

## Agenda

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**Title of meeting:** NRW Board Public Meeting

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**Date of meeting:** Thursday 16<sup>th</sup> November 2023

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**Time of meeting:** 09:30 – 12:25

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**Location:** Microsoft Teams

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Time	Item
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<b>09:30</b>	<b>Item 1. Open Meeting</b>
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**5 mins**

- 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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<b>09:35</b>	<b>Item 2. Review Minutes and Action Log</b>
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**5 mins**

- 2A. Review Minutes from Public 21<sup>st</sup> September meeting**
- 2B. Review Public Action Log**

Sponsor and Presenter: Sir David Henshaw (Chair)

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

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**09:40**  
**5 mins**

### **Item 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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**09:45**  
**15 mins**

### **Item 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: 23-11-B10**

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**10:00**  
**20 mins**

### **Item 5. Update Reports of Committees and Forums (by Exception)**

Sponsors and presenters: Committee Chairs

Audit and Risk Assurance Committee – 9<sup>th</sup> October

**Paper Ref: 23-11-B11**

Evidence Advisory Committee – 24<sup>th</sup> October

**Paper Ref: 23-11-B12**

Finance Committee – 19<sup>th</sup> October

**Paper Ref: 23-11-B13**

Flood Risk Management Committee – 5<sup>th</sup> October

**Paper Ref: 23-11-B14**

Land Estate Committee – 26<sup>th</sup> October

**Paper Ref: 23-11-B15**

People and Customer Committee

Protected Areas Committee – 3<sup>rd</sup> October

**Paper Ref: 23-11-B16**

#### Forum Updates

Wales Land Management Forum

**Paper Ref: 23-11-B17**

Wales Fisheries Forum

Wales Water Management Forum

National Access Forum for Wales

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

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**10:20**

**25 mins**

## **Item 6. Finance Performance Report and Mid-Year Budget Review**

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

Presenter: Rob Bell, Head of Finance

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

**Paper ref: 23-11-B19**

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**10:45**

**15 mins**

## **Break**

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**11:00**

**30 mins**

## **Item 7. Natur a Ni / Nature and Us**

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

Presenter: Russell De'Ath, Senior Specialist Advisor, Vision 2050; Sarah Williams, Head of Corporate Strategy and PMO

**Summary: To NOTE the NRW response to the Natur a Ni Vision**

**Paper ref: 23-11-B20**

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**11:30**

**20 mins**

## **Item 8. Business Plan Performance Dashboard Quarter 2 Report and Internal Performance Quarter 2 Report**

Sponsor and Presenter: Clare Pillman, Chief Executive

Attendees: Sarah Williams, Head of Corporate Strategy and Programme Management Office; Sue Ginley, Lead Specialist Advisor, Corporate Planning and Performance

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

**Paper ref: 23-11-B21**

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**11:50**

**10 mins**

## **Item 9. Realignment of NRW's Governance Structure and Arrangements following the launch of the New Corporate Plan**

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

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Presenter: Victoria Painter, Interim Head of Governance and Board Secretary

**Summary: To APPROVE the revised Terms of Reference for the Board, Committees and Executive Team. To NOTE the work on the alignment of the governance structure and arrangements to the Corporate Plan.**

**Paper ref: 23-11-B22**

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**12:00**  
**5 mins**

**Item 10. AOB**

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**12:05**

**Close Meeting**

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**12:05**

**Public Q&A**

**20 mins**

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**12:25**

**Close Public Meeting**

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# Unconfirmed Minutes

<b>Title of meeting:</b>	<b>NRW Board Meeting – Public Meeting Down to Earth, Gower and Microsoft Teams</b>
<b>Date of meeting:</b>	21 <sup>st</sup> September 2023
<b>Present Board Members:</b>	Sir David Henshaw, Chair Clare Pillman, Chief Executive Prof Steve Ormerod, Deputy Chair Geraint Davies Prof Rhys Jones Mark McKenna Helen Pittaway Dr Rosie Plummer Prof Peter Rigby
<b>Present Executive Team Members:</b>	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 Victoria Rose-Piper, Head of Business Support Services and Adfywio, deputising for Rachael Cunningham, Executive Director of Finance and Corporate Services
<b>Additional Attendees Present:</b>	Victoria Painter, Interim Head of Governance & Board Secretary (All items) Andrea Morgan, Business Finance Team 1 Manager (Item 6) Teams Sarah Williams, Head of Corporate Strategy and Programme Management Office (Item 7) Kirsten Hughes, Lead Specialist Advisor, Corporate Planning & Performance (Item 7) Sue Ginley, Lead Specialist Advisor, Corporate Planning & Performance (Item 7) Sioni Davies, Advisor, Corporate Planning & Performance (Item 7)
<b>NRW Observers:</b>	Jacqui Kedward, Head of Internal Audit Stella Gwynne, Lead Specialist Advisor, Governance Kate Evans, Manager, Public Affairs / Private Secretary to CEO (Items 7 to 9)
<b>Public Observers:</b>	Kim Waters – Welsh Rivers Union Catherine Linstrum, Friends of the Gwent Levels
<b>Declarations:</b>	<ul style="list-style-type: none"> <li>• Dr Rosie Plummer - Member Pembrokeshire Coast National Park Authority - wide-ranging interactions relevant to agenda including National Park landscape designation and protections including SAC rivers, Marine zones, and planning matters, diverse grant recipient and collaborator; Plantlife</li> </ul>

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Trustee - participant in the Natur am Byth project and recipient of other grants/collaborations.

- Prof Steve Ormerod – Vice President of RSPB (no influence on policy); New declaration – Fellow of the Royal Entomological Society
- Mark McKenna – CEO of Down to Earth, the venue for the Board meeting; Skyline community partnership with Down to Earth funded through the National Lottery Climate Action Fund
- Geraint Davies – Mentor with Farming Connect; Associate of Pwllpeiran Upland Research Centre

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**Apologies:** Prof Peter Fox  
Prof Calvin Jones  
Lesley Jones  
Kath Palmer  
Rachael Cunningham, Executive Director of Finance and Corporate Services  
Gareth O’Shea, Executive Director of Operations  
Danielle Phillips, Chwarae Teg

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**Secretariat:** Jocelyn Benger  
Natalie Williams

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## Item 1. Open Meeting

1. The Chair opened the meeting and welcomed everyone. Declarations of interest and apologies were noted as above.

## Item 2. Review Minutes and Action Log

### 2A. Review Minutes from 19<sup>th</sup> July Public Meeting

2. The minutes from the public Board meeting on 19<sup>th</sup> July were reviewed and agreed.

### 2B. Review Action Log

3. The action log was reviewed and noted.

## Item 3. Update from the Chair

4. The Chair noted the depth of discussions at the previous day’s Board strategic session.
5. The autumn engagement with Ministers was about to commence. The challenging financial times were noted.
6. The next Board meeting in November would be virtual. The congestion in diaries for September was being considered and a review was taking place for 2024. The Board Development Day in October was noted.
7. The Chair highlighted that this was Prof Peter Rigby’s final Board meeting and extended his sincere appreciation and thanks for Prof Rigby’s huge contribution and wise counsel as a member of the Board. The Chief Executive also offered thanks on behalf of the Executive Team (ET) for Prof Rigby’s work and leadership on evidence.

#### Item 4. Report from the Chief Executive

8. The Chief Executive gave an update on items in addition to the written report.
9. A meeting had taken place with the Grosvenor Estate and one of their trustees, Dame Fiona Reynolds, at Halkyn Mountain looking at the importance of the site and developing the relationship there. The Chief Executive had given a speech at the Environment Ireland Conference, which had been a good event working with colleagues from across Ireland. The event had focused on renewables and energy, alongside water quality issues and the biodiversity agenda. This month, the Executive Director of Evidence, Policy and Permitting (EPP) would be attending the European Environment Protection Agency Plenary in Helsinki and the Chief Executive would be meeting with the UK Nature Conservation Bodies and the Joint Nature Conservation Committee (JNCC).
10. An update was provided on the budget position and pressures. A recruitment freeze had been put in place in August and would continue through to October to allow time for clarity on the priorities and pressures. Next year would be more challenging, with inflation across the board and Welsh Government (WG) looking for savings from NRW. The Finance Committee and the Board would be kept updated.
11. The major Flood Risk Management Flood projects at Ammanford and Stephenson Street were progressing well. These were noted as ahead of schedule and therefore also ahead of budget. This was being monitored and reviewed.
12. The Report by Prof Elwen Evans KC on the 2020-21 Floods had been published. This had largely focused on the Section 19 Reports produced by the local authorities and made recommendations on how these could be improved in future. It was noted that there was no further action for NRW.
13. Board members considered the content of the CEO Report. The compensatory planting and approach to the land management at Bovil Farm was noted. It was queried whether there were educational and community engagement opportunities arising in this area. It was suggested that this could be considered through the Land Estate Committee.

**ACTION: The Chair of LEC to consider an item on educational and community engagement opportunities arising from compensatory planting**

14. The update on enforcement was noted and it was queried when a more detailed report on trends would be available. The Executive Director of EPP explained that this was planned for the Board meeting in January. Board members welcomed the provision of more detailed information.

#### Item 5. Update Reports of Committees and Forums

15. Dr Rosie Plummer, deputising for Kath Palmer, Chair of the Audit and Risk Assurance Committee (ARAC), gave an update to the Board on the meeting held on 7<sup>th</sup> September. The Audit Wales update was noted on the audit of the final accounts. There were two issues outstanding for the final accounts, and therefore the sign-off of the Annual Report and Accounts would be delayed. An update was received on the counter fraud work. A deep dive took place on the redevelopment of the Strategic Risk Register and the final draft would return to ARAC prior to submission to the November Board meeting. New terminology and changes to the policy were noted for Raising a Serious Concern in the Public Interest (Whistleblowing). Six Internal Audit Reports were received and good

progress was noted with three Substantial and three Moderate opinions. Some cross-cutting issues with the People and Customer Committee would be raised at the next meeting. The Terms of Reference for ARAC were reviewed. Thanks were extended to Prof Peter Rigby for his contribution to ARAC. A closed session was held with the Head of Internal Audit.

16. Prof Peter Rigby, Chair of the Evidence Advisory Committee (EAC) gave an update. EAC were due to meet again in October. Work was ongoing on refreshing the membership of the Committee.
17. Helen Pittaway, Chair of the Finance Committee (FC) updated the Board on the meeting held on 14<sup>th</sup> September. This had been a full agenda, and much of the detail would follow in the private Board session. Assurance was provided that FC had scrutinised the financial items for consideration by the Board.
18. Geraint Davies, deputising for Prof Pete Fox, Chair of the Flood Risk Management Committee (FRMC), confirmed that the next meeting of FRMC would take place on 5<sup>th</sup> October.
19. Mark McKenna, deputising for Prof Calvin Jones, Chair of the Land Estate Committee (LEC), updated the Board on work since the last meeting held on 5<sup>th</sup> May. The next meeting would take place on 26<sup>th</sup> October and the agenda had been prepared. Wood Knowledge Wales would be attending to update on the actions arising from the WG Trees and Timber Deep Dive.
20. Mark McKenna, Chair of the People and Customer Committee (PCC), updated the Board on the meeting held on 13<sup>th</sup> September. This was the first in-person meeting and thanks were offered to all involved in organising this. A workshop had taken place on understanding NRW's customers' journey. At the formal meeting, the Complaints and Commendations Annual Report and the Wellbeing, Health and Safety Quarter 1 Report were scrutinised. A more detailed conversation on visitor safety in the waterfall area would follow. The redevelopment of the Strategic Risk Register was considered. A discussion took place on Equality, Diversity and Inclusion (EDI) and an Action Plan would be developed following this. The Terms of Reference for PCC were reviewed and a conversation took place on the areas of overlap with LEC. There was a detailed strategic item on the Welsh language in NRW, and it was agreed to go beyond compliance. A new format was trialled for information papers which was positively received.
21. Dr Rosie Plummer, Chair of the Protected Areas Committee (PrAC) confirmed that the next meeting would take place on 3<sup>rd</sup> October.
22. Prof Rhys Jones, Chair of the Wales Land Management Forum (WLMF), updated the Board. The paper was taken as read. The first meeting of the Regional Advisory Committee (RAC) had taken place and the membership was noted to include a depth and breadth of expertise. Discussion had taken place on whether the role of the Committee could be augmented to feed into both NRW as a whole and the WLMF.
23. Prof Steve Ormerod, Chair of the Wales Fisheries Forum (WFF) and Wales Water Management Forum (WWMF) noted that neither Forum had met since the last Board meeting. A specialist symposium looking at sea trout had taken place at which NRW had presented. The passing of sea trout expert Dr Graeme Harris was noted and his contribution and dedication to sea trout conservation was highlighted.



24. Geraint Davies, Chair of the National Access Forum for Wales (NAFW), noted that the next meeting would take place on 7<sup>th</sup> November in Cardiff.

### Item 6. Finance Performance Report

Presenter: Andrea Morgan, Business Finance Team 1 Manager

25. The Business Finance Team 1 Manager introduced the item and provided an overview of the paper, noting the Report as at the end of July. This had been scrutinised by ET and FC. Income had dropped from £266.3m to £264.9m mainly due to the change in profile relating to externally funded projects. The expenditure forecast had shifted between staff and non-staff, and these changes were listed in more detail on page 5 of the Report. An overview of the financial performance on income was provided. It was noted that timber income would be re-forecasted following a quieter summer than expected. The reduction was likely to be around £4m. A crucial exercise was taking place on reviewing staff budgets during the recruitment freeze. Regular meetings were taking place with Land Stewardship to monitor performance on overspend. Overprogramming in the Flood Capital Programme was being reviewed to reduce this and this would be brought to ET along with the lessons learned from last year's overspend. The Board were asked to approve the revised forecast of £264.9m.

26. Helen Pittaway, as Chair of FC, commented that the Report had been scrutinised at FC and that the financial position was constantly changing. The issues with the Flood Capital Programme were noted as having to be discussed again, and the difficulties were recognised.

