NRW progress on key deliverables for Special Areas of Conservation (SAC) Rivers Project	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
47	Progress of our work to reduce pollution from metal mines	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete

### Involving a diverse range of stakeholders...

Page	Measure	Type	Red is...	Amber is...	Green is...
50	Deliver against agreed actions for Year 1 of 'All Together' (Diversity and Inclusion Strategy)	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete
51	Ongoing development and delivery of combined training, resource and projects	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be	Activity reflected is effectively complete

				completed a month later than planned)	
53	Progress of Nature and Us / Natur a Ni programme	Milestone	Activity reflected is not near completion	Activity reflected is near complete (e.g. expected to be completed a month later than planned)	Activity reflected is effectively complete

### Developing NRW into an excellent organisation...

See 'Internal performance report' (*next page*)

[To return to start of report - see [Business Plan Performance Dashboard](#) - pages 1 and 2]

## Annex 2: Internal Performance Report

### **Priority: Developing NRW into an excellent organisation, with a workforce that drives a strong performance culture and delivers value for money and social and environmental value for the people of Wales**

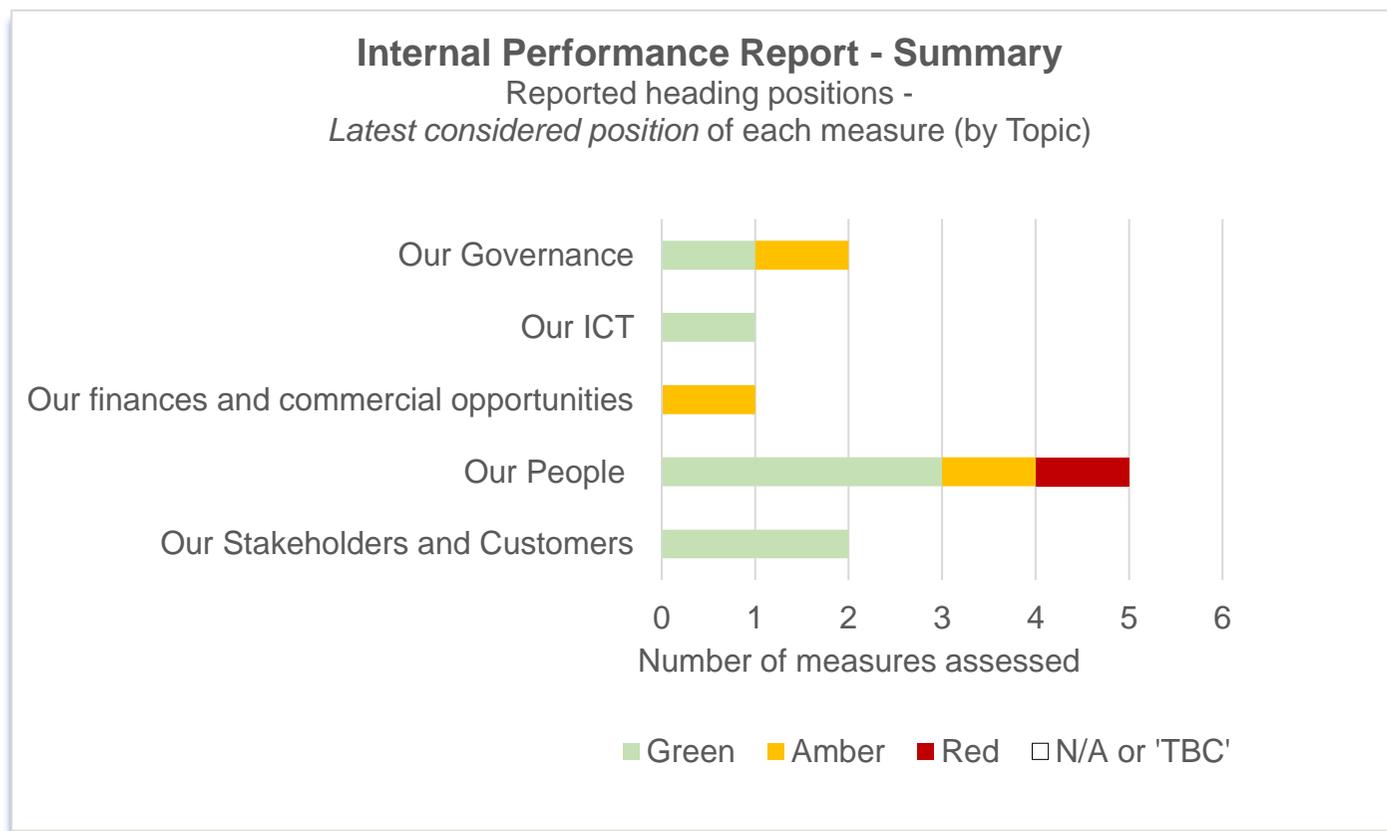
We want to be the best organisation we can be for our customers, for nature and for the people of Wales. To do this, we aim to continue to improve the services we provide, innovating and using digital approaches, whilst building on changes in working practices as a result of the Covid-19 pandemic. Our Business as Usual work here includes all the services we provide to enable work to take place on the ground and to develop our evidence base – looking after our staff; stakeholders and customers; training and developing our staff to help them reach their full potential; paying our bills on time and buying in goods and services with sustainability in mind; developing commercial opportunities sustainably including harvesting timber; and making sure we have robust governance in place so that we are open, fair and act with propriety.

Our NRW Business Plan sets out the following topics in relation to this priority:

- [Our Governance](#)
- [Our ICT](#)
- [Our finances and our commercial opportunities](#)
- [Our People](#)
- [Our Stakeholders and Customers](#)

The following pages show recent progress for each of those topics, through reflecting a quarter end performance snapshot in relation to a number of key measures which our Leadership Team consider each month relating to the 'health' of our organisation.

## Summary



The latest performance position\* (snapshot to end of September 2022) for the measures covered by the topics listed is:

- Seven green
- Three amber
- One red

We expect eight of these measures to be green at the end of the year, with three amber and none red (see *next page*)

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\*Overall/performance key: The overall/performance status for each measure reflects a green, amber or red state, i.e.:  
Green - achieved target or milestone; Amber - close to target or milestone; Red - missed target or milestone.

## Measures to note

Updates below reflect all measures that are red or amber, including any currently anticipated to be so in future reports.

### Our Governance:

- In relation to non-compliance (**enforcement response** within NRW) our response is Amber at the end of September, with three enforcement notices issued to NRW this year. Our ambition to meet Green is to have zero. Any response is reviewed internally and by our external auditors (e.g. for ISO14001 and UKWAS). Amber is still expected at year end, as this measure reports cumulatively through the year and cannot be turned around in year.

### Our finances and commercial opportunities:

- **Payments performance** to our suppliers remains Amber at the end of September (at 91%), up from 89%. **We still expect to be Green at year end.**

### Our People:

- **Health and Safety Active Monitoring** (i.e. regular inspection and checking to ensure that wellbeing, health and safety standards are being implemented) remains Red at the end of September. Significant work is being done to improve how we manage and capture our performance on this, and we now compare the position for the current month to the same month in the previous year to give a like-for-like view. We are currently working to develop a bespoke active monitoring template for operational activities for launch in Q4 with one already in place for non-operational activities. Amber is expected for year end
- **Sgwrs** (priorities and development agreement) remains Amber at the end of September at 82%, up from 56% (Green is 90% or higher) – slightly above where the equivalent measure stood at this time last year ('PDPs'), and a significant improvement on the position reported last quarter following managers' action on this. **We still expect to be Green at year end.**

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\*Overall/performance key: The overall/performance status for each measure reflects a green, amber or red state, i.e.:  
 Green - achieved target or milestone; Amber - close to target or milestone; Red - missed target or milestone.