27. Board members considered the content of the Report. The recruitment freeze was noted and caution was urged in the way in which it was extended to externally funded projects, recognising that it was important not to delay progress on these. The Chief Executive noted that the Planning and Resource Group (PRG) were reviewing this. It was highlighted that all projects would need to look at their programmes as finances tightened going forward.

28. The Board approved the change in the original budget from £266.3m to a forecasted £264.9m and noted the financial performance to the end of July 2023.

**APPROVED: The change in the original budget from £266.3m to a forecasted £264.9m.**

### Item 7. Business Plan Performance Dashboard Quarter 1 Report and Internal Performance Quarter 1 Report

Sponsor and Presenter: Clare Pillman, Chief Executive

29. The Chief Executive presented the Business Plan Performance Dashboard Report for Quarter 1 (Q1). The paper was taken as read. The discussions at the previous day's strategic session were noted around the development of a new set of Strategic and Operational Indicators. The current Business Plan Dashboard largely reflected measures carried forward from 2022/23, organised around the three new Well-being Objectives until the new performance framework was in place.

30. The Red Amber Green (RAG) status of the measures was reported as: 20 Green, 2 Amber, 0 Red. The two measures rated as Amber were described and the number of measures rated as Green were highlighted. It was noted that there was likely to be more Amber measures on the Dashboard going forward due to the financial constraints. A session had taken place with WG on the Performance Report, which had focused on

woodland creation. The tensions were noted on what was achievable within the budget, although there was confidence that the measure on woodland creation would be achieved. The Internal Performance Q1 Report was presented and the measures were noted as: 8 Green, 0 Amber, 2 Red, 1 Unreported. The two Red measures were described. It was explained that the measures on declarations of interest reporting related to staff declarations on the internal management system.

31. Board members discussed the Report, noting the importance of the new Strategic and Operational Indicators that were being developed. The new targets that were being set needed to be sufficiently stretching and allow that the measures would not always be Green. The conversations from the previous day's strategic sessions were highlighted, noting the need to ensure that the right things were measured and monitored.

32. The Board approved the Business Plan Performance Dashboard Q1 Report and Internal Performance Q1 Report.

### **APPROVED: The Business Plan Performance Dashboard Q1 Report and Internal Performance Q1 Report**

#### **Item 8. Board Committee Membership**

Presenter: Victoria Painter, Interim Head of Governance and Board Secretary

33. The Interim Head of Governance and Board Secretary provided an overview of the amendments to the Board Committee membership as detailed in the paper. The three elements around the placing of the new Board member on the Committees, the membership of EAC, and the Chairs' Group Terms of Reference were described.

34. The Chair noted that Prof Steve Ormerod would be stepping back from chairing the Enabling the Environmental Non-Governmental Organisation (eNGO) Sector Group and Lesley Jones had agreed to take over as chair. The Board agreed to this proposal.

### **AGREED: Lesley Jones to take over as the Chair of Enabling the eNGO Sector Group from Prof Steve Ormerod**

35. The Board discussed the Terms of Reference for the Chairs' Group. It was clarified that this was a mechanism for orchestrating and managing business across the Committees. Board members recommended that the membership of the Group should be opened up to include all Board members and that the name should be changed to reflect this. Possible alternative names were proposed, including a change to 'Chair's Group'. It was proposed that it should take place after each Board meeting to consider any items arising from the meeting.

36. The membership of EAC was considered. The Board had previously approved the increase in membership to around ten. Four new members had been invited to ensure a spread of expertise. Three had responded positively and one invitation to a climate scientist remained outstanding. The Board were asked to approve the appointment of the outstanding invitee should they accept or an alternative climate scientist if the invitation was not accepted. The Board agreed to the proposal.

### **AGREED: The appointment of the outstanding invitee to EAC should they accept or an alternative climate scientist if the invitation was not accepted**

37. Prof Rhys Jones noted the discussions at the WLMF that there was no appetite for a rotating Chair of the Agricultural Pollution Sub-Group of the WLMF, and therefore Prof Jones would continue in this capacity.

38. The Board approved the amendments to the Board Committee membership as detailed in the paper.

**APPROVED: The amendments to the Board Committee membership**

**Item 9. Items for Approval**

**Item 9a. Wellbeing, Health and Safety Quarter 1 Report**

39. The Wellbeing, Health and Safety Quarter 1 Report had been scrutinised by PCC at the meeting on 13<sup>th</sup> September.

40. Prof Rhys Jones queried how the reporting of Near Misses had led to a reduction in incidents and requested further details on this. It was recommended that a briefing was arranged with the Wellbeing, Health and Safety Manager on this issue.

**ACTION: The Wellbeing, Health and Safety Manager to meet with Prof Rhys Jones to describe the work on Near Miss Reporting**

41. The Board approved the Wellbeing, Health and Safety Quarter 1 Report

**APPROVED: The Wellbeing, Health and Safety Quarter 1 Report**

**Item 9b. Modern Slavery Statement**

42. The Modern Slavery Statement had been scrutinised by PCC at the meeting on 13<sup>th</sup> September.

43. Board members discussed the issues around ensuring that there was no modern slavery within NRW's supply chain and to what extent sub-contractors were adhering to practices of the Sustainable Management of Natural Resources (SMNR). The Executive Director of Communications, Customer and Commercial described the approach taken by the Commercial team and highlighted the work to be done by all public services on expanding the impact of social value. Discussions had taken place in ARAC, recognising this an issue in driving value, employment practices and SMNR in the supply chain, and working with WG and the public sector.

44. The Board approved the Modern Slavery Statement.

**APPROVED: The Modern Slavery Statement**

**Item 10. AOB**

45. Prof Steve Ormerod highlighted the UK State of Nature Report 2023, which was due to be published imminently and would tell the grim story on the state of UK wildlife.

**- Meeting closed -**

**Item. Public Q&A**

46. The Chair invited questions from the public. The Interim Head of Governance and Board Secretary read the questions below. A response was provided by the Executive Director of EPP and a written response would be provided by email.

47. Catherine Linstrum, Friends of the Gwent Levels

- *In recent years NRW have followed a pattern of objecting to DNS applications in the early stages of the planning process but, apparently convinced by developers' proposed mitigation measures, ultimately withdrawing all objections. Planning inspectors have then determined that planning conditions would ensure that the development not only avoids serious adverse impacts but provides net biodiversity benefit. Friends Of the Gwent Levels would like to see evidence from NRW that the mitigation measures put in place by developers which NRW have approved do in fact succeed in providing the promised benefit to ecosystem resilience.*

48. Kim Waters, Welsh Rivers Union

- *We now hit the salmonoid breeding season with maize, stubble turnip and appalling farming practices about to kill this season cohort, assuming there are any there to actually breed. The Usk has collapsed. Any plans for conservation translocation to the devoid tributaries south of Brecon? That said the tribs are so bad it's probably not worth it.*

49. Kim Waters, Welsh Rivers Union

- *Where does the complete collapse of salmonoids in Welsh rivers appear on the dashboard?*

**- Public Meeting closed -**

## Board Meetings

Action No.	Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
16	Public	27/01/2023	7	32	Rachael Cunningham, Executive Director of FCS	ACTION: FRMC to consider the full costs of the Internal Drainage Districts in conjunction with the Head of Finance	Jeremy Parr, Head of Flood and Incident Risk Management; Rob Bell, Head of Finance	18/04/2024	Ongoing	To be considered at FRMC April 2024. Delayed due to staff resources/priorities.
18	Public	27/01/2023	9	47	Prys Davies, Executive Director of CSD	ACTION: The Head of Governance and Board Secretary to develop the approach to Place-based Board public engagement sessions	Head of Governance & Board Secretary	31/12/2023	Ongoing	Options for Board public engagement being developed. The approach to be agreed with the Chair and the new Head of Governance and Board Secretary.
35	Public	23/03/2023	4	18	Clare Pillman CEO	ACTION: A presentation on the work on minimising pollution to be presented at a future Board meeting	Nadia DeLonghi, Head of Regulation and Permitting; Martin Cox, Head of North Wales Operations	11/01/2024	Ongoing	Noted that the format for this update is under discussion with Ceri Davies and Gareth O'Shea. A strategic session on pollution is planned for the January Board meeting.
65	Public	21/09/2023	4	13	Clare Pillman CEO	ACTION: The Chair of LEC to consider an item on educational and community engagement opportunities arising from compensatory planting	Chair of LEC	26/10/2023	Ongoing	Added to the LEC Forward Look for consideration
66	Public	21/09/2023	9	40	Prys Davies Executive Director CS&D	ACTION: The Wellbeing, Health and Safety Manager to meet with Prof Rhys Jones to describe the work on Near Miss Reporting	Charlotte Morgan, WHS Manager	15/11/2023	Ongoing	

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Chief Executive's Report (Public Session)
<b>Paper Reference:</b>	23-11-B10
<b>Paper presented by:</b>	Clare Pillman
<b>Purpose</b>	Information and discussion
<b>Summary</b>	The paper provides the Board with an update on current issues.

## Introduction

1. At the time of writing we are putting in place preparations for the third named storm of the year (just by way of comparison, Storm Dennis was in February 2020, Storm Christophe in January 2021). A paper on Winter Preparedness is provided to the Board, Welsh Government and partners, but in truth we are already in the thick of managing a string of bad weather events.
2. We are also in the usual cycle of budget discussions with Welsh Government (WG) leading up to the Autumn budget (which will be in December because the Autumn Statement is scheduled for quite late in November).
3. One of the highlights of the last couple of months was the Evidence Conference, which saw some really stellar contributions on the subject of impactful evidence from NRW staff, partner organisations and academics. This is the fourth such conference, and each year it evolves, bringing in new participants and focussing on different areas of NRW's work.
4. Despite the twin joys of the weather and budgets, I have continued to get out and about with teams across Wales, often joined by Board members. In late September, I visited Llyn Celyn reservoir, a Dŵr Cymru Welsh Water (DCWW) facility, to see the major maintenance and safety works taking place there. It was good to see the way in which the North East Flood & Water Management team are working with our Reservoir regulation staff and DCWW on this important project. This was followed by

a day with the LIFE Dee River team in early October, visiting the Penaran forestry crossing, Horsehoe Falls and the fish pass at Manley Hall. Later in the month, I spent time with the South Central team, visiting Llantrisant Woods to learn about the work planned there; seeing the completed works at Cowbridge reservoir and meeting the regulatory team at Llandow Industrial Estate to see the very challenging environmental issues facing them there. During my stay in South Central I also visited Abi Reader's farm at Wenvoe, and met her and the President of NFU Wales, along with John Mercer and his team.

5. During a trip to London in October, I met Philip Duffy, the new Chief Executive of the Environment Agency (EA), for a useful introductory discussion. Phil and I will be meeting with the CEO of the Scottish Environment Protection Agency (SEPA) in November to talk about how the three agencies can work more closely together on a range of issues going forward. I also attended a meeting of Statutory Conservation Nature Body (SNCB) CEOs alongside partners from Natural England, NatureScot and the Northern Ireland Environment Agency. Separately, I had a call with Laura Burke, Director General of the Irish Environmental Protection Agency, and later had the pleasure of attending an evening reception to celebrate the Irish-Wales Shared Statement, also attended by the First Minister and the Tánaiste, Michael Martin TD.
6. Closer to home, I met with Llyr Gruffydd MS and Graham Boase, CEO of Denbighshire County Council. I also had a useful phone call with Dylan Williams (CEO of Anglesey CC). In late October, I visited Sir George Meyrick of the Bodorgan Estate on Anglesey. George was Vice Chancellor of Bangor University until earlier this year. This was an interesting session, covering the Estate's current and future environmental and landscape work, Bangor University's ambition to play a leading role in global peatland management and the Sea Watch Foundation project.
7. Over recent months we have seen the retirement of two long-standing Team Leaders, our Programme Management Office Manager, Mark Chapman, and Pete Stanley, our Senior Specialist Advisor on Abandoned Mines. I was able to talk to both of them before they left, and to thank them for their very considerable contributions to NRW's work.

## Strategic Issues

### Biodiversity Deep Dive

8. We continue to liaise closely with WG on the implementation of the Biodiversity Deep Dive Recommendations. The eight recommendations and 40-plus actions are a mixture of new actions we can take immediately, a scaling up and acceleration of existing schemes, and longer-term actions that will deliver throughout this Senedd term and beyond. It is critical that these ambitious and integrated actions are

collectively acted upon in a Team Wales approach to halt biodiversity loss and move towards nature recovery. We are a key partner in the implementation process through our representation on the Core Deep Dive Group and its three expert sub-groups (Designated Landscapes; Monitoring and Evidence; Other Effective Area-based Conservation Measures (OECMs) and Nature Recovery Exemplar Areas (NREAs)). We are also part of the Coast and Seas Partnership Cymru and wider engagement initiatives such as the development of a new Biodiversity Strategy in Wales with the Nature Recovery Action Plan Implementation Group.

9. The Core Deep Dive Group is led by the Minister for Climate Change and meets quarterly. Reporting on the progress of the recommendations takes place on a six-month basis, with the second six monthly report due imminently. We are leading on the delivery of several of the actions, including but not limited to:
  - phase one of the Nature Networks Map – delivered in August and we continue to work with the National Lottery Heritage Fund on implementing the Nature Networks Fund, with round three currently open to submissions;
  - ensuring protected sites and nature in the wider landscape are priority tasks for NRW through the delivery of our new Corporate Plan;
  - the National Peatland Action Plan, which has three grant mechanisms for restoration. The latest round of one, the Development Grant, was launched during October and closes on 15 January. These grants fund the preparations needed to deliver peatland restoration, with site-specific measurables. We are also finalising the detail of groundworks contracts for implementation this year, and are on track to recruit additional staff to the new Upscaled National Peatland Action Programme;
  - the Nature and Us Vision was released at the Royal Welsh Show in July and is available online for stakeholders and the public to download. There are two versions of the final report: a full version and an illustrated summary version.
10. A Monitoring and Evidence Expert Group has been established following a recommendation by the Biodiversity Deep Dive. The group is chaired by our Executive Director Ceri Davies and comprises experts in monitoring from the areas of policy, academia and delivery. It has been tasked with developing monitoring and evidence frameworks to measure progress towards the 30 by 30 target and guide prioritisation of action. Over the last six months the group has developed a suite of metrics suitable for measuring progress, focused on delivery, tracking progress and understanding outcomes. The group continues to work on the recommendations, exploring implementation and future joint working arrangements. An initial draft of recommendations will be presented to the core group in December, with the goal of completing the first phase of this undertaking in spring 2024.



11. An OECMs and NREAs Expert Group has also been established. This group is chaired by Professor Steve Ormerod (in his Cardiff University role), with NRW as a participating member, taking a substantive role in the development of this work area. The group has been developing the criteria, processes and approach to take for OECMs and NREAs in Wales. Over the coming months, the group will look at scoping pilots and delivery mechanisms. Initial recommendations will be reported to the core group in December.
12. As the focus on the implementation of the Biodiversity Deep Dive continues, we are aware there are multiple actions that require clear leads to be identified, further defining of actions with key milestones and the resources available to enable a Team Wales effort to drive a decade of decisive action. There is an expectation on Team Wales to deliver transformative change, and we will continue to align ourselves following the launch of our Corporate Plan to aid implementation of the planned actions.

### **The Agriculture (Wales) Act and Sustainable Farming Scheme**

13. The Agriculture (Wales) Bill received Royal Assent in August 2023. The new Act establishes Sustainable Land Management as the framework for future agricultural support and regulation in Wales and places a duty on Welsh Ministers to act in a way they consider best contributes to achieving the Act's objectives, which are to:
  - i. produce food and other goods in a sustainable manner;
  - ii. mitigate and adapt to climate change;
  - iii. maintain and enhance the resilience of ecosystems and the benefits they provide;
  - iv. conserve and enhance the countryside and cultural resources, promote public access to and engagement with them and sustain the Welsh language and promote and facilitate its use.

There are similarities between these objectives and the Sustainable Management of Natural Resources (SMNR) principles as well as our three Corporate Plan well-being objectives, but because they are required to be considered together there is a potential difference in emphasis.

14. The Act also amends the Forestry Act 1967 to give NRW the power to add environmental conditions to felling licences, and to amend, suspend or revoke felling licences already granted to prevent felling that would contradict other environmental legislation. Discussions are ongoing with external stakeholders, with the focus currently being on Tier 2 conditions for felling licences including those relating to red squirrel. We are also reviewing and developing our website application process, including the application form for felling licences. WG have pushed back the

implementation date from 1 January to 1 April next year to allow more time for stakeholder discussions to conclude.

15. As the Agriculture (Wales) Bill passed through the Senedd, WG undertook a co-production exercise with the industry and NRW. It is only now that a clear approach in WG's direction and delivery is developing. The resulting Agriculture Change Programme will result in the most meaningful change in agriculture policy post Second World War and could impact 1.86 million hectares (representing 88%) of the land in Wales.
16. NRW continues to support WG in the development of the Sustainable Farming Scheme (SFS), which is due to be launched in 2025. We have provided detailed feedback in relation to the scope of delivery actions proposed for the 'universal' and 'optional' actions. Key issues include:
  - insufficient detail to determine the required resource to deliver NRW statutory functions to support the scheme;
  - significant omissions in relation to water management and quality;
  - lack of integration and spatial context which will result in the lost opportunity to deliver multiple benefits;
  - limited consideration of biosecurity issues which were restricted to animal health rather than cross cutting plant/tree, Invasive Non-Native Species (INNS), pests and diseases;
  - limited consideration of species and some habitats, especially peatlands;
  - issues for statutory site management.
17. We have also been tasked by WG to develop proposals for protected sites management within the SFS. Current Glastir agreements expire at the end of 2023. The interim Habitat Wales Scheme will provide an opportunity to continue management activities on Sites of Special Scientific Interest (SSSIs) that held Glastir contracts in 2023 until the end of 2024 (albeit with lower support payment rates). After this date it is expected that they will need to enter the SFS however the delivery mechanism and timeframe have yet to be confirmed. The continuation of appropriate funding without gaps alongside the opportunity for other farmers that are not currently in Glastir presents risks.
18. The delivery of these proposals are likely to lead to increased resource demands on NRW in terms of delivering our statutory duties. The additional level of delivery and potential gap in funding between the end of Glastir / Habitat Wales Scheme agreements and the start of funding for management under the SFS represents a material risk to the condition of our protected sites.

19. WG will be undertaking a further and final consultation on the SFS before the end of the year.

### **Enforcement under the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021**

20. We have undertaken a recruitment campaign to enlist staff to 22 new posts so that we can undertake compliance and enforcement inspections under the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 (CoAPR). These staff have joined us and are now engaged in training programmes to prepare them for their roles.
21. To date we have not undertaken any planned inspections under CoAPR. Any inspections undertaken would have been part of a cross-compliance inspection as directed by Rural Inspectorate Wales (RIW), where any identified breaches would have been reported to RIW and appropriate enforcement undertaken as per our Enforcement and Sanctions Policy. Additionally we may have inspected as part of an investigation into a pollution incident. We expect inspections under CoAPR to begin in November, ramping up during December.
22. We understand and are sympathetic to the many pressures that farmers are experiencing currently and the potential such issues have to affect mental health and wellbeing. We appreciate the potential for compliance inspections to exacerbate this pressure. We will always provide reasonable notice, normally in writing, to farmers ahead of any planned compliance inspections identifying the elements that officers will want to inspect. The only time officers would call unannounced is when we are responding to a reported pollution incident. Cross-compliance inspections selected by RIW are subject to specific rules and pre-notification periods that we comply with.
23. As a regulator when enforcing any regulations, we are required to follow the Regulators' Code, which outlines what is expected of regulators in carrying out regulatory work. Our approach to enforcement also follows our published Enforcement and Sanctions Policy, which is outcome focused. Wherever possible, we will provide advice and guidance to assist an operator or individual to come back into compliance before considering heavier enforcement sanctions.
24. On 10 October, the Minister for Rural Affairs and North Wales and Trefyndd announced changes to CoAPR. The amendments to the regulations will be made in two stages:
  - Firstly, to lay regulations, which move the implementation date of the 170kg/ha holding limit of nitrogen from livestock manure and associated record keeping duties from 31 October to 1 January 2024.
  - Secondly, to bring forward amendments to CoAPR to implement an 'Enhanced Nutrient Management Approach' from 1 January to 31 December 2024. This will

operate where there is a need for more than 170kg/ha nitrogen from livestock manures to be applied to the land.

NRW staff are assisting WG with the implementation of these changes, details of which are expected to be published in late November.

### **The Interim Environmental Protection Assessor for Wales (IEPAW)**

25. Dr Nerys Llewelyn Jones, the current IEPAW, was appointed in March 2021 and initially contracted for a period of up to two years, until the establishment of a permanent environmental governance body. Her role, which has recently been extended to 29 February 2024, is independent from WG, providing oversight of the functioning of environmental law in Wales and considering systemic issues relating to the working or functioning of environmental law in Wales.
26. Unlike the Office for Environmental Protection (OEP) and Environmental Standards Scotland (ESS), the IEPAW does not have statutory powers, but instead responds to 'submissions' made to her office and determines whether to produce a report to Welsh Ministers on the matter. To date, Dr Llewelyn Jones has published one report, on the Retained EU Law Bill. She is currently working on reports on forestry (tree preservation orders), hedgerow protection and protected sites. We have contributed to these reports via formal responses to calls for evidence. Dr Llewelyn Jones is also progressing work on the use of civil sanctions in environmental law and closely monitoring developments relating to water quality in Wales, particularly sewage discharges.
27. Dr Llewelyn Jones meets regularly with OEP and ESS on specific environmental issues under an agreed Memorandum of Understanding. She is monitoring the investigation by the OEP into the EA, Defra and Ofwat for possible failures to comply with environmental law in relation to regulatory oversight of untreated sewage discharges. This investigation applies to English water companies and regulators only, but we are considering the relevance of any recommendations to our approach in Wales.

### **Special Area of Conservation (SAC) Rivers and Teifi Project Update**

28. We are continuing to complete actions in the the First Minister's Action Plan in advance of the next Summit on 30 November. The Mitigation Measures Menu, Nutrient Management Board Evidence Pack and Constructed Wetland Policy have now been shared externally by WG to members attending the First Minister's Summit. We have completed another two actions by providing a summary of the acceptability of citizen science data, which will be shared externally, and we will be sending WG a paper on options in relation to the action to "explore the provision of a database of projects undertaken [...] towards meeting water quality targets to bring the sites into favourable condition". Further discussion will be needed with WG on the way forward.

29. Version 3.1 of the Planning Advice has been updated on our website, the most significant change being that a decision of no likely significant effect can be made under certain circumstances in relation to review of permits. As part of the review of water quality permits, we have issued 17 permits to DCWW with new or amended limits. We have also awarded a contract to undertake a Rapid Evidence Assessment of the impacts of poultry manure and other organic manure types on water quality.
30. An updated scope for the Teifi Project has been developed and we have now secured a project manager. In partnership with WG, a PhD placement has started gathering evidence on current activities on the Teifi. An evidence analyst is still to be recruited and we are exploring funding opportunities (such as the Ofwat Innovation Fund) to support further work. We are planning a meeting of stakeholders' senior representatives with the Chair to gather support for actions on the Teifi ahead of the next Summit.

### **Regulation of Storm Overflows**

31. During October, we released our guidance to water companies on *Classifying Storm Overflow Discharges and Permitting of Unpermitted Overflows*. The guidance sets the framework for water companies to follow in ensuring overflows are categorised based on evidence, and where sub-standard or causing environmental damage to ensure they will be programmed for improvement in current and future Asset Management Plan periods. It also clearly defines how and when it is acceptable for overflows to operate and sets definitions for discharges in a dry day, exceptional rainfall, screening requirements and environmental impact. This will enable our environment teams to respond in an appropriate manner ensuring our permit conditions and guidance are closely aligned.
32. Release of the guidance is a key action for NRW as part of the Storm Overflow action plan overseen by the Better River Quality Taskforce. Our efforts will now focus on developing the process and data handling requirements that will fall out of our improved regulatory response.

### **Landfill Emissions Reduction Project**

33. Colleagues involved in the Landfill Emissions Reduction (LER) project have presented an update to the Minister for Climate Change and the National Circular Economy Ministerial Programme Board on progress made with the project, which is funded by WG and aims to reduce greenhouse gas (GHG) emissions from the landfill sector. This was a key commitment in WG's Net Zero Plan; the focus on landfill sites is largely due to the fact that landfill emissions contribute 2% of the total Welsh GHG emissions and 80% of all emissions from the waste sector.
34. Three project officers have been appointed to undertake the work, with two key deliverables: to improve the quality of data relating to landfill gas, and to work with landfill operators to improve landfill gas capture and destruction through utilisation or

flaring. Over the next three years, the team will work with site operators to drive improvement across the sector, which will complement NRW's existing routine regulation of the sector. The project aims to audit all operational sites that accept biodegradable waste, along with high-risk closed sites. The focus on these sites is driven by the national modelling tool, which shows that most benefit can be achieved by targeting these facilities.

35. The Minister was pleased with the objectives of the project, and with progress to date. Senior representatives from Local Authorities were also present. Given that a significant proportion of the sites where we hope to see improvement are under Local Authority control, this was a good opportunity to raise the profile of the project.

## Operational Issues

### MSC Award for Cockle Management

36. Our work to manage the two Cockle Fishery Regulating Orders on the Dee Estuary and the Burry Inlet has for some time held Marine Stewardship Council (MSC) sustainable fishery accreditation. We have recently been recognised as a nominee and subsequently the winner of the MSC's Ocean Leadership Award for 2023, which celebrates outstanding achievement across accredited fisheries. This award is judged externally by an expert panel on three criteria: leadership, recognition and outcome. The judges agreed that the Dee Estuary and Burry Inlet cockle fisheries should win this award to celebrate our longstanding relationship and commitment to the MSC, to commend the fisheries for their low impact harvesting and to recognise the excellent work being done to support birdlife in the area.
37. We were delighted to receive the award at a ceremony at Fishmonger's Hall in London on 26 October. The work we have done on these two fisheries very much aligns with our SMNR duties and staff have worked hard to achieve sustainable fisheries; this award recognises their success.

### Storm Babet

38. Storm Babet impacted many parts of the UK during 18 to 21 October, most significantly in Scotland and in the East Midlands of England. There were impacts in Wales too, most noticeably in North East Wales in the Wrexham and Flintshire areas, and in Mid Wales along the Severn. There were reports of some isolated property flooding over a wide area (that is, no one particular area), and a lot of surface water impacts from flooded roads and fields.
39. Our teams in North East and Mid Wales are busy undertaking storm recovery work following Storm Babet. Earlier forecasts suggested it would have limited impact in Wales but the rainfall resulted in near historic flow levels on some of the main rivers

and the issuing of 46 flood alerts and warnings in a 48-hour period, including one severe flood warning in Mid Wales.

40. There is an ongoing review to get to the root cause of the flooding issues at sites such as Trevalyn, Rhyl and Sandycroft. It is also worth noting that there were many positive outcomes such as the performance of our flood defence schemes in Rossett, St Asaph, Mold and Llanfair Talhaiarn, which protected dozens of properties from flooding. A number of our operatives were out all weekend installing defences, clearing grids and ensuring our pumping stations were working.
41. At the time of writing, we are preparing for Storm Ciaran, which is set to impact Wales during 1 to 3 November. As the ground is saturated, we could well see further impacts.
42. We have run checks with teams on our levels of preparedness going into the winter, and a summary is given in our 'Winter Preparedness' statement, included as an Information Item at the November Board meeting. We will be sharing this statement with WG and the Welsh Local Government Association (WLGA), for their information. We continue to plan and prepare for incidents in our remit. We are well prepared generally, but we are not complacent and, for example, need to be cognisant that a prolonged season of flooding activity can have a cumulative exhausting impact on our staff.
43. We are also planning to meet with the leadership at the Met Office, to take stock the challenges posed by the climate emergency and more extreme rainfall and weather events.