### Our Stakeholders and Customers:

- **Access to Information requests** ('ATIs') responded to within 20 days remains Green at the end of September, with no response made outside of this timescale (less than or equal to 5% is being considered green). *Amber is still expected at year end*, in recognition of the variability of requests we receive. At the start of the reporting year we received a high number of complex subject access requests (SAR), which were a significant burden on resources and impacted the capacity of the team to respond to FOI/EIR requests. However, the team have now attended formal SAR/FOI/EIR training, we have tightened up processes and raised organisational awareness, which has resulted in a significant improvement in meeting response times in Q2. In Q1 15 requests exceeded 20 working days, and during Q2 this has reduced to 1 request.

## Remaining measures

i.e. those not already highlighted as 'Measures to note'.

### Our Governance:

- **Declarations of Interest** (where people working for us declare when their official and/or private interests may be perceived to conflict with NRW's work) *is now Green at 92% for the latest report, up from 89% (Amber)*, with the relevant declaration in place for the vast majority of staff (at least 90% is considered green). Green is expected at year end

### Our ICT

- **Information Commissioner's Office (ICO)** reported incidents remains Green with no such investigations ongoing at the end of September.

### Our People:

- **'Mandatory E-Learning'** (online training items all NRW staff are required to complete) remains Green at the end of September at 93% (at least 89.5% is considered green).
- **Health & Safety Near Misses** remains Green to the end of September with an increase in reported near misses compared with last year (green reflects an increased number of these reports). Green is currently expected for year end.
- **Absence** remains Green at the end of September at just under 3.5% (3.5% or below is considered green for this).

\*Overall/performance key: The overall/performance status for each measure reflects a green, amber or red state, i.e.:

Green - achieved target or milestone; Amber - close to target or milestone; Red - missed target or milestone.

**Our Stakeholders and Customers:**

- Complaints responded to within 20 days *is now Green, up from Amber in the last report*, with no response made outside of this timescale (less than or equal to 5% is being considered green). Green is currently expected at year end.

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\*Overall/performance key: The overall/performance status for each measure reflects a green, amber or red state, i.e.:  
Green - achieved target or milestone; Amber - close to target or milestone; Red - missed target or milestone.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2022
<b>Title of Paper:</b>	Wellbeing, Health and Safety (WH&S) Quarter 2 Update
<b>Paper Reference:</b>	22-11-B12
<b>Paper sponsored by:</b>	Prys Davies, Executive Director of Corporate Strategy and Development
<b>Paper prepared by:</b>	Charlotte Morgan, Wellbeing Health & Safety Manager
<b>Paper presented by:</b>	Charlotte Morgan, Wellbeing Health & Safety Manager
<b>Purpose of the paper</b>	Discussion
<b>Summary</b>	To discuss the Quarter 2 WH&S update

## Background

1. This is the Quarter 2 summary of our Wellbeing, Health & Safety (WH&S) performance for Natural Resources Wales (NRW). The report provides an overview of how NRW have managed WH&S through Quarter 2 2022/2023.

## Summary

2. Headlines from Quarter 2 2022/2023 include: -
  - a) **Serious Incident Reviews (SIR)** – There were no serious incident reviews in Q2.
  - b) **RIDDOR Reportable Lost Time Injuries (LTIs) and Injuries** – zero RIDDOR and one LTI for NRW in Q2. Both near miss reporting and active monitoring has increased this quarter.
  - c) **The Corporate Health Standard update.** There will be a virtual re-accreditation process by which NRW can extend our silver award for a further 12 months (called an Enhanced Status Check). This is now planned for December.
  - d) **Wellbeing.** Financial awareness and support was delivered through our Employee Assistance provider – Care First.

## Wider implications

3. **Finance:** It is recognised that the mis-management of WH&S has significant financial implications. The WH&S team are continuing to put new systems in place in order to manage our WH&S risks and therefore reduce any costs. As well as protecting our staff and those working on and using the Estate NRW manage, there could be significant financial implications arising from failures to implement a robust WH&S system.

## Next Steps

4. The WH&S team will continue to support the business to ensure wellbeing, health and safety risks are being managed effectively by NRW. In looking ahead, NRW will need to maintain and also develop and improve further our own strong culture of wellbeing, health and safety monitoring and learning. This will continue to be the key element of our future strategy to move forward.
5. The WH&S team will use the information gathered and lessons learnt in the development of our future strategy and action plan.

## Recommendation

6. The Board are asked to approve the Q2 2022 – 2023 WH&S update.

## Index of Annexes

Annex 1 – Quarter 2 WH&S and Learning and Development Report



# Board & Executive Team Q2 2022/2023 paper

## Serious Incident Reviews Summary

<p>1.</p> <p>Details: EV Car Charging.</p> <p>Reference: ACCB879/A1</p> <p>Incident date: 24/08/2019</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: Completed</p>	<p>Total actions: 10</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 10</li> <li>• Open: 0</li> <li>• Overdue: 0</li> </ul>	
<p>2.</p> <p>Details: Boom had become detached on one side. The worker immediately stopped works and removed the machine from site to prevent any environmental issues.</p> <p>Reference: ACCB1092 / A1</p> <p>Incident date: 21/10/2019</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: Completed</p>	<p>Total Actions: 16</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 13</li> <li>• Open: 3</li> <li>• Overdue: 0</li> </ul>	
<p>3.</p> <p>Details: Digger un-earthed a live cable at approximately 2-3 inches below the</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 11</li> <li>• Open: 2</li> <li>• Overdue: 0</li> </ul>	

<p>surface of the ground car park in Bwlch Nant yr Arian</p> <p>Reference: ACCB1092 / A2</p> <p>Incident date: 09/01/2020</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: Completed</p>	<p>Open actions: 2</p> <p>Final completion date of March 2023 (linked to ISO 45001 training and competency framework).</p>	
<p>4.</p> <p>Details: Chainshot hit `marguard` in front windscreen of harvester</p> <p>Reference: ACCB1092/A3</p> <p>Incident date: 17/02/2020</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: Completed</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 9</li> <li>• Open: 0</li> <li>• Overdue: 0</li> </ul>	<p>9</p> <p>9</p> <p>0</p> <p>0</p>
<p>5.</p> <p>Details: Near miss Ringbarking concerns -Cwm Cletwr near Tre`ddol Village.</p> <p>Reference: ACCB1092/A4</p> <p>Incident date: 27/03/2020</p> <p>Type of SIR: Near miss</p> <p>Full investigation: Completed</p>	<p>Open actions: Completed</p>	
<p>6.</p> <p>Details: Felled tree was left leaning (hung-up) against another tree.</p> <p>Reference: ACCB1092/A6</p> <p>Incident date: 10/03/2020</p> <p>Type of SIR: Near miss.</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 2</li> <li>• Open: 2</li> <li>• Overdue: 0</li> </ul>	<p>4</p> <p>2</p> <p>2</p> <p>0</p>
	<p>Open actions: 2</p> <p>Final completion date of Dec 2022 (linked to the CDM Task and Finish Group).</p>	