### **Enforcement Update**

44. Between July and September 2023, we opened 125 new enforcement cases of which 40% were generated as a result of us attending incidents, 9% of cases were from fisheries Rod & Line cases while 51% were generated from regulatory non-compliance at permitted sites. We completed enforcement actions and closed 23 of these new cases within this time period. During the same period, we concluded 17 existing prosecutions, 14 of which were fisheries cases, two waste cases and one conservation case.
45. On 24 August, Adrian McLoughlin pleaded guilty at Aberystwyth Magistrates Court to an offence under the Wildlife and Countryside Act 1981 committed in November 2022 of intentionally causing damage to Rhosydd Bryn-maen SSSI. Mr McLoughlin ploughed an area of marshy grassland which he knew formed part of the qualifying feature of the area of special interest. He was fined £180 and was ordered to pay our costs of £1,500.
46. Investigations into two illegal waste sites in Mid Wales have recently concluded. In the first case, John Bray was successfully prosecuted for allowing over 3,000 tonnes

of waste to be dumped on his land at Wemyss Mine near Trisant, Aberystwyth without an environmental permit and not in compliance with any exemption. He was ordered to pay £8,700 after pleading guilty to an offence under the Environmental Protection Act 1990 in allowing construction and demolition waste, amongst other types of environmentally sensitive waste, to be dumped on his land. The sum included a fine of £7,000, a victim surcharge of £700 and £1,000 towards NRW's costs of bringing the prosecution.

47. Officers from the Mid Wales Waste and Enforcement team visited Mr Bray's property in August 2021 after receiving reports of illegal activity at the site. We wrote to him after the visit advising that we had attended the Wemyss Mine site and identified the unauthorised deposit of waste. He was informed that the deposit of waste on land without an environmental permit was an offence and that NRW would be conducting a full investigation; he was also told that no further waste should be deposited or burnt at the location. Despite this, a further visit in November 2021 found that more waste had been left at the site. While Mr Bray did have a registered waste exemption which allowed him to deposit suitable waste to be used in a construction activity, no construction was taking place. He was instead accepting waste material from other people to be disposed of on his land, much of which he was being paid to receive.
48. In another investigation, Josh Bowker of Gwern Y Beiliad Farm, Four Crosses, accepted a formal caution after admitting an offence under the Environmental Permitting (England and Wales) Regs 2016. He was found to have deposited construction and demolition waste, mainly soils, at his farm not in line with the requirements of an exemption.
49. Both cases will now be referred to NRW's Landfill Disposal Tax team to assess whether they should be considered by Wales Revenue Authority for the landfill tax avoided.

## Commercial Issues

### Timber Sales

50. Timber customers are reporting a sluggish timber market, with Sawlog prices decreasing slowly as market demand for sawn timber shrinks. Demand for firewood is still high and we expect a seasonal rush for woodfuel for industrial and local energy schemes. Preparations for the final Timber Sale event of the 2023/24 financial year are underway and early indications are that we will achieve the annual 2023/24 commitment of 721,000m<sup>3</sup> timber to industry.
51. Timber Industrial Strategy work by Welsh Government continues, with stakeholder consultation likely by May 2024.



## Customer

### Customer Experience & Stakeholder Engagement Strategy 2021-2030

52. The People & Customer Committee (PCC) has approved the Customer Experience & Stakeholder Engagement Strategy 2021-2030 (v2.0). Since the Strategy was written in 2021, we have strengthened our understanding of customer perceptions and our customer experience potential. We have also undertaken an internal audit of our stakeholder engagement, including resource, tools and practice. With this up-to-date awareness, our clarity of direction and ambition has increased, and our refreshed Strategy ensures that our work is underpinned by a strategy that enables us to achieve that ambition.

### Service Catalogue

53. Our work on creating a foundational whole-organisation Service Catalogue has matured from its project phase with our contractor into its first phase of business as usual, and has been adopted into the Business Transformation programme as a key tool for transformational project thinking. Our Digital Team will continue the work by refining the catalogue contents to support service-led thinking.

### Complaints

54. Following an article published by the BBC regarding DCWW water quality issues, we have received many enquiries, complaints, correspondence and social media requests. The Central Correspondence Team have been coordinating our response, to ensure consistency and timely handling.
55. The Access to Information and Complaints Customer Relationship Management (CRM) solution is in test at the moment and on track to go live on 1 November.

## Communication & Digital

### Corporate Communications

56. Our commitment to working in partnership with local authorities to tackle the climate, nature and pollution emergencies was reiterated with the promotion of the agreement between NRW and the WLGA, highlighting how we will combine expertise and resources to provide a more efficient and effective service to local communities. The messages around the crucial role the public sector will play in tackling the climate emergency were reiterated in our CEO's keynote speech at the Environment Ireland Conference.

57. October also saw the start of the series of engagement events for the proposed new National Park in North East Wales. The communications around these events have sparked media interest and social media commentary and have provided a crucial opportunity to engage with a range of stakeholders.

### **Nature is recovering**

58. The Communications team worked closely with partners to support the publication of the landmark State of Nature report, highlighting the urgent action required to reverse nature's decline. The report's publication provides a springboard for us to discuss the evidence and promote a better understanding of how nature is faring in Wales, and encourages renewed interest from broadcasters in our project work supporting nature's recovery.
59. We have continued to promote our work to support nature's recovery, working closely with the National Lottery Heritage Fund and WG to launch the latest funding round of the Nature Networks Fund and highlight projects already benefitting from the scheme. We also publicised our efforts to re-establish rare habitats on Halkyn Mountain and our partnership with Ceredigion landowners to protect the hornet robberfly, a priority species. Our LIFE Quake project work with unexploded ordnance experts to survey land at St David's Airfield in Pembrokeshire allowed for some creative and engaging messaging around this key project. Finally, the launch of the annual Acorn Antics campaign continues to generate significant audience engagement on our social media channels and in broadcast media, underlining our message that people of all ages can play an active role in tackling the nature and climate emergencies.

### **Communities are resilient to climate change**

60. As part of our programme of winter preparedness messaging, we worked with the Community Engagement and Resilience team to deliver a week of warning and informing / flood awareness messages on social media. The campaign allowed us to highlight the services we provide to reduce flood risk and impacts and what communities can do to help themselves. We also worked closely with duty managers to share proactive warning and informing messages during various heavy rainfall events.
61. A special ten-part podcast series exploring our flood risk management work launched on 17 October. Our success in the Community Engagement category of the ICE Cymru Civil Engineering Awards 2023 – for the local engagement work around the Llyn Tegid reservoir safety improvements – evidences the importance we place on engaging communities in our flood risk management work.

### **Pollution is minimised**

62. Our preparatory work with the Water Quality, Environment and Regulatory teams in Mid Wales was beneficial in ensuring we were well prepared to tackle a challenging

national BBC radio interview on the performance of Cardigan WWTW. We have supported the local team to ensure local MPs and MSs are kept abreast of the issues at this site. We anticipate further interest in Combined Sewer Overflow (CSO) performances with the publication of further reports during October and an oral statement by the Minister for Climate Change, and through the proactive promotion of the new guidance for water companies on storm overflows. We have already outlined the challenges faced during the bathing water sampling season, publishing a blog to outline issues that could potentially impact classifications, without pre-empting results.

63. World Rivers Day provided an opportunity to highlight the successes of the Dee LIFE and Four Rivers for LIFE projects. Our blog explaining work to remove a weir on the River Clywedog got good traction on social media. Reflecting on the ongoing interest in water quality, we are exploring options for delivering a proactive briefing with media to highlight our water quality work, the challenges faced and the collaborative effort that will be required to tackle it.

## **Digital**

64. Following confirmation of the new regulations for Forestry, the Digital team are working with colleagues to redesign the felling licence form and related web content ready for when the changes come into force in 2024. The new licence content has been shared with a stakeholder group including WG, conservation groups and the forestry industry. By working collaboratively and demonstrating our work in train, we hope to identify potential pitfalls early and improve stakeholders' understanding of this piece of work. Along similar lines, to improve the online "Get permission to do something on NRW land" service, we will be holding service user interviews on the process for getting a horse-riding permit for Newborough and getting permission to film on NRW land.

## **Forward Look**

Monday 27 and Tuesday 28 November – Royal Welsh Winter Fair, Llanelwedd

Thursday 7 December – Finance Committee

Tuesday 12 December – People & Customer Committee

Wednesday 13 December – Board Update Call

Friday 15 December – Audit & Risk Assurance Committee

Thursday 11 January – Flood Risk Management Committee

Tuesday 16 January – Evidence Advisory Committee

Thursday 1 and Friday 2 February – NRW Board Meeting

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Audit and Risk Assurance Committee (ARAC) Update for Board
<b>Paper Reference:</b>	23-11-B11
<b>Paper sponsored by:</b>	Kath Palmer, Chair of ARAC
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Kath Palmer, Chair of ARAC
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To provide an update to the Board in respect of 9 <sup>th</sup> October 2023 ARAC meeting.

## Background

1. This written update for the Board is in respect of 9<sup>th</sup> October 2023 Audit and Risk Assurance Committee (ARAC) meeting.

For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

## Update

### Audit Wales

2. Audit Wales provided an update on key matters of their audit of the Annual Report and Accounts (ARA) 2022-23.

### Annual Report and Accounts 2022-23

3. An update was provided on key matters for the ARA. ARAC welcomed the ARA and suggestions were made prior to submission to Board. ARAC were content for the Accounting Officer and the Chair of ARAC to sign the letter of representation. They

were also content to give assurance to the Accounting Officer to sign the accounts, and to be taken to the Board for approval.

4. A lessons learnt exercise would be undertaken by Finance for next year's Report, and Internal Audit had agreed to verify the figures in the ARA for future years. An assessment would be completed of the NRW figures for next year to see if they could be more outcome focused.
5. ARAC thanked all the teams that had contributed to this comprehensive ARA, and asked for this to be passed on.

## **AOB**

6. ARAC endorsed the revised ARAC Terms of Reference.

## **Strategic Risk Register**

7. ARAC discussed the risk appetite statement for NRW and the risk management framework.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Evidence Advisory Committee (EAC) Update for Board
<b>Paper Reference:</b>	23-11-B12
<b>Paper sponsored by:</b>	Prof Peter Rigby, Chair of EAC
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Prof Peter Rigby, Chair of EAC
<b>Purpose of the paper</b>	Information
<b>Summary</b>	This summary provides an update on matters considered at the EAC meeting held on 24 <sup>th</sup> October 2023.

### Background

1. This summary provides an update on matters that in the opinion of the Evidence Advisory Committee (EAC) Chair should be brought to the attention of the whole Board following the last EAC meeting, which was held on 24<sup>th</sup> October 2023.
2. For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

### Action Taken/ Progress since previous meeting

3. EAC were given a verbal update on the Citizen Science Project, Peatland Programme, and Data Analytics.

### Update from the Innovation Workshop

4. EAC received an update from the Innovation Workshop held in May where it had been agreed that innovation must play a pivotal role in addressing the nature and climate emergencies.
5. EAC agreed that conducting tests would provide evidence and that failure should not be feared. Taking time to reflect and re-test was important as was identifying the

problem areas to direct where innovation was required. The Transformation Programme would be a good key area to focus on to achieve step changes.

## **Aspirations of State of Natural Resources Report (SoNaRR) 2025**

6. EAC were presented with the aspirations of SoNaRR 2025 and highlighted that the new Corporate Plan values linked to SoNaRR.
7. Including intrinsic values would be useful but EAC acknowledged the complexities. It was understood that engagement with the people of Wales on understanding the value of their relationship with nature and the environment and cultural wellbeing would be useful. SoNaRR2025 would reflect that the environment had improved, despite the current issues.
8. EAC agreed that the evidence in some areas was clear and urged NRW to be bold. Collaboration with EAC members on ideas on emerging evidence and new ways of thinking would be welcomed by the Team. It was agreed that the Interim Report, due to be published at end of 2024, would be brought back to EAC for their advice.

## **Update of LIFE Projects – 4 Rivers4LIFE**

9. EAC were presented with an update on the Programme. The presentation included an overview on the five-year Project, the designated Special Area of Conservation (SAC) features, fish passages, work with farmers, reducing invasive species, and sharing best practice in river restoration. The land management, monitoring, communications and engagement, and the key issues were also outlined to the Committee.

## **Biodiversity Deep Dive – Progress on the development of monitoring and evidence frameworks to measure progress towards 30 by 30**

10. The Executive Director of Evidence, Policy and Permitting introduced the item and outlined the membership of the Expert Groups that were working to deliver key parts of the recommendations developed as a result of the Biodiversity Deep Dive.
11. EAC welcomed the work undertaken and the alignment to the Corporate Plan. They explored the challenges on criteria on effective area-based conservation measures. The level of aspiration was realised and EAC queried the mechanisms to achieve the objectives by 2030. The difficult challenge linked to resources and obtaining clarity over roles and responsibilities with Welsh Government (WG) and key stakeholders was acknowledged.

## **Lessons Learnt from the Nutrient Review**

12. EAC were asked to consider the quality of NRW's data from a recommendation from the recent Audit and Risk Assurance Committee (ARAC) Audit Report about the SAC rivers.

13. There had been erroneous data used in an assessment and there had been an investigation and a lessons learnt exercise carried out, the results of which were presented to the Committee. The Committee were assured by the procedures and steps that had been introduced to identify and resolve these issues. It was also confirmed that the learning had applied more widely to evidence and data collection in NRW.
14. Dr Rosie Plummer would take the Report back to ARAC to ensure the action had been answered in full.

### **Woodland Creation and Restocking on the Land in NRW's Care**

15. EAC were given background to, and a presentation on, the methodology of the planting programmes on the Welsh Government Woodland Estate (WGWE). The current progress was noted along with the forward projection.
16. The composition of Woodland Creation schemes was explained and the constraints of planting highlighted. EAC queried the need for compensatory planting for open ground loss of habitat and discussed the importance and benefits of urban trees.
17. NRW's role in the policy to achieve 10% woodland on farms was also discussed. Providing evidence and an understanding to farm owners on where to plant trees and demonstrating value, would be key.

### **Terms of Reference**

18. The Chair highlighted the proposed minor changes to the EAC Terms of Reference.

### **EAC Governance**

19. It was acknowledged that this was Prof. Peter Rigby's last meeting as his tenure of being an NRW Board member was ending. EAC was part of his legacy and thanks were given to him for chairing the meetings and for instilling evidence into NRW's culture. Prof. Steve Ormerod would take over as EAC Chair as of 1<sup>st</sup> November 2023.



## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Finance Committee (FC) Update for Board
<b>Paper Reference:</b>	23-11-B13
<b>Paper sponsored by:</b>	Sir David Henshaw, Chair of NRW Board
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Sir David Henshaw, Chair of NRW Board
<b>Purpose of the paper</b>	Information
<b>Summary</b>	This summary provides an update on matters considered at the FC meeting held on 19 <sup>th</sup> October 2023.

### Background

1. This summary provides an update on matters that in the opinion of the Sir David Henshaw, Chair of NRW Board should be brought to the attention of the whole Board following the last Finance Committee (FC) meeting, which was held on 19<sup>th</sup> October 2023.
2. For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.
3. The FC Chair Helen Pittaway was not in attendance and Sir David Henshaw chaired in her absence.

### Finance Approvals

4. FC considered and endorsed the paper in readiness for Board approval.

### Update on the budget for 2023-24 and 2024-25

5. FC were presented the update for the remaining budget for 2023-24 and the expected budget for 2024-25.

6. The challenges for the remaining budget for this year were outlined, as were the mitigations in place. The Committee discussed the upcoming challenges and suggested that there was a deep dive into their role as FC and the Board to offer robust challenge an assurance to the proposals and plans for next year. Next year would be challenging with rising costs of pay, inflation, and Civil Service Pension Scheme (CSPS) employer contribution rates.
7. It was noted that the budget review exercise would provide an opportunity to rethink the areas where NRW needed to do things more efficiently. The Board would be further updated in a strategic session in January.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Flood Risk Management Board Report
<b>Paper Reference:</b>	23-11-B14
<b>Paper sponsored by:</b>	Prof Peter Fox, Chair of the Flood Risk Management Committee (FRMC)
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Prof Peter Fox, Chair of the Flood Risk Management Committee (FRMC)
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To provide an update on the Flood Risk Management Committee (FRMC) meeting on 5 <sup>th</sup> October 2023

## Background

1. This summary provides an update on matters that in the opinion of the Flood Risk Management Committee (FRMC) Chair should be brought to the attention of the whole Board following the last FRMC meeting which was held on 5<sup>th</sup> October 2023.
2. For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

## Update

### Flood Risk Management Update Report

3. FRMC were presented with an update report that highlighted key areas of work including the Independent Review of Flood Investigations, Section 18, and Reservoir biennial Reports, and the Flood Risk Management Plan. FRMC were informed about the preparations for incident management over the winter. An update was provided on Technical Advice Note 15 (TAN15).
4. During the meeting it was also noted that the Llyn Tegid Project had been awarded the Institute of Civil Engineers Cymru Award for Community Engagement for 2023 and that the Head of Business and the Head of Service for Flood Risk Management (FRM)

would be attending a drop-in session on flood risk management for Members of the Senedd.

#### Flood Risk Management Capital Programme Update

5. An overview of the Capital Programme forecast expenditure was provided, including steps that had been taken to bring spending in line with the 2023-24 budget. FRMC were provided with assurance that NRW had taken the projected overspend seriously, and an investigation had been commissioned.
6. The group discussed the issues with multiple year projects and single year funding, and the constraints of funding systems and processes. The process and timescales for the negotiations for the 2024-25 Capital Programme were outlined.
7. Updates were provided on the Flood Warning System and Telemetry Projects.

#### Flood Recovery and Review Implementation Programme (FRRIP)

8. FRMC were presented with an update on the FRRIP, including an overview of the Red Amber Green (RAG) status of actions and updates on the key areas of FRM recruitment, rota resilience, communication, and winter preparedness. The forward look for the Programme was outlined including the lessons learnt exercise, and the management and reporting of the benefits realised.

#### Asset Management and Strategic Risk 02

9. An overview of FRM asset condition and data management was provided, as well as highlights from an internal audit. The improvement initiatives and key risks were also explained.
10. FRMC discussed data quality and it was noted that an interim data management solution was being sought.

#### Redevelopment of Strategic Risk Register

11. As part of the redevelopment of the Strategic Risk Register, FRMC were invited to comment on the new strategic risks. FRMC suggested some minor changes and discussed how Committee structures could support the risks.

#### Annual Review of the FRMC Terms of Reference

12. FRMC were asked to provide additional comments on the updated FRMC terms of reference.

#### Any Other Business

13. Geraint Davies updated FRMC on a recent Farmers Union meeting that he had attended as an NRW Board representative.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Land Estate Committee (LEC) Update for Board
<b>Paper Reference:</b>	23-11-B15
<b>Paper sponsored by:</b>	Prof Calvin Jones, Chair of LEC
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Prof Calvin Jones, Chair of LEC
<b>Purpose of the paper</b>	Information
<b>Summary</b>	This summary provides an update on matters considered at the LEC meeting held on 26 <sup>th</sup> October 2023.

### Background

1. This summary provides an update on matters that in the opinion of the Land Estate Committee (LEC) Chair should be brought to the attention of the whole Board following the last LEC meeting, which was held on 26<sup>th</sup> October 2023.
2. For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

### Head of Business Report

3. LEC considered the Report provided by the Head of Land Stewardship on current issues, which were presented in the context of the three Corporate Plan Wellbeing Objectives: Nature is recovering; Communities are resilient to climate change; Pollution is minimised. The Committee welcomed the approach to the Report.
4. An update was received on current Commercial issues.

### Wellbeing, Health and Safety Report

5. The Board had asked LEC to scrutinise the actions as a result of the ongoing work on Forestry Safety, and the Wellbeing, Health and Safety Report relating to members of the public. A report was received from the Wellbeing, Health and Safety Manager on

the Health and Safety Reports of Hazards, Near Misses and Serious Incident Reviews (SIR) on the land in NRW's care from 2020/21 to 2022/23.

6. LEC discussed the issues around high stacking of timber. It was emphasised that this was not tolerated by NRW and the tools used in timber sales and contract management were explained. NRW were taking a leadership role as part of the Forestry Industry Safety Accord (FISA) to try to bring about a cultural change in the forestry industry. LEC requested that details relating to punitive actions taken on high stacking should be included in the Report in future.
7. The information relating to public injuries on the NRW Estate from 2020 to 2023 was reviewed. LEC were concerned at the figures relating to mountain biking and requested that this was considered in detail as part of the work on the draft Recreation Strategy.

### **Wood Knowledge Wales Presentation**

8. Wood Knowledge Wales attended LEC to provide a presentation on the Technical Advisory Group Report on the future management of Welsh woodlands undertaken as part of the Welsh Government Trees and Timber Deep Dive. LEC welcomed the Report and considered the recommendations for resilience and climate change adaptation.
9. LEC discussed the issues around the supply chain for Welsh timber in construction, the importance of ensuring the prioritisation of nature and biodiversity resilience alongside climate adaptation, and the role of policy in bringing about change.
10. Innovation and developing a bold approach to the recommendations in the Report were discussed. LEC emphasised the key role of a Welsh Government land use strategy.

### **Updates on the Alternative Timber Sales Process and Timber Industrial Strategy**

11. LEC received an update on the Alternative Timber Sales Process and Timber Industrial Strategy.
12. It was noted that the Timber Industrial Strategy would inform the Alternative Timber Sales Process. This had led to a pause on three of the five workstreams on alternative methods of timber sales. LEC were concerned to note the paused workstreams, highlighting the difficulties in communicating the issues externally.
13. LEC requested a deep dive on the item at the next meeting.

### **Trydan Programme**

14. LEC were provided with an update on the Trydan Programme.

### **LEC Terms of Reference**

15. The draft revisions to the LEC Terms of Reference were considered. Clarification was requested on the flow of scrutiny of Health and Safety information between LEC and the People and Customer Committee.

### **Items for Information**

16. The following Reports were received for information: Land Stewardship Risk Framework and Evaluation Framework Quarterly Report; Draft Recreation Strategy Update; Internal Audit Report – Forest Infrastructure; Commercial Service Plan Dashboard.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Protected Areas Committee (PrAC) Update for Board
<b>Paper Reference:</b>	23-11-B16
<b>Paper sponsored by:</b>	Dr Rosie Plummer, Chair of PrAC
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Dr Rosie Plummer, Chair of PrAC
<b>Purpose of the paper</b>	Information
<b>Summary</b>	This summary provides an update on matters following the last PrAC meeting which was held on 3 <sup>rd</sup> October 2023.

### Background

1. This summary provides an update on matters that in the opinion of the Protected Areas Committee (PrAC) Chair should be brought to the attention of the whole Board following the last PrAC meeting, which was held on 3<sup>rd</sup> October 2023.
2. For further detail all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

### Designated Landscapes

3. The Principal Advisor, Protected Landscapes provided an update which included upcoming public engagement sessions for the proposed National Park and funding for 2025-26. PrAC discussed the forthcoming consultation, the designation process and the challenges and opportunities for NRW with the proposed National Park.

### Protected Sites Programmes

4. PrAC were updated on the work on prospective further Sites of Special Scientific Interest (SSSI).



5. The Lead Specialist Advisor, Protected Sites Programmes, provided a presentation regarding the current corporate dashboard report. PrAC discussed the information to facilitate the scrutiny of the work of the Protected Sites Programme team. The Sustainable Farming Scheme (SFS) was discussed and it was confirmed NRW continued to work with Welsh Government. A briefing on the SFS and the White Paper regarding biodiversity targets was suggested for future meetings.

### **Designated Sites Data and Systems Situation Report**

6. The Lead Specialist Advisor – Terrestrial provided a presentation on core elements of NRW's protected sites data approach. PrAC discussed the software Safe, the database for protected sites, and concerns about resources in relation to this. It asked that this return to a future meeting.

### **Atlantic Salmon – Building Resilience in Riverine Ecosystems**

7. PrAC discussed the proposed radical options, and made suggestions including on the scope for improvements on communications and education relating. The cost and effort implications of the recommendations needed to be considered, to prioritise accordingly. Linking to alternative funding and working collaboratively with others to implement the recommendations should also be the ambition.

### **PrAC Governance**

8. PrAC discussed and provided suggestions for the revised Terms of Reference.

### **Strategic Risk Register**

9. The Lead Specialist Advisor, Risk presented an updated Strategic Risk Register (SRR), and emphasised that it was a draft version. PrAC discussed and provided suggestions for the SRR.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Wales Land Management Forum (WLMF) Update
<b>Paper Reference:</b>	23-11-B17
<b>Paper sponsored by:</b>	Professor Rhys Jones, WLMF Chair
<b>Paper prepared by:</b>	Bronwen Martin, Specialist Advisor: Wales Land Management
<b>Paper presented by:</b>	Professor Rhys Jones, 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

### 18<sup>th</sup> September 2023 meeting

2. The most recent WLMF meeting was held on 18<sup>th</sup> September 2023.
3. Keith Davies, NRW, joined the meeting to provide an update on work that NRW are undertaking with regards to the Designated Landscapes Programme.
4. Geraint Richards, NRW provided an overview and update on the Waste Exemptions Review. Following the discussion, the group agreed that a written summary of key information would be helpful.
5. All WLMF members had the opportunity to ask about NRW Updates and also share updates from their own organisations.
6. The next WLMF meeting will be held on Monday 11<sup>th</sup> December 2023.

7. 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

8. 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](#)

## Update

### 4<sup>th</sup> September 2023 meeting

9. The group received a presentation from Polina Cowley, Welsh Government on the results of the recent ammonia scenarios modelling.
10. Donal Sheehan, The BRIDE Project introduced the group to The Bride Project which aims to design and implement a results-based approach to conserve, enhance and restore habitats in lowland intensive farmland.
11. Ieuan S. Davies, NRW and Delyth Lewis-Jones, AHDB provided an update on the progress of the Special Areas of Conservation (SAC) Rivers Agricultural Technical Group (ATG). The ATG was set up at the request of Zoe Henderson and the remit was to review and find agreement on the vast array of evidence around agricultural pollution from the various different sectors. The group was to look at the evidence, agree what was missing and recommend steps (and indeed take ownership of those steps) to fill the gaps in evidence.

### 2nd October 2023 Meeting

12. Helen Broughton, United Utilities joined the meeting to provide a presentation about a project on the Dee which used satellite data for Huntington and Sutton Hall treatment works. The project included continuous turbidity and flow monitoring, spot sampling, analysis of suspended sediment and turbidity, a review of the psychic modelling and developing mitigation options.
13. Welsh Government provided a verbal update on the next steps following the consultation on a licensing scheme.
14. The next WLMF Sub Group will be held on Monday 6<sup>th</sup> November 2023.
15. 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 2023
<b>Title of Paper:</b>	Finance Performance Report
<b>Paper Reference:</b>	23-11-B19
<b>Paper sponsored by:</b>	Rachael Cunningham, Executive Director of Finance and Corporate Services
<b>Paper prepared by:</b>	Rob Bell, Head of Finance; Andrea Morgan, Business Finance Manager
<b>Paper presented by:</b>	Rob Bell, Head of Finance; Andrea Morgan, Business Finance Manager
<b>Purpose of the paper:</b>	Approval (change in forecast) / Discussion (Financial Performance)
<b>Summary</b>	<p>To approve:</p> <p>Change in the latest forecast from £264.9m to a forecasted £266.9m.</p> <p>To scrutinise:</p> <p>Financial performance to the end of September 2023.</p>

## Background

1. There is a separate paper for approvals.

### Financial Performance to 30 September 2023

2. The Finance Performance report provides detail on progress across the different types of income, expenditure, and programmes. Annex A summarises the key messages in respect of:
  - Change in forecast compared to the previous approved forecast and original budget.
  - Performance to end of September 2023, compared to the previous approved forecast and original budget.