Full investigation: Completed		
<p>7.</p> <p>Details: Lorry overturned while transporting stone from Halfway to Glasfynydd.</p> <p>Reference: ACCB1092 / A5</p> <p>Incident date: 09/07/2020</p> <p>Type of SIR: Injury</p> <p>Full investigation: Completed</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 11</li> <li>• Open: 2</li> <li>• Overdue: 0</li> </ul>	<p>13</p>
<p>8.</p> <p>Details: BT reported a spurious voltage on equipment at their telephone exchange emanating from Kidwelly flood warning station.</p> <p>Reference: ACCB1097/A3</p> <p>Incident date: 11/11/2020</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: Completed</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed: 47</li> <li>• Open: 0</li> <li>• Overdue: 0</li> </ul>	<p>47</p>
<p>9.</p> <p>Details: The incident occurred on the forest road below a clearfell coupe in Afan forest park.</p> <p>Reference: ACCB1097/A1</p> <p>Incident date: 09/04/2021</p> <p>Type of SIR: Near miss.</p> <p>Full investigation: SIR completed and undergoing final scrutiny.</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed</li> <li>• Open</li> <li>• Overdue</li> </ul>	<p>57</p> <ul style="list-style-type: none"> <li>• 54</li> <li>• 3</li> </ul>
	<p>Open actions: 2</p> <p>Final completion date of Dec 2022 (linked to the CDM Task and Finish Group).</p>	
	<p>Open actions: Completed</p>	
	<p>Final completion date: March 2023 (linked to ISO 45001 training and competency framework).</p>	

<p>10.</p> <p>Details: Fatal accident on NRW estate to member of the public. Blaenrhonnda Forest, near Blaencwm, Penpych.</p> <p>Reference: ACCB1097 / A2</p> <p>Incident date: 07/05/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and the coroner has adjourned the case until October 2022. Operational team attended site and assessed – no actions required.</p>
<p>11.</p> <p>Details: Fatal accident on NRW estate to member of the public. Sgwd Pannwr plunge pool, Brecon Beacon.</p> <p>Reference: ACCB1092 / A11</p> <p>Incident date: 05/06/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and the coroner has adjourned the case until October 2022. Operational team member and WH&amp;S advisor attended site and assessed – no actions required.</p>
<p>12.</p> <p>Details: Fatal accident on NRW estate to member of the public. Sgwd Gwladus waterfall in Pontneddfechan, Glynneath.</p> <p>Reference: ACCB1092 / A9</p> <p>Incident date: 16/08/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and the coroner has adjourned the case until October 2023. Operational team member attended site and assessed – no actions required.</p>
<p>13.</p> <p>Details: The incident occurred with a fleet vehicle and the handbrake mechanism.</p>	<p>Total Actions: 3</p> <p>Of Which: Completed &amp; Closed : 3</p>

<p>Reference: ACCB1092 / A10 &amp; A7</p> <p>Incident date: 02/08/2021 &amp; 06/08/2021</p> <p>Type of SIR: RIDDOR reportable injury.</p> <p>Full investigation: The SIR has been completed and closed.</p>	<p>Open: 0 Overdue: 0</p> <p>Open Actions: Completed</p>
<p>14.</p> <p>Details: Fatal accident on NRW estate to a sub-contractor working on a standing sales site. Coed Taff Forest.</p> <p>Reference: ACCB1092/A12</p> <p>Incident date: 12/10/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and Health and Safety Executive. Forest Operational team members were on site with the HSE and provided information. The Wellbeing, health &amp; safety manager attended site.</p>
<p>15.</p> <p>Details: Fatal accidents on River Cleddau. NRW has a fish pass asset in the vicinity of the incident and therefore is being recorded on AssessNET as a precautionary measure.</p> <p>Reference: ACCB1097/A4</p> <p>Incident date: 30/10/2021</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused.</p>	<p>The SIR has been paused due to further investigation by the police and Health and Safety Executive.</p>
<p>16.</p> <p>Details: Ash tree failed and fell across boundary fence onto third party land allegedly causing injury to third party groundsman and damage to strimmer.</p>	<p>SIR has been issued in draft for actions to be agreed. Once agreed the report will be formally issued.</p>

<p>Reference: ACCB1096/A1</p> <p>Incident date: 14/04/2022</p> <p>Type of SIR: MOP Injury</p> <p>Full investigation: SIR in progress</p>		
<p>17.</p> <p>Details: MoP injured by automatic barrier at Newborough</p> <p>Reference: ACCB1094/A1</p> <p>Incident date: 04/05/2022</p> <p>Type of SIR: MOP Injury</p> <p>Full investigation: SIR completed and undergoing final scrutiny</p>	<p>Total actions</p> <p>Of which:</p> <ul style="list-style-type: none"> <li>• Completed &amp; Closed:</li> <li>• Open:</li> <li>• Overdue:</li> </ul>	<p>3</p> <ul style="list-style-type: none"> <li>• 2</li> <li>• 1</li> </ul>
<p>18.</p> <p>Details: MoP fatality at Sgwd Clun-Gwladys, waterfall country</p> <p>Reference: ACCB1092 / A13</p> <p>Incident date: 15/05/2022</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused pending outcome of statutory investigation and Coroner's inquest</p>	<p>Final completion date: April 2023 (linked to overall general maintenance).</p> <p>This SIR has been paused pending outcome of statutory investigation and Coroner's inquest. Operational team member, WH&amp;S advisor and Head of Place attended site and assessed – added additional signage on the public right of way, to warn of the serious incident that happen and advising to use an alternative route. A recent accident – has led to the National Parks closing the public right of way under their powers as the highway authority.</p>	
<p>19.</p> <p>Details: MoP fatality at Bike Park Wales</p> <p>Reference: ACCB1095 / A2</p> <p>Incident date: 23/05/2022</p> <p>Type of SIR: Fatal incident.</p> <p>Full investigation: SIR opened and paused pending outcome of statutory investigation and Coroner's inquest</p>	<p>This SIR has been paused pending outcome of statutory investigation and Coroner's inquest. There is a legal agreement with BPW, and they have control of the works.</p>	