- Risks to us being able to spend within our funding levels due to the impact of pay pressures and the level of timber income.
- Commentary by exception on how we are progressing against the latest forecast for the different types of income and expenditure.

## Risks and opportunities

3. 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). Even with a larger budget than last financial year, the current outlook is challenging because of the impact of staff costs and timber income levels. This is being replaced with a new strategic risk "Failure to achieve financial stability".
4. We currently have pressures of £4m due to a reduction in timber income and are in discussion with Welsh Government over part of our solution to balance the original pay pressures, i.e. proportionate increase in charge to programmes and projects (£1.8m). Therefore, there is a risk of up to £6m on our revenue budget. We are undertaking another exercise to see what other changes we can make to our uncommitted spend to help balance the budget. We continue to place tight controls on external recruitment. An update will be provided at the Board.
5. The wider implications are:
  - (a) **Finance:** This report is about the financial performance of NRW. We hold a risk within the Finance and Corporate Services Directorate Risk Register.
  - (b) **Wellbeing of Future Generations Act (WBFGA):** Every component of the budget contributes to one or many of our Wellbeing Objectives.

## Next Steps

6. Executive Team will consider further steps to balance the budget. We continue discussions with Welsh Government over additional funding and the charge to programme and projects.
7. We encourage budget and project managers to notify Finance of any changes to forecast which can be returned centrally.
8. We will continue to undertake our normal finance processes and review risks within the budget throughout the year. Programmes such as Business Transformation, Flood and Nature and Capital Emergencies are re-forecasted every month.
9. This report is produced every two months for the Board and Executive Team.

## Recommendation

10. Board to approve changes to the latest forecast, from £264.9m to £266.9m.

11. Board to scrutinise financial performance to the end of September 2023.

## **Index of Annexes**

Annex A – Financial Performance Report



**Cyfoeth  
Naturiol**  
Cymru  
**Natural  
Resources**  
Wales



**Board  
September 2023  
Finance Report**

# Financial Performance – Measures being taken



## Update will cover:

1. Update on the latest forecast changes from the opening budget reported as at end September 2023.
2. Financial Performance as at end September 2023.
3. Update on the plan to balance in year budgetary pressures, including the anticipated pay award for 2023/24 and non-consolidated payment to staff plus new pressures such as the drop in timber income forecast.
4. A new page has been introduced, summarising the contingency and over-programming budgets held within NRW.
5. Request that the Board approve the change in approved forecast from £264.9m to £266.9m.

## Messages:

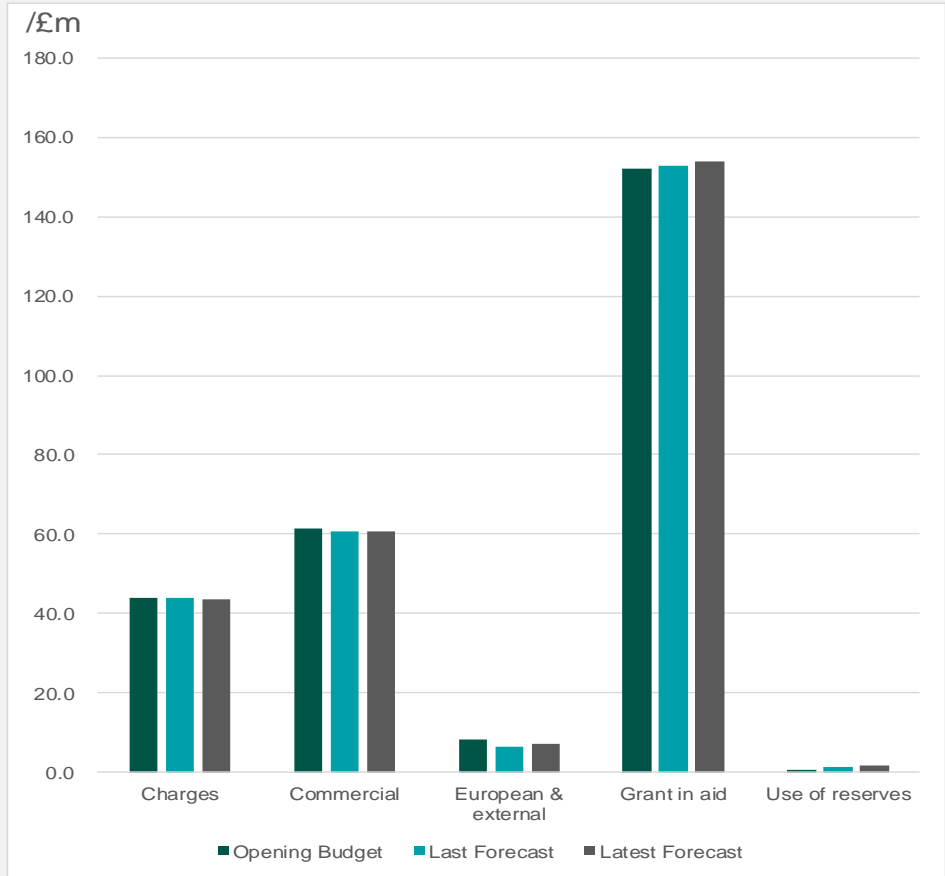
1. The original plan to find £5.3m of savings to balance the budget is at risk. WG have questioned our plans to increase the corporate cost charge to programmes and projects (£1.8m). In addition, the recruitment freeze is not realising the savings that were originally modelled - this is due to recruitment between the date that the modelling was undertaken and the recruitment freeze and the exceptions decisions taken during the freeze. However, there is some flexibility within the overall pay budget, which should allow us to meet the target of £2m. This will be considered by the Planning and Resources Group (PRG) prior to Executive Team (ET) on 31 October to inform the next stages of the recruitment freeze. The previously identified liability linked to IR35, is likely to have an impact in a future financial year.
2. Given the level of budget deficit and the likelihood that recruitment restrictions will remain in place, any salary savings achieved every month will be deducted from Directorate budgets. The overall salary position and the requirement to make budget savings means that the pressure needs to be overseen centrally. Please note, that the overall position to date is an overspend. This will begin in October.
3. The central overprogramming budget still stands at £2.5m, this is reduced from £3.5m in the opening budget. This has been factored into the calculation of £5.3m savings needing to be found. That is too high, given the level of other savings that need to be found. Since September, extra income has been forecasted of £0.2m and a further reduction in the Water Resources capital expenditure programme of £0.1m. This should be set against this target, thus reducing it to £2.2m.
4. After September period was closed, the timber income forecast has been reduced to £32m from the original budget of £36m. It was decided to use the unallocated timber income (£3m) as part of the strategy of balancing pay pressures at the time. It was in late August that we identified that timber income would need to be reduced.
5. Other staff costs - travel, subsistence & people support costs will over spend if we continue to spend at the same rate to the end of the financial year. Given the current financial pressures, we are not in a position to absorb additional costs and should look to limit costs in these areas going forward.
6. A further exercise to realise £4m savings was scheduled to complete by 20 October by focussing on uncommitted spend. This will be considered by PRG and ET on 31 October and in early November respectively. We have also discussed and written to WG about our pressures on the revenue budget and await their formal response, though they have re-iterated that overall pressures on Welsh Government's revenue budget remain.
7. The Flood capital programme is currently over-programmed by £7.9m. WG have confirmed additional funding of £7m, which should now alleviate that programme of the financial pressure this year. Another lessons learnt exercise has been commissioned, which will be undertaken independently. Additional reservoirs funding of £0.5m has also been allocated. These changes to the forecast will be processed in October.



## Financial Performance – Measures being taken

Measures taken	Plan £m	Achieved £m	RAG status £m	Commentary
Staff costs	2.0	0.0	Yellow	Whilst we are forecasting that we will not achieve the target through recruitment restrictions - this will be mitigated as there is some flexibility within the overall pay budget, which should allow us to meet the target of £2m.
Non staff costs	1.0	1.0	Green	Achieved in August.
Programmes and projects	1.8	0.0	Red	The charge have been challenged by Welsh Government. We are awaiting their formal response. It maybe that part of the charge will be accepted this financial year (to Flood capital and option fees).
Charge income reserves	0.5	0.5	Green	Factored into modelling that the charge consultation proposals were built upon.
Further non staff costs savings	4.0	0.0	Red	Exercise scheduled to be completed in October and will be considered by PRG / ET.
<b>TOTAL: NRW</b>	<b>9.3</b>	<b>1.5</b>		<b>We have also written to WG concerning the pressures and explained that it's unlikely we will be able to balance the revenue budget.</b>

# Financial Performance – Income Forecast



## Charges

Slight reduction in EPR installation income of £0.1m.

## Commercial & Other Income

Slight increase of £0.1m linked to staff on secondment to external organisations.

## European & Other External

External income increased by £0.7m linked to two projects, Natur am Byth (£0.6m) and Sands of Life (£0.1m).

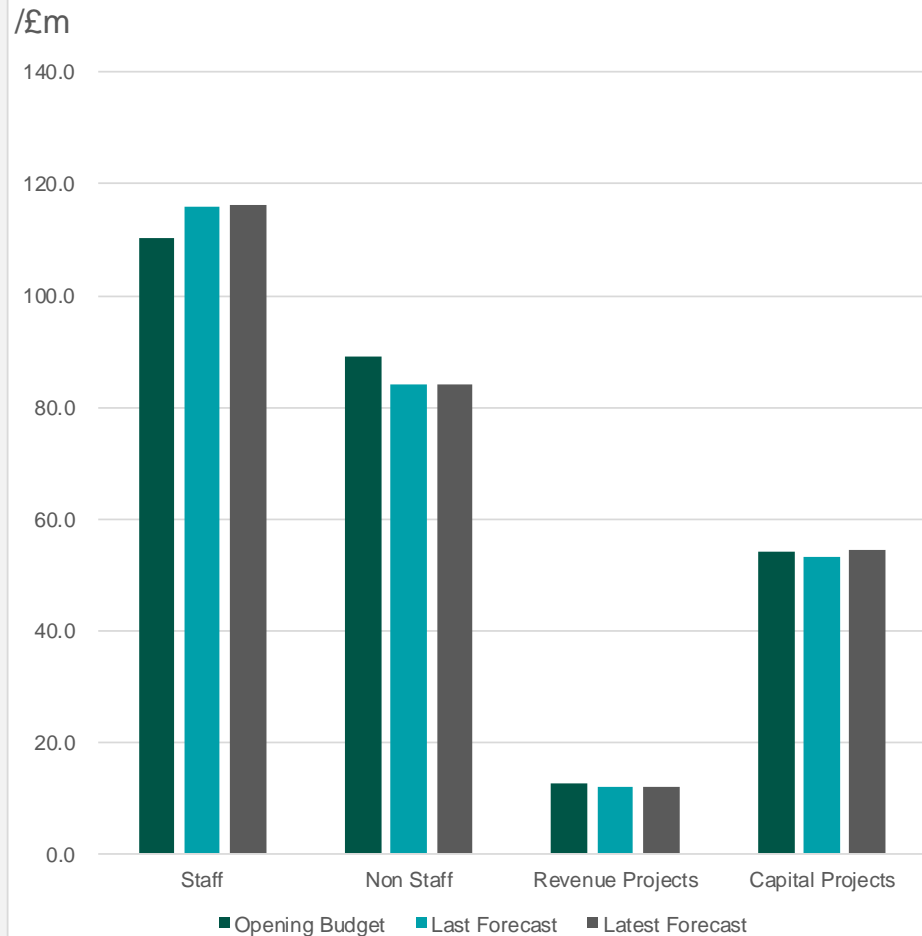
## Grant in Aid

Additional WG grant income of £1.1m for Coal Tips Safety work.

## Use of Reserves

Additional income recognised from reserves to cover additional charge posts (£0.2m) and the impact of charge income reducing (£0.1m).

# Financial Performance – Expenditure Forecast



## Staff

An increase of £0.3m in staff costs from July, mainly as a result of the confirmation of external funding for a number of overprogrammed posts and the allocation of budgets to previously set up posts, where the funding was held within non staff costs.

## Non Staff

Small increase in non staff costs of £0.1m following the recategorisation of expenditure plans from projects.

## Revenue Projects

Revenue project budgets increased by £0.2m as a result of additional external funding (£0.5m) for Natur Am Byth & LIFE projects offset by savings identified as part of the August expenditure review (-£0.3m) and recategorisation of expenditure plans to non staff costs and capital projects (£0.1m).

## Capital Projects

Capital project budgets have increased by £1.4m. This is primarily due to the WG Coal Tip Safety Grant and the recategorisation of Business Transformation core work into the Capital Programme.