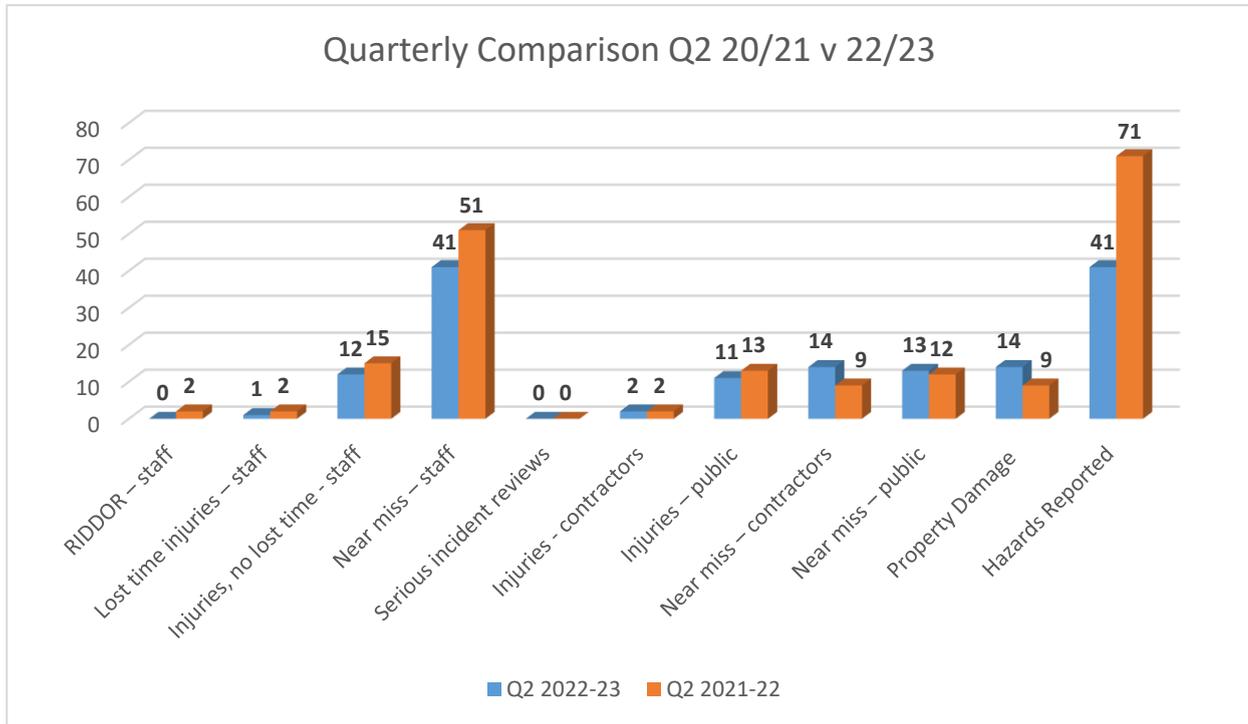


# Recent Incidents on NRW Estate

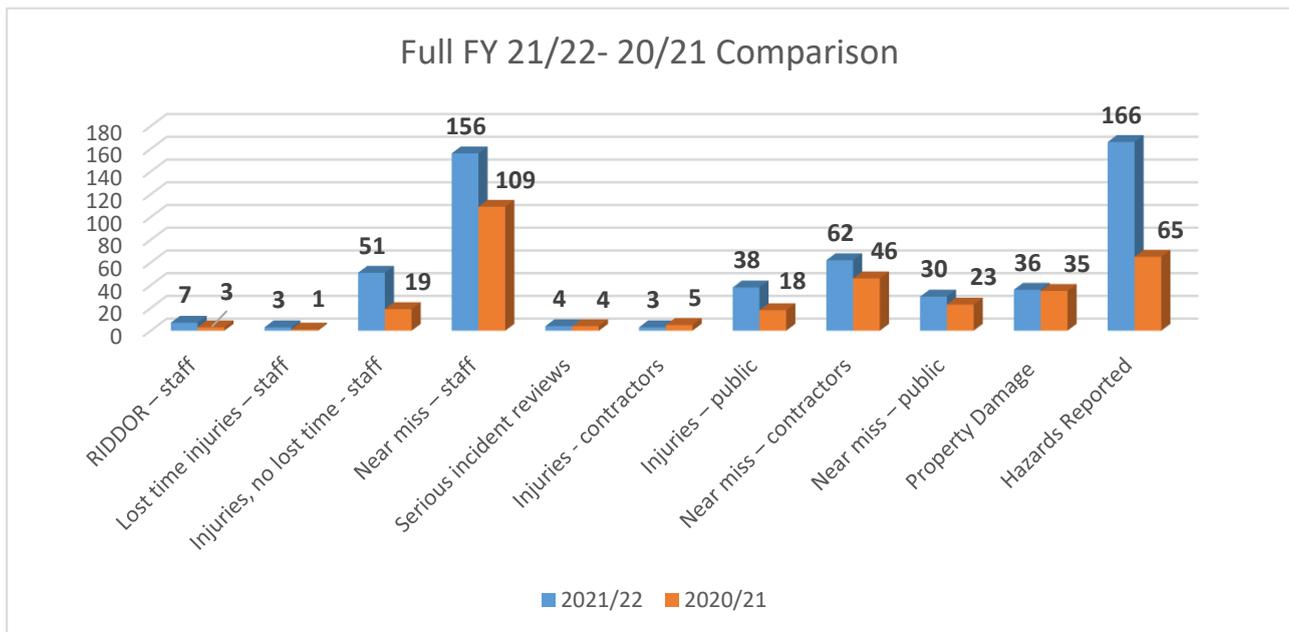
## Incidents

	Q2 2022-23	Q2 2021- 22	Q1 2022-23	2021/22	2020/21	2019/20	2018/19	2017/18
<b>RIDDOR – staff</b>	0	2	2	7	3	6	2	8
<b>Lost time injuries – staff</b>	1	2	0	3	1	4	5	8
<b>Injuries, no lost time - staff</b>	12	15	7	51	19	121	53	59
<b>Near miss – staff</b>	41	51	30	156	109	183	163	201
<b>Serious incident reviews</b>	0	-	3	4	4	5	2	3
<b>Injuries - contractors</b>	2	2	0	3*	5*	5	9	9
<b>Injuries – public</b>	11	13	16	38	18	53	53	95
<b>Near miss – contractors</b>	14	9	12	62	46	50	40	44
<b>Near miss – public</b>	13	12	6	30	23	33	20	39
<b>Property Damage</b>	14	9	7	36	35	32	43	48
<b>Hazards Reported</b>	41	71	32	166	65	83	103	78

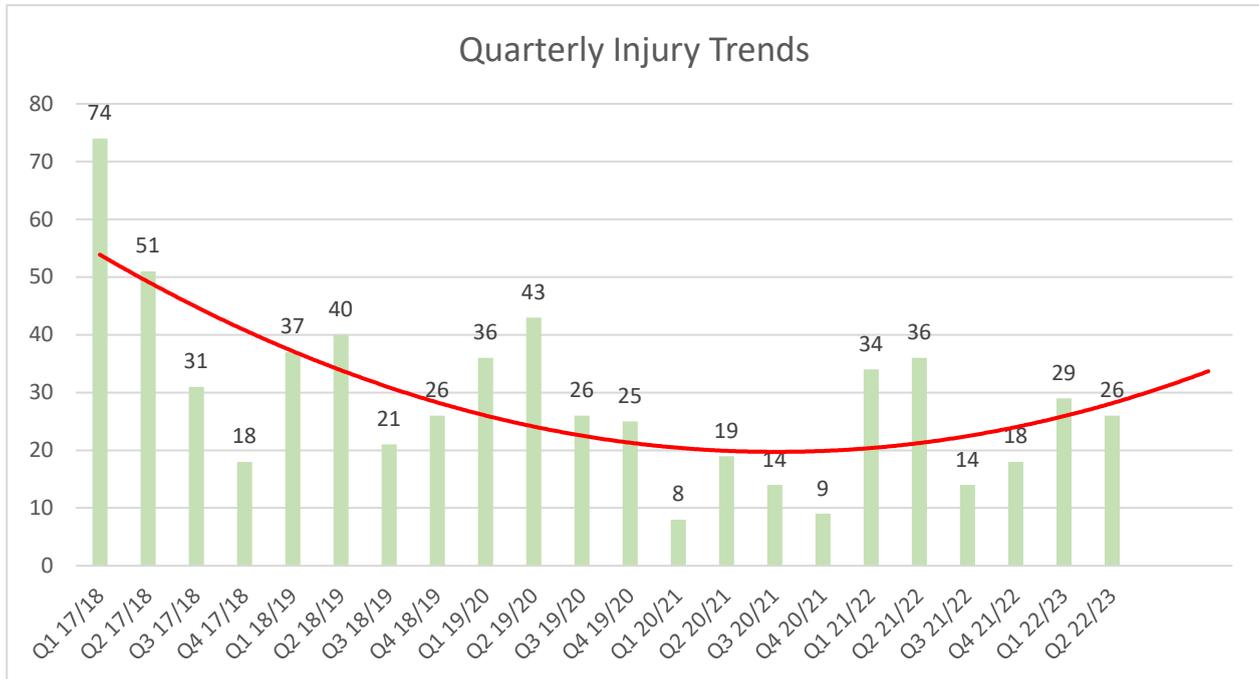
## AssessNET Incident Data Comparison (all NRW) Q2



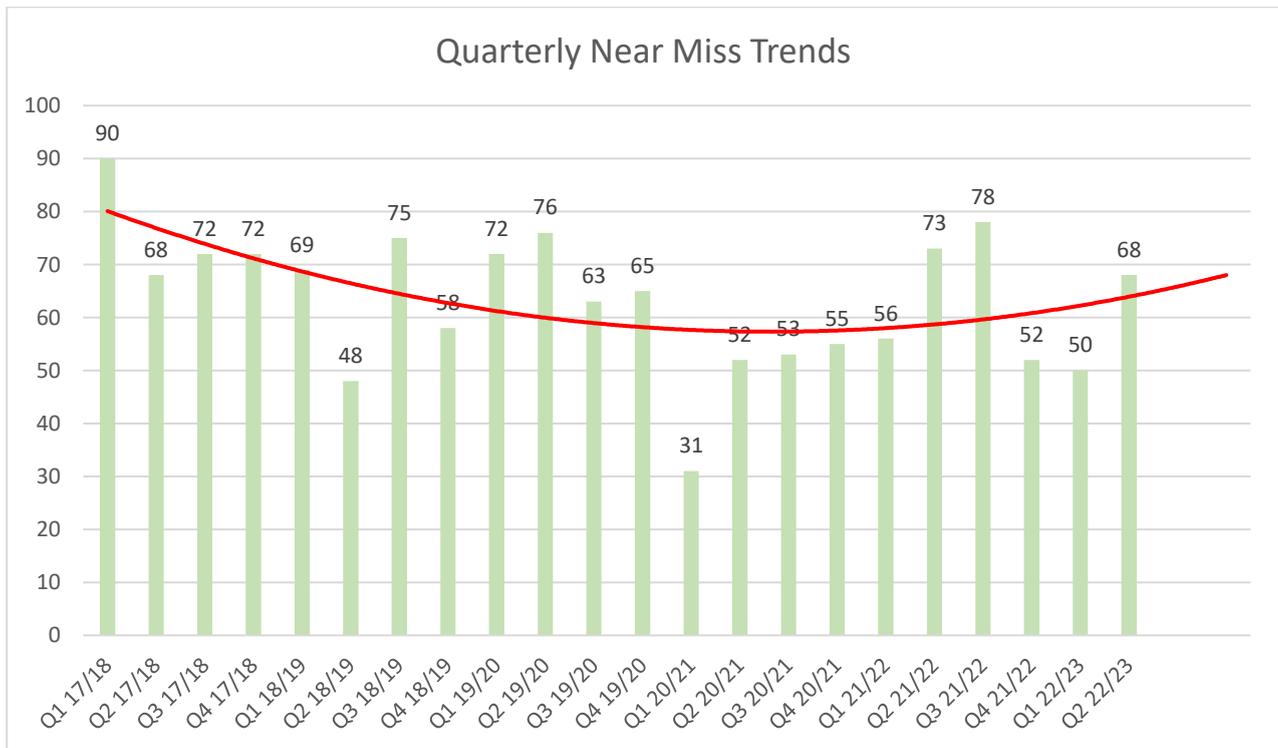
## AssessNET Incident Data Comparison (all NRW) Full Year