# Financial Performance - Income



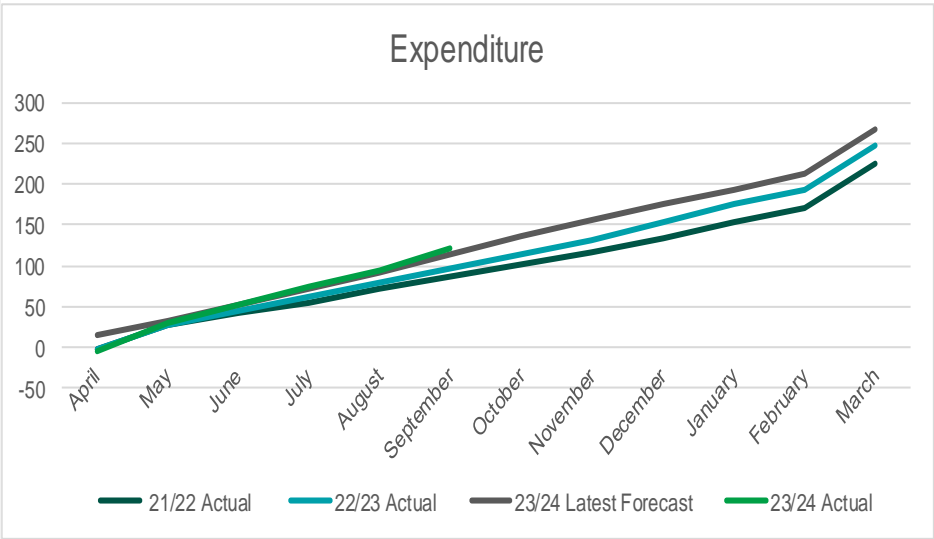
INCOME	Actual	Approved	Variance	Approved	Remaining	Commentary
by Account Type	YTD	Forecast	YTD	Forecast	Budget	
	£m	£m	£m	£m	%	
Charges	28.8	29.3	-0.5	43.7	34%	We are seeing a negative variance across the charge schemes, this is due to a lower than expected take up of our new permitting and application charges. The Regulation Business Management team are mid way through a reforecast and a revised position will be reflected in the October report. Shortfall will have an impact on charge balances.
Commercial	26.3	27.7	-1.4	60.7	57%	Timber sales have seen a marked drop in both quantities dispatched and despatch prices since late July. A reduced forecast of £32m was agreed at September's Commercial Business Group. Once the minutes have been confirmed, we will seek approval in line with Managing Our Money and reflect the revised position in the October reports.
European & external	2.1	2.3	-0.2	7.2	71%	The current variance is almost solely linked to the Dee LIFE project. This will be reviewed and adjusted for future reporting periods.
Grant in aid	67.9	67.9	-0.0	153.8	56%	Income received is in line with expectations. Welsh Government have confirmed an additional £7m for the flood capital programme and £0.5m for reservoirs capital programme, which should alleviate the current over programmed position. Most outstanding grant offer letters from Welsh Government have now been received.
Use of Reserves	0.0	-0.0	0.0	1.5	100%	
<b>TOTAL: NRW</b>	<b>125.1</b>	<b>127.3</b>	<b>-2.2</b>	<b>266.9</b>	<b>53%</b>	

# Financial Performance - Expenditure

EXPENDITURE	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Commentary
by Account Type	YTD £m	YTD £m	YTD £m	FY £m	FY %	
Staff	58.0	57.0	-1.0	116.3	50%	<p>The vacancy rate remains unchanged from July at 8%. There is an underspend of £0.6m on pay costs but a large number of the current vacant posts are project funded which is leading to an under recovery of project recharges of £1.2m and results in an overall overspend of £0.6m. We are currently in the recruitment freeze but still seeing an increase in overall staff numbers (staff joining, appointed before the freeze) so the impact on financial performance won't be seen until later this financial year. At this point, it's unlikely that the recruitment freeze will deliver the targeted savings, however, there is some flexibility within the overall pay budget, which should allow us to achieve the £2m.</p> <p>An overspend on other pay costs (£0.4m) across the Directorates on temporary contractors, travel &amp; subsistence and people support costs and needs to be reviewed within Directorates.</p>
Non Staff	33.6	33.6	0.1	84.2	60%	<p>An overall neutral position but with over/underspends across the Directorates over a number of categories. No risks currently identified but a review of budget profiles is continuing. Following the likely reduction in timber income, a number of these areas are being reviewed to help fund the shortfall. PRG will consider the options proposed.</p>
Revenue Projects	3.7	3.4	-0.3	12.1	69%	<p>There are minor variances over numerous projects. The risk in the revenue programme is currently low. Projects are currently required to absorb the impact that the increased level of pay award (and potentially overheads) will have on their budgets. The assessment is ongoing, however, projects reviewed to date have not identified any risk in absorbing the additional costs.</p>
Capital Projects	25.3	21.0	-4.2	54.4	54%	<p>The current over spend of £4.2m is predominantly linked to the Flood Capital Programme. Over programming is currently £7.9m for the full year. Stephenson Street and Ammanford are ahead of target and main contributors to the overprogramming.</p> <p>Welsh Government have confirmed additional funding for Flood (£7m) and Reservoirs (£0.5m) subject to certain conditions, which will be processed next month.</p>
<b>TOTAL: NRW</b>	<b>120.5</b>	<b>115.0</b>	<b>-5.5</b>	<b>266.9</b>	<b>55%</b>	

# Financial Performance – Expenditure Trends

## EXPENDITURE TRENDS



### Commentary

As expected, we continue to see an increase in expenditure this financial year compared to the same point in previous years. Spend at the end of September is £120.5m, which is £24.8m more than that incurred at the same point last financial year.

The full year forecast for this year is currently £266.9m which is £20m more than the costs incurred last financial year. So, there needs to be a relative slow down in expenditure to remain within budget.

# Financial Performance – Staff Costs



STAFF COSTS	Actual	Approved Forecast	Variance	Variance	Approved Forecast	Commentary
by Account Type	YTD £m	YTD £m	YTD £m	YTD %	FY £m	
Staff Costs	63.6	69.6	6.0	-9%	139.2	<p>There is an overspend of (£0.6m) on staff costs net of recharges at the end of September. Whilst the recruitment freeze has been in place since August we are yet to see a positive impact on the staff budgets. Staff numbers continue to rise (staff recruited prior to freeze, now starting) and the vacancy rate has remained at 8% since July. As a result we are unlikely to see any changes to financial performance until later this year.</p> <p>The £1500 non consolidated payment was made during September at a cost of £3.4m plus on costs (pension &amp; National Insurance), which has been funded from the central pay contingency, where the balance now stands at £6.9m.</p> <p>Overprogramming post budgets have reduced by £0.2m following confirmation of funding. There remains a balance of (£1m) but is considered to be fairly low risk as the majority relates to WG funding and is expected to be received by the end of the financial year.</p> <p>There remains a balance of £0.6m to be allocated to new posts which has reduced by £0.6m since July.</p>
Non Consolidated Payment	3.5	3.5	0.0	0%	3.5	
Pension Adjustment	-3.5	-3.5	0.0	0%	-7.0	
Vacancy Turnover Budget	0.0	-4.9	-4.9	-100%	-11.7	
Overprogramming Budget	0.0	-0.5	-0.5	-100%	-1.0	
Directorate Staff Budget Undistributed To Position	0.0	-0.0	-0.0	-100%	0.6	
Central Pay Contingency	0.0	0.0	0.0	0%	6.9	
Workforce Recharges	-8.7	-9.9	-1.2	-12%	-20.1	
<b>Sub Total - Staff Trajectory Costs</b>	<b>54.8</b>	<b>54.3</b>	<b>-0.6</b>	<b>-3.2</b>	<b>110.5</b>	
Other Staff Costs	3.2	2.7	-0.4	16%	5.7	
<b>TOTAL: NRW</b>	<b>58.0</b>	<b>57.0</b>	<b>-1.0</b>	<b>-2%</b>	<b>116.2</b>	

# Financial Performance – Staff Trajectory



Current Vacancy Level (comparing current staff to budgeted structure)	Current Month		Previous Month		Change	Commentry
	fte	%	fte	%	fte	
<b>Budgeted Structure</b>	2,699.1		2,652.7		46.4	As noted in previous sections on the report, the vacancy rate has remained at 8% from July. The budgeted structure has increased by 46ftes however the number of staff in the structure has increased by 27ftes. This has resulted in a slight increase in the rate, moving from 7.6% to 8.2% but once rounded equates to an overall 8% vacancy rate.
<b>Staff in Structure</b>	2,478.4		2,452.6		25.8	
<b>Current Vacancy Level</b>	<b>220.7</b>	<b>8%</b>	<b>200.1</b>	<b>8%</b>	<b>20.6</b>	
<b>Analysis of Vacancy Level</b>						
Vacant Budget Posts	302.6	11%	286.1	11%	16.6	
Impact of Part Time Staff in Budget Posts	-4.1	0%	0.7	0%	-4.8	
Staff in Unbudgeted Posts	-77.9	-3%	-86.7	-3%	8.8	
<b>*** NOTE***</b>						
Please note that the vacancy level in this slide is based on current vacancy level for this month based on staff numbers. When comparing this to the financial variance there will be differences relating to:						
1)Financial Performance in previous slide is cumulative and therefore subject to fluctuations in actual vacancy level over previous months						
2)Timing delay in Agency Staff payments						
3)Variances caused by spread on staff in pay points compared to budget level at pay point 3.						
4)Amendment to in year financial turnover targets to manage underspend from previous months.						



# Financial Performance – Revenue Projects

Revenue Projects	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Commentary
by Programme	YTD £m	YTD £m	YTD £m	FY £m	FY %	
External Funded	1.9	1.7	-0.2	5.1	64%	Overall revenue projects are on target. With a number of projects funding staff, they are being reviewed by the relevant project/programme lead to assess the ability to absorb the increase in staff costs and potentially overheads. A selection of projects are also being reviewed to help address the funding deficit this financial year.
Internal Funded	0.8	0.9	0.1	2.6	68%	
NaCE	0.5	0.3	-0.2	1.4	64%	
Other	0.0	0.0	0.0	0.1	84%	
Business Transformation	0.2	0.2	0.0	0.9	77%	
Grants	0.3	0.3	0.0	1.9	86%	
<b>TOTAL: NRW</b>	<b>3.7</b>	<b>3.4</b>	<b>-0.3</b>	<b>12.1</b>	<b>69%</b>	

# Financial Performance – Capital Projects



Capital Projects	Actual	Approved Forecast	Variance	Approved Forecast	Remaining Budget	Commentary
by Programme	YTD £m	YTD £m	YTD £m	FY £m	FY %	
Business Transformation	3.3	3.2	-0.1	8.4	61%	The programme is currently showing as slightly ahead of target to date. There is 61% of the annual budget remaining to be spent. A large amount of this is due to a delay in works on the Future Tech work stream, which has just under £1m currently sat on the BT capital holding code. Discussions are being held to assess whether or not the full allocation will be needed this financial year.
External Funded	1.1	1.1	0.0	3.7	70%	
Flood Risk	12.9	8.9	-4.0	17.0	24%	The programme is ahead of profile by £4m, predominantly linked to overprogramming which is currently £7.8m for the financial year. Welsh Government have confirmed an additional £7m for the capital programme, which should alleviate the majority of the current over programmed position.
Internal Funded	1.0	1.1	0.1	4.2	75%	
NaCE	6.9	6.7	-0.2	21.2	67%	Whilst the NaCE programme is currently overprogrammed by £5.8m, performance to end September is ahead of target by £0.2m. The over-programming will be monitored and managed down throughout the remainder of the year to equal the funding available for the programme. It is due to be significantly lower next month following the six month deep dive into projects.
<b>TOTAL: NRW</b>	<b>25.3</b>	<b>21.0</b>	<b>-4.2</b>	<b>54.4</b>	<b>54%</b>	<b>Note: All these programmes fund staff costs and overheads, which will now increase placing an additional burden on programmes and individual projects. The assessment has begun during September and October, with no risk being identified to date. Most projects and programmes had already accounted for a pay increase in their forecasts and any underspend can be used to offset an increase in the overhead. We are still waiting for the approval of the proposed increase in overheads across WG funded projects.</b>

# Contingency and over-programming budgets

Balances (contingencies and programme under/overs)	Previous Month	Current Month	Movement	Commentary
	(August) £m	(September) £m		
<b>In Year Pressure balancing targets</b>				
Staff costs reduction target	-2.0	-2.0	0.0	A review is currently ongoing to forecast the impact that the recruitment freeze is having on the staff forecast to end of the financial year. The results of this review will be presented to PRG in October. The freeze will not realise the £2m savings target but this will be mitigated within the other pay provision budget (see below).
Non staff costs reduction target	-1.0	0.0	1.0	The non staff savings identified in the initial exercise have been distributed. Further savings are required to meet the additional pressures on the budget following the reduction in timber income forecast.
Increased overhead charge distribution	-1.8	-1.8	0.0	A review was undertaken to confirm that this additional overhead charge could be absorbed within the existing project/programmes budgets. This is still pending agreement with Welsh Government.
<b>Staff</b>				
Other Pay Provision	10.4	6.9	-3.4	The budget for the non consolidated payment of £1,500 to staff has been distributed to Directorates in September. A 5% pay award is likely to cost £5.2m (excluding project posts). Therefore, we should realise £1.7m savings towards the £2m staff costs reduction target - see above.
<b>Programmes - under/over programming</b>				
NaCE	-6.2	-5.9	0.3	Detailed project reviews are in progress , the results will be processed in MyNRW in October/November and the expectation is that the over-programming will reduce significantly. Projects were assessed during September when it was possible that funding may have been required to assist the Flood Capital Programme.
Flood Risk capital	-10.5	-7.9	2.6	WG have confirmed additional £7m funding that will reduce the over- programming and ensure we can continue with the construction works at Stephenson Street and Ammanford.
Business Transformation	-1.2	-1.0	0.2	We will be meeting with the programme leads during October to gather the latest forecasts and the plan to manage downwards this over-programming to bring in on target by year end. One area is the Future Technology project which is yet to begin and will likely result on slippage and savings to offset the over-programming.
Water Resources capital	0.5	0.3	-0.2	The under programming has reduced in this month by £150k, due to the hand back of funds centrally, expectation is that further funds will be returned.
Welsh Government grants	0.0	-0.2	-0.1	Largely Wales Coastal Path £0.133m, with smaller balances on some of the other grants.
<b>Other</b>				
Central over-programming	-2.5	-2.5	0.0	This is the approved over-programming level for the NRW budget and will be managed downwards as we move through the financial year. This should reduce to £2.2m in October.
Central contingencies	0.3	0.4	0.1	This is predominantly overheads on externally funded projects that have not been distributed for use, the recommendation is that this is used to offset the balance on the Central over-programming.
Directorate over-programming	-0.3	-0.2	0.1	This is largely due to overprogramming within the core facilities programme.