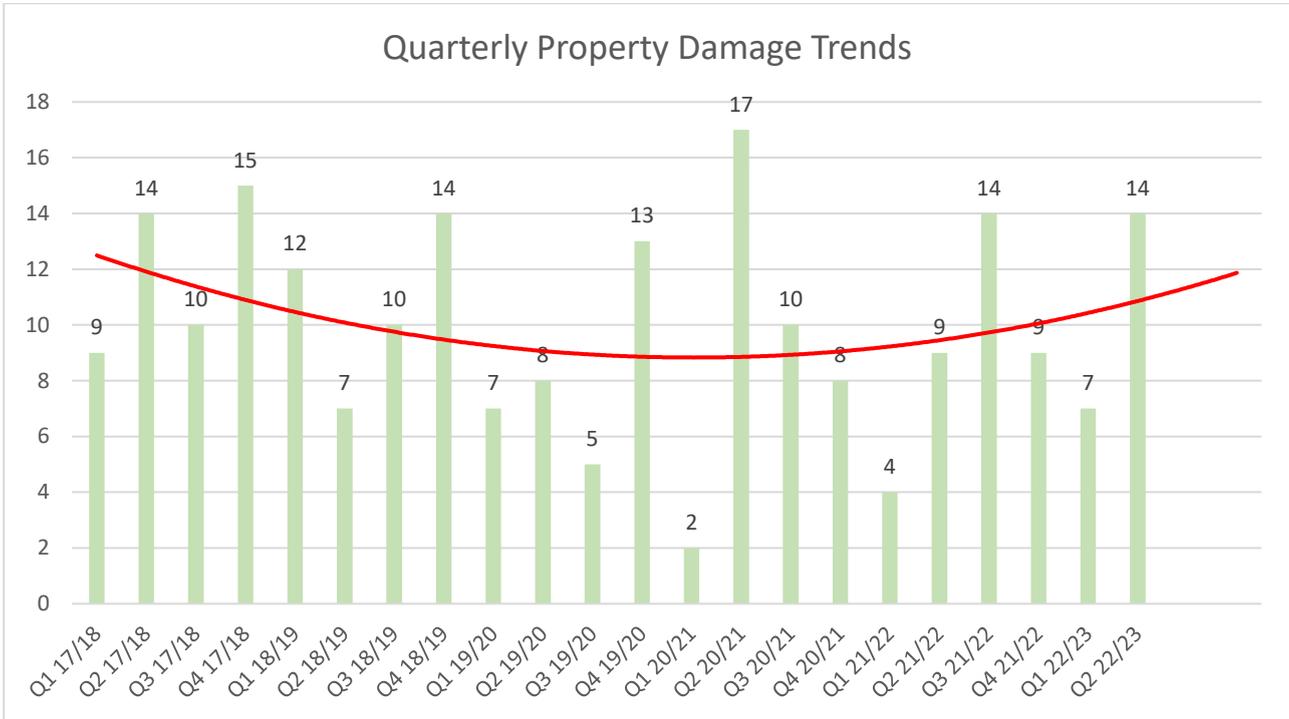
## NRW Quarterly Trend Analysis



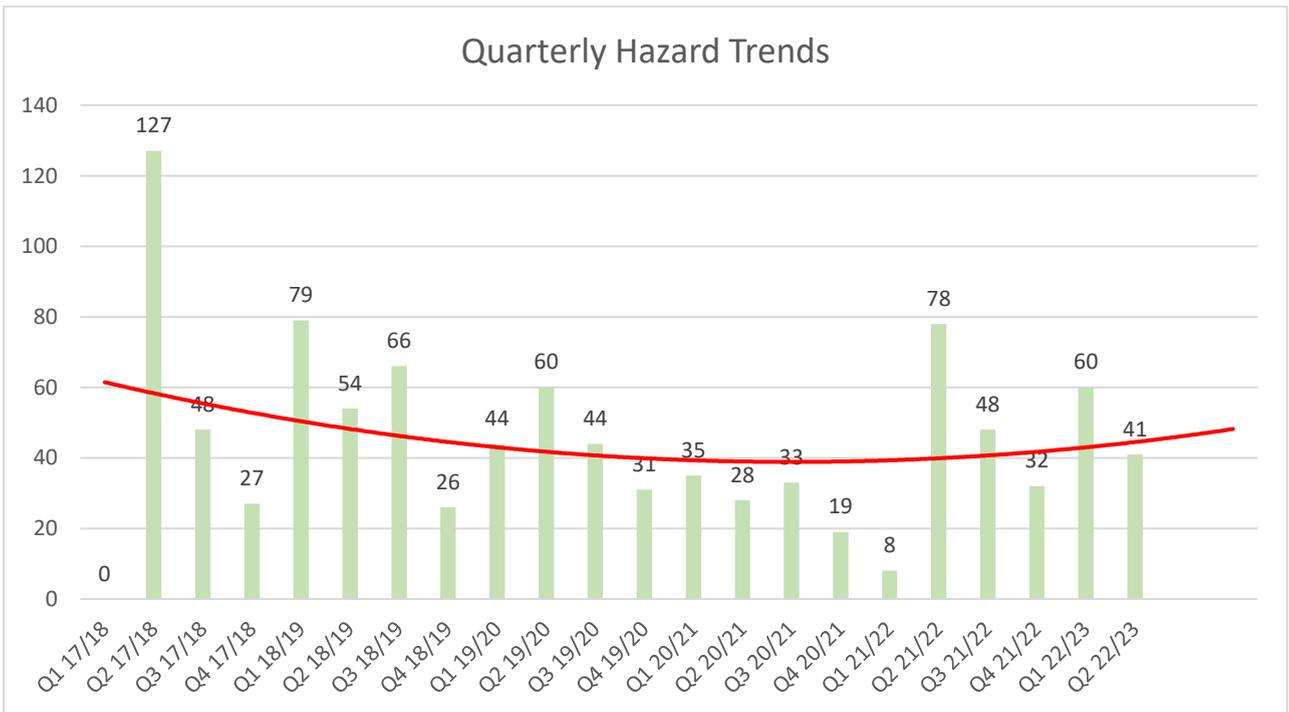
Injuries recorded have declined slightly year on year since 17/18. The decline will be less prominent with 20/21 removed from the stats because of the unique circumstances caused by the pandemic. Of the 26 reported, 12 are to staff with a mix of bites/stings, slips/trips, minor injuries using tools/work equipment and one manual handling injury. 2 contractor injuries are slips/trips and the remaining MoP injuries are mostly MTB related.



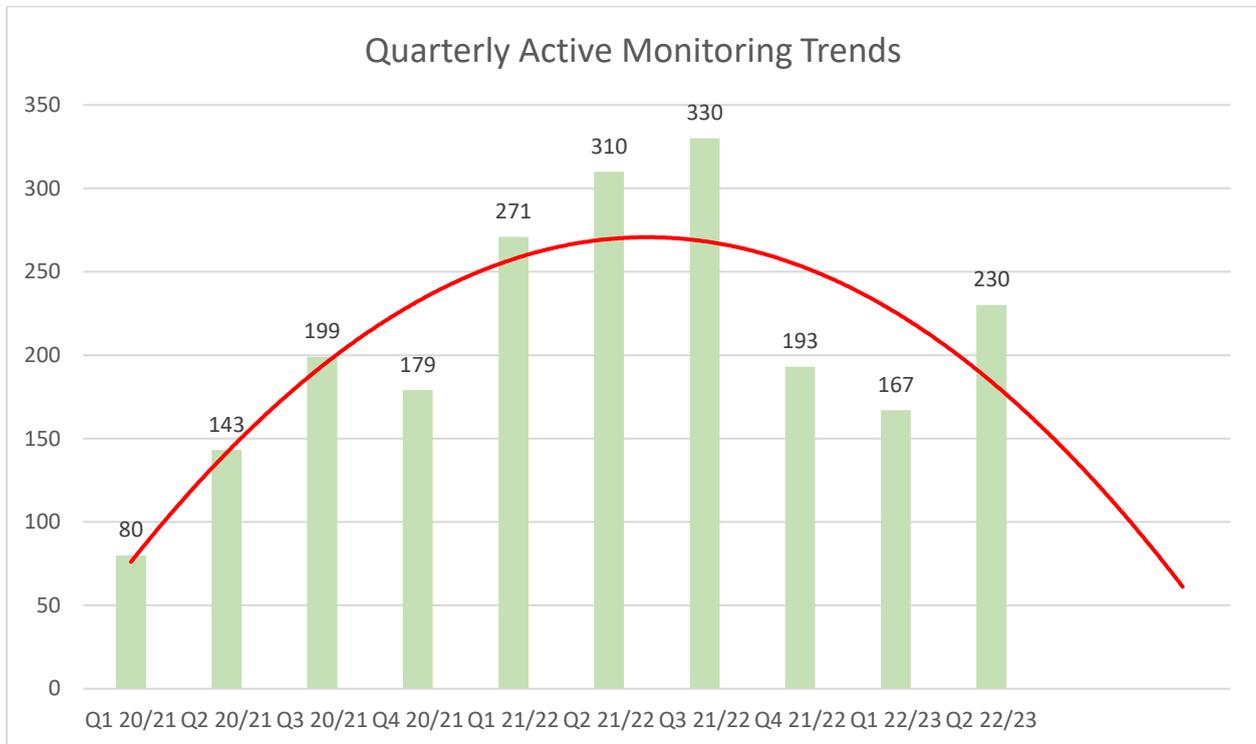
Near misses appear more stable year on year. Again with 20/21 removed the trend line will be flatter. Near misses this quarter consist of timber stack heights (too high), public and other incursions on to harvesting sites, driving near misses.



Property damage incidents are declining slightly – this is mainly vehicles being struck by or striking something. Interestingly not much variation compared to the other trends during 20/21.



Hazards being reported are declining slightly. Again the trendline will be flatter with 20/21 removed. Trends for Q2 are varied with remedial actions resulting from 5 year premises electrical inspections being most common.



Active Monitoring – there is only 2 full years of active monitoring data available from the MI Report, so it is early in the trend analysis at present, but trendline shows a decreasing projection after promotion of active monitoring in 21/22. Further improvements are currently being trialled with the use of AssessNET for active monitoring instead of MyNRW. This should hopefully make it easier to report.

## NRW Totals for Q2 2022/23.

We had 0 RIDDOR reportable incidents to staff in Q2 22/23.

We had 1 Lost Time Incident to a member of staff – a slip/trip/fall whilst carrying out fieldwork resulting in 4 days lost time.

## ISO 45001: 2018

As part of the ISO 45001:2018 standard, a series of surveillance visits are required to ensure compliance to the standard. There will be 10 audit days in total and these have now been confirmed and will take place in October and November.

The current minor non-conformities will be assessed and closed off in the surveillance days, this will ensure NRW are improving and fulfilling the legal requirements.

# HSE Forestry Site Inspections

The Health and Safety Executive (HSE) commenced their inspections of forestry worksites during Q2. The WHS team in liaison with Forest Operations Teams, co-ordinated these visits for the HSE at their request.

At the end of Q2, HSE had undertaken 7 inspections on standing sales sites across Wales, with further inspections scheduled for early during Q3. A member of the WHS team accompanied HSE on site during the inspections.

The inspections focussed primarily on Forestry Works Manager and Chainsaw Operator competence, as expected. HSE have also used these inspections to revisit previous topics which have been focal points for inspection, including risk assessments and also provision of welfare facilities.

The WHS team are expecting feedback from HSE following the conclusion of these inspections, and a further update will be included in the Q3 paper.

## Policy update

A number of the WH&S policies and procedures were reviewed and updated. These included: -

- Water safety procedure
- Smoking Policy
- Procurement of contractors

All policies/procedures going forward will be signed off as per the new Governance Operating Model and Delegated Authority Schedule.

## Updates to existing systems and contracts

We are currently looking to upgrade or put in place new systems for the following:

- PPE contract has been awarded to a new supplier – Workplace Worksafe.
- Upgraded AssessNET for single sign on ability for all staff. Wellbeing Health & Safety Pre-qualification questionnaires

## Pre-qualification questionnaires.

To ensure that contractors and customers who work on NRW land are adequately assessed at the pre-qualification stage and ensure that they are competent and have made suitable arrangements in place to manage WH&S a prequalification assessment is undertaken.

In total, the following have been assessed and approved -

**1 Air quality management**– this required further clarification.

**13 Forestry Road Civils Framework** - 5 approved at initial assessment and the others required further clarification.

**5 Contract site specific works** – all required further clarification.

Where potential contractors/customers/suppliers fail the initial assessment, further guidance is provided in that area to allow them to re-submit further supporting evidence. The guidance is reviewed and updated to improve the process for NRW's contractors and customers.

## Wellbeing initiatives and developments

### Corporate Health Standard

The enhanced status check for the silver award has been booked in for the 9<sup>th</sup> of December 2022. The check will be carried out via teams, with the assessors meeting with some of the Executive Team before meeting the Staff Wellbeing Group.

### Wellbeing Initiatives

Samaritans talk to us campaign was promoted during July. A suicide awareness session was arranged for September to co-incide with the World Suicide Prevention Day.

The WH&S team promoted the Care first information specialists team who can be contacted for financial assistance. NRW have teamed up with Cambrian Credit Union to offer staff an easy way of building a nest egg through the payroll savings scheme.

We continue to promote the Care first webinars which are held 3 times a week.

## Learning and Development

### Training budget 2022-2023

The training budget was agreed for 2022-23 as £512,500. At the end of quarter two actual spend of the budget was £290k with an additional £89k committed. The L&D Team continue to book training courses in line with demand from the training tracker and the business with courses being programmed in up to April 2023. The [training course calendar](#) is updated weekly with new course dates and locations.

## Priorities 2022-2023

The L&D Team has been working with the Flood Recovery & Review Implementation Programme (FRRIP) to roll out training courses identified for winter preparedness, including water safety, 4 x 4 driver training the development of a hostile situations training course that reflects the work of our employees.

The team are also working with the business to ensure training is provided in preparation for the various audits taking place in Q3 including HSE and UKWAS.

To support line managers the team have been offering meetings to go through the requests in the training tracker and ensure the records are still current for team members. Feedback from these meetings has been really positive.

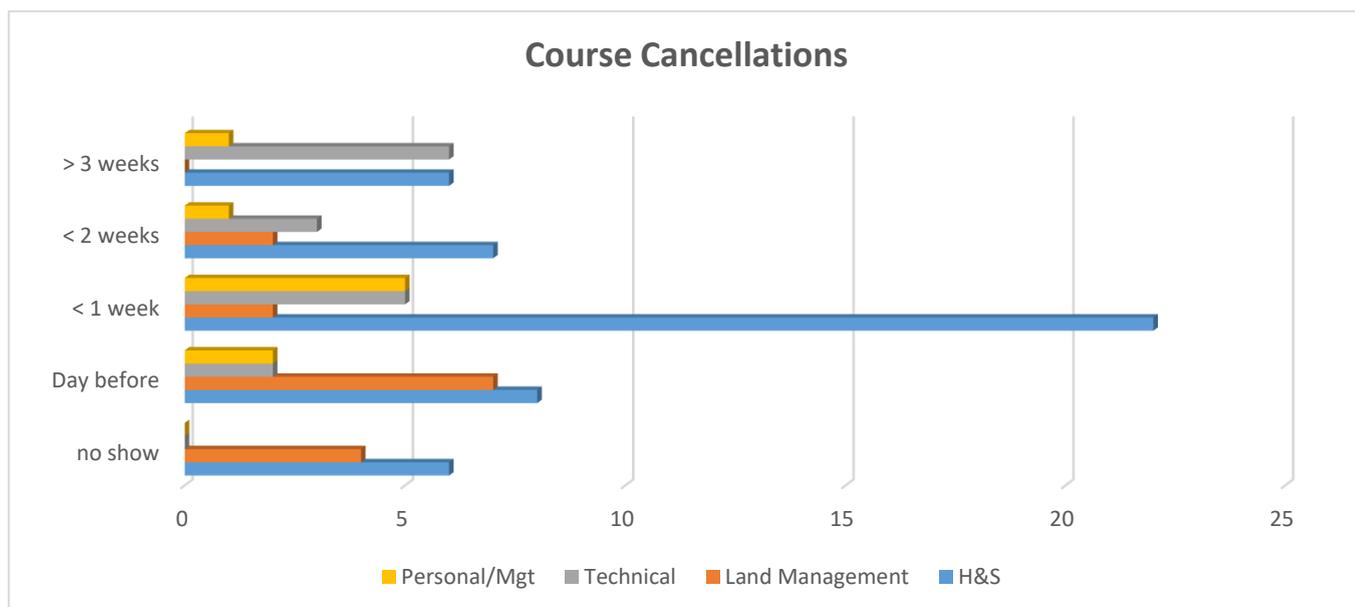
## Training Statistics

	No of Courses	Delivery Method		Training Category			
		Classroom	Virtual	H&S	Land Mgt	Tech	Personal/Mgt
Jul-22	47	37	10	23	14	7	3
Aug-22	35	31	4	16	12	6	1
Sep-22	59	36	23	24	8	18	9
Qtr Total	141	104	37	63	34	31	13

N.B. 1 course was cancelled in August due to low numbers

## Cancellations 2022-2023

The team are looking at the number of staff who cancel training courses, the reasons for this and notice period given. This is a work in progress and will be built on going forward.