**Cyfoeth  
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Cymru**  
**Natural  
Resources  
Wales**



## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	NRW's Response to the Nature and Us shared vision
<b>Paper Reference:</b>	23-11-B20
<b>Paper sponsored by:</b>	Prys Davies, Executive Director of Corporate Strategy and Development
<b>Paper prepared by:</b>	Russell De'ath, Senior Specialist Advisor, Nature and Us
<b>Paper presented by:</b>	Russell De'ath, Senior Specialist Advisor, Nature and Us
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To note our response to Nature and Us and future plans.

## Background

1. We want to ensure that the Nature and Us Vision created by people in Wales sits at the heart of the delivery of our Corporate Plan, our Wellbeing Objectives, and how we continue to pursue the Sustainable Management of Natural Resources (SMNR).
2. We can do this by setting out a clear response to the Nature and Us Vision – outlining what it means for NRW in how we work, both in delivering our own functions and in partnership with others.
3. At the release of the vision on 24<sup>th</sup> July, NRW committed to providing a formal response. In doing so it shows our commitment to what people in Wales want for the future – and signifies the separation between Nature and Us and NRW. The letter attached is our proposed response.
4. The response builds on strategic discussions at Executive Team and feedback from the staff gatherings throughout June and July as well as input from Board Members through drop-in sessions throughout the summer and autumn.
5. Executive Team have endorsed the response.

## Risks, Risk Appetite and opportunities

6. If we do not follow through with our response to the Vision there is a risk that the whole Nature and Us process is seen as a gimmick, and not valued by NRW or driving meaningful action to address the climate and nature emergencies.
7. Lack of visible support /leadership following the release of the Vision could mean that it fizzles out, losing the opportunity to build the broader movement/coalition across the public, private the third sectors to take action.
8. There are reputational benefits of demonstrating how NRW has embedded the Nature and Us Vision in its work – specifically around the application of the Well-being of Future Generations Act (WFGA) five ways of working, our core purpose to pursue SMNR, and the Principles of Public Engagement.

## Wider implications

- (a) **Well-being Objectives:** Setting out our formal response to the Nature and Us Vision helps provide clarity on our role in delivering what people in Wales have set out in the Vision. Our Corporate Plan aligns well to the Vision, and ideally the timing would have been the other way around – so this helps to close the loop and provides the longer-term direction up to 2050.
- (b) **Finance:** The resources up to and including the publication of the response to Nature and Us are included within Programme costs for 2023-24.
- (c) **Resource implications:** The commitments that the response will make outlined in the letter (Annex 1) have been evaluated against existing Corporate Plan commitments and there is alignment to existing steps to take, “how we will deliver” and our values. There will be a requirement for most of the actions to be embedded within existing functions. The Team is involving relevant staff in the evaluation process and is committed to sharing the learning from Nature and Us more widely to assist with that. A separate programme is being established to ensure organisational benefits from the Nature and Us Programme are realised, and this will help drive forward the commitments made in the response.
- (d) **Equality:** Equality Impact Assessment (EqIA) is not appropriate for this paper, but needs to be considered as part of any action in taking forward the response.
- (e) **Data Protection:** There are no data protection implications.

## Next Steps

9. Subject to any adjustments from the CEO and the Board’s approval, the letter in Annex 1 will be issued in Wales Climate Week 4<sup>th</sup> – 8<sup>th</sup> December as an open letter and sent to all CEOs of public bodies in Wales. It will help provide a reminder during Climate Week that this is both a Nature and Climate emergency.

10. The Nature and Us Programme is set to close by the end of this financial year and has procured a process evaluation of the programme which should be completed in February. Tracking and embedding of the response and reporting on actions towards the vision, will be retained within Corporate Strategy and Development.
11. An event is being planned for World Environment Day (5<sup>th</sup> June 2024) to bring stakeholders together to report on collective progress towards the Vision. This will be a valuable opportunity to review action towards the Vision and collectively challenge how much progress Team Wales has made. Citizen Assembly members will be invited to participate in this event.

## Recommendation

12. Board notes and supports the response to Nature and Us Vision.

## Index of Annexes

Provide any supporting information:

Annex 1 – Draft Open Letter from Clare Pillman to the people of Wales.

## Approval / Consultation process

<b>Approval/consultation process Responsible:</b>	Russell De'ath Kate Evans Serinde van Wijk Sarah Williams
<b>Accountable:</b>	Prys Davies
<b>Consulted:</b>	Nature and Us Programme Board ET
<b>Informed:</b>	To be informed: NRW staff External stakeholders

## Atodiad 1

### Ymateb i Natur a Ni: Y Weledigaeth Gyffredin i Gymru.

Wrth i'r blaned gynhesu a'r llygredd a achosir gan weithgarwch dynol gynyddu, mae byd natur yng Nghymru ar y dibyn. Mae tywydd eithafol ar gynydd ac mae bioamrywiaeth yn lleihau. Bellach mae'r galw am yr adnoddau naturiol sy'n cefnogi pob agwedd ar ein bywyd yn drech na gallu ein planed i'w hadnewyddu.

Ond mae yna obaith. Yn gynharach eleni rhyddhawyd gweledigaeth Natur a Ni. Fe'i lluniwyd gan bobl yng Nghymru, ac mae'n dychmygu bywyd yn 2050, lle mae cymdeithas a byd natur yn ffynnu gyda'i gilydd. Mae'n datblygu ac yn diweddarau'r sgwrs "Y Gymru a Garem" yn 2015, y datblygwyd Nodau Llesiant Cymru ohoni. Mae hefyd yn ategu gwaith gan yr RSPB, WWF a'r Ymddiriedolaeth Genedlaethol ar lefel y DU ar "Gynllun Natur y Bobl" - ac yn rhannu llawer o themâu sy'n gyffredin â'r darn hwnnw o waith. Rydym wedi edrych ar ein rôl yng nghyd-destun y Cynllun ac wedi adlewyrchu hynny yn yr ymateb hwn.

Rwy'n ysgrifennu'r llythyr hwn i rannu ymateb CNC i'r darnau hanfodol bwysig hyn o ymwneud â dinasyddion â chi, ac i'ch gwahodd chi fel cyrff cyhoeddus i ymateb ac i ymrwymo i weithredu ar y weledigaeth gyffredin hon ar gyfer y dyfodol. Rwyf hefyd yn cynnig cymorth os oes angen, i ddeall beth mae'r weledigaeth hon yn ei olygu i'ch sefydliad chi, a sut y gallwn gydweithio fel y gallwch chi ddatblygu ymateb cwbl ystyriol.

Mae Gweledigaeth Natur a Ni yn gosod her ysbrydoledig i'r Llywodraeth, i Gyrff Cyhoeddus ac i'r trydydd sector yng Nghymru i weithio gyda'i gilydd a chyda dinasyddion i ddod o hyd i atebion i'r argyfwng natur a hinsawdd. Yn fyr, mae'n galw am sefyllfa yn 2050, lle bydd:

- Pobl a'r Llywodraeth yn ymrwymo ar y cyd i warchod yr amgylchedd naturiol.
- Arweiniad clir gan Lywodraeth Cymru yn helpu'r cyhoedd i gymryd mwy o ran mewn penderfyniadau am fyd natur.
- Rhannu gwybodaeth yn helpu pobl i ddeall sut mae byd natur yn effeithio ar eu bywydau, a'r camau y gallan nhw eu cymryd i helpu i warchod ac adfer yr amgylchedd naturiol.
- Mynediad eang i fyd natur yn helpu pobl ledled Cymru i fyw bywydau hapus ac iach.
- Opsiynau gwyrddach ar gyfer trafniadaeth ac ynni yn galluogi mwy o bobl i wneud dewisiadau ecogyfeillgar yn eu bywydau bob dydd.
- Rheoli tir yn gynaliadwy yn helpu cymunedau i brynu bwyd lleol a themlo cysylltiad â thir Cymru.

(Am fwy o fanylion gweler [www.naturani.cymru](http://www.naturani.cymru))

Rwyf wedi adolygu'r galwadau hyn ochr yn ochr â'n Cynllun Corfforaethol newydd, sef Byd Natur a Phobl yn Ffynnu Gyda'n Gilydd – a hynny er mwyn gofyn a ydym ni ein hunain yn mynd yn ddigon pell i gyflawni'r weledigaeth. Rwyf wedi dod i'r casgliad bod angen cymorth rhannau eraill o'r gwasanaeth cyhoeddus yng Nghymru yn fwy nag erioed i gyflawni hyn. Wrth i bawb wynebu cyllidebau anodd, mae angen i ni gyd anelu'n uwch o ran natur, ac ar gyfer llesiant cenedlaethau heddiw ac yfory.

O ystyried ein rôl benodol fel pencampwr yr amgylchedd yng Nghymru, bydd CNC yn gwneud hyn yn y ffyrdd canlynol:



### *Ymrwymiad ar y cyd*

Byddwn yn helpu cyrff eraill i ddeall manteision cadarnhaol natur ac yn eu cefnogi i adlewyrchu hyn yn eu cynlluniau busnes. Trwy gael camau gweithredu a chanlyniadau mesuradwy go iawn gellir adfer byd natur, a lleihau ein heffaith arno, gan adeiladu ar y dyletswyddau bioamrywiaeth "adran 6" presennol y mae awdurdodau cyhoeddus yn eu hysgwyddo. Byddwn yn helpu eraill, gan weithio gydag Archwilio Cymru a Chomisiynydd Cenedlaethau'r Dyfodol, i ganfod a dileu rhwystrwyr a rhannu arfer da. Bydd y sefydliadau hynny sydd wedi ymgorffori'r ddyletswydd bioamrywiaeth (i geisio cynnal a gwella bioamrywiaeth wrth arfer eu swyddogaethau) nid yn unig o fewn rhannau bach o'u swyddogaethau, ond wedi'u hintegreiddio ar draws eu prosesau llywodraethu a gwneud penderfyniadau, yn cael eu defnyddio fel enghreifftiau da. Bydd hynny yn ein helpu i ysbrydoli cyrff eraill a allai fod yn cael trafferth gyda'r ddyletswydd hon.

### *Cynnwys pobl*

Byddwn yn cyflawni rôl arweiniol yng Nghymru ynglŷn â chynnwys pobl i weithio o blaid natur – boed hynny drwy gyflwyno tystiolaeth neu waith fel eiriolwyr, hwyluswyr a chynullwyr, neu drwy alluogi a grymuso cymunedau i weithredu fel rhan o'n gwaith ni ein hunain, neu mewn partneriaeth ag eraill ac yn unol â'r Egwyddorion Cenedlaethol ar gyfer Ymgysylltu â'r Cyhoedd. O ganlyniad, bydd mwy o bobl yn gallu cymryd rhan yn y broses benderfynu a llunio dyfodol sy'n bositif i fyd natur.

Nid yw pawb yn rhannu ein hangerdd a'n hymrwymiad dros natur, nac yn cytuno â'r trawsnewidiadau sydd eu hangen i wireddu dyfodol lle mae cymdeithas a natur yn ffynnu gyda'i gilydd. Byddwn yn helpu i ddatblygu gwell dealltwriaeth o farn y cyhoedd ar natur ac ymatebion i'r hinsawdd er mwyn sicrhau trawsnewidiad cyfiawn, er enghraifft, trwy drefnu grwpiau o bobl sy'n rhannu gwerthoedd ynghylch materion dadleuol er mwyn i bob anghydraddoldeb gael ei ystyried yn llawn.

### *Rhannu gwybodaeth a dealltwriaeth*

Byddwn yn gwella ein ffyrdd o rannu ein gwybodaeth a'n dirnadaeth - mewn perthynas â'r wyddoniaeth ynghylch argyfyngau natur, hinsawdd a llygredd, a'r modd yr ydym yn cefnogi sefydliadau a chymunedau cyhoeddus a phreifat i ddeall y cyfraniad y gallan nhw ei wneud. Erbyn 2030, ein huchelgais yw y bydd ein tystiolaeth, ein cyngor a'n gwybodaeth i gyd yn cael eu gwerthfawrogi a'u parchu gan ein holl gymdeithion, ac yn arwain at weithredu cyflym, cydweithio newydd, a gwneud penderfyniadau integredig ar gyfer argyfyngau natur, hinsawdd a llygredd.

Fel rhan o hyn, rydym yn cydnabod yr angen i ehangu ein rhwydweithiau a'n partneriaethau strategol, fel ein bod yn mynd ati i wrando ar gynulleidfa ehangach a datblygu cyfleoedd newydd ar gyfer arloesi neu weithio'n wahanol. Byddwn hefyd yn mabwysiadu'r hyn a ddysgwyd yn sgil Natur a Ni i wella'r modd y byddwn yn sicrhau cyfranogiad y cymunedau yn ein gwaith.

### *Mynediad at natur*

Byddwn yn parhau i arallgyfeirio'r tir yn ein gofal er mwyn sicrhau cymaint o gyfleoedd â phosibl i bobl fwynhau natur, a chefnogi cymunedau cydlynol a gwydn, wrth greu lleoedd i natur ffynnu. Byddwn yn gweithio gydag eraill i gynyddu cyfran y boblogaeth sydd â mynediad i fannau gwyrdd o ansawdd uchel ac sy'n eu defnyddio, gan sicrhau bod amgylcheddau lleol yn parhau i gyfrannu at iechyd a lles pobl mewn hinsawdd sy'n newid.

Byddwn yn parhau i arddangos sut rydym yn cefnogi natur a thrawsnewidiadau hinsawdd cadarnhaol drwy ein rheolaeth ar ystadau a chaffael, gan fod yn barod i gael ein herio i sicrhau ein bod ni'n gallu gwneud ein gwaith hyd yn oed yn well.

Mae llawer o'n gwaith rheoleiddio yn canolbwyntio ar leihau lefelau niweidiol o lygredd aer, tir a dŵr, a byddwn yn cymhwyso'r gwaith hwn i ymateb i'r galwadau a wneir yn y weledigaeth i fynd i'r afael â phob anghydraddoldeb sy'n wynebu cymunedau wrth geisio mynediad i amgylcheddau iach.

#### *Systemau mwy gwyrdd a bwyd cynaliadwy*

Byddwn yn datblygu safbwyntiau sy'n seiliedig ar dystiolaeth ar faterion nad ydynt o bosibl o fewn