# NRW Occupational Health Statistics

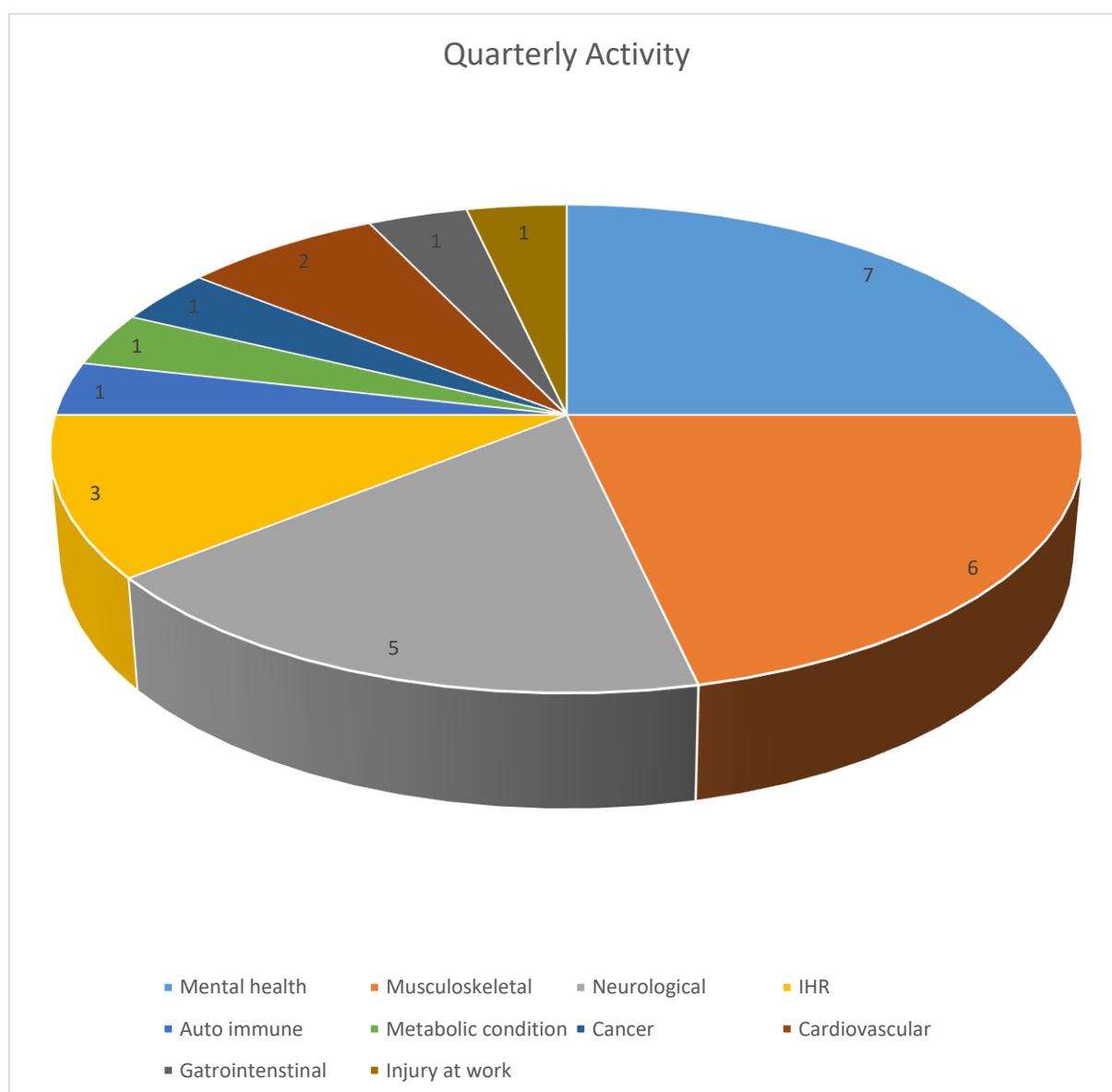
## Quarter 2 – July-September 2023

	Q2 2022-23	Q2 2021-22	2021/2022 (annual total)	2020/2021
Referrals/reviews	28	38	134	95
HAVS screening	0	0	63	50
HAVS Tier 4	0	0	6	2
Conflict Resolution screening	27	0	26	23
Whole Body Vibration assessments	0	0	130	0
Post offer screening	0	0	2	1

Night worker assessments	0	0	3	0
Physio assessments	0	8	8	23

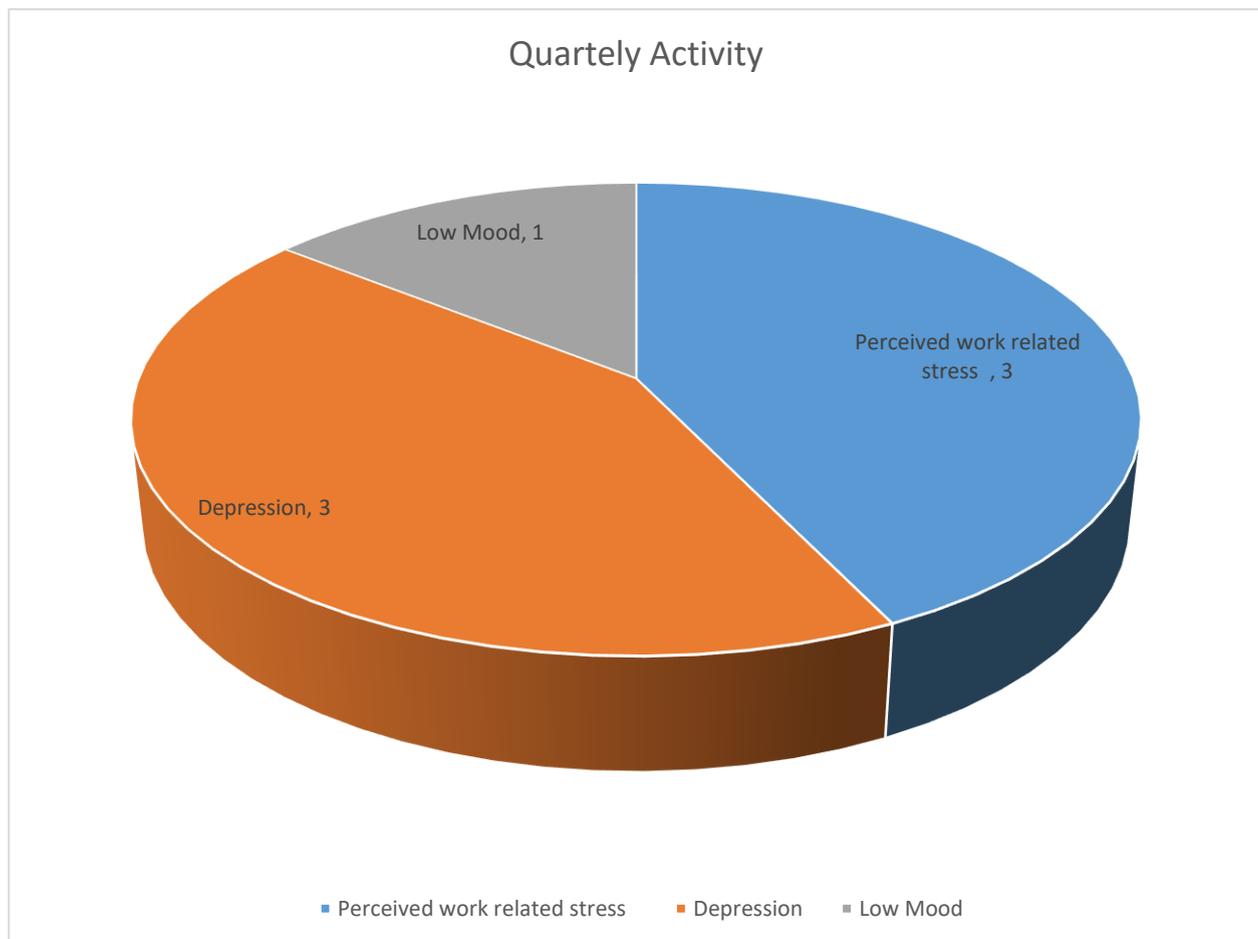
In quarter 2 of 2022/2023 there was a decrease in the total number of referrals made to the external occupational health provider, compared to the same quarter in 2021/2022. The Whole Body Vibration assessments will be undertaken in Quarter 2 and Quarter 3 of 2022/2023.

## Medical reason for referral



Mental health is the main reason for referrals this quarter at 25%, which is a 13% decrease from last quarter.

## Mental health categories



43% of the mental health referrals are perceived to be work related which is a 8% increase from the last quarter.

Perceived work-related stress is where it is identified that the employee perceives that their stress is solely work related, i.e. work is the stressor. Where there is both work related and personal related stress this is identified as multi factorial.

We should not view the increase in the referrals to our occupational health provider as a negative. This could be for a number of reasons, such as NRW raising awareness of burnout and loneliness via the recently run webinar sessions, and that staff are actively seeking support and assistance for their mental health. People management will continue to monitor trends of sickness absence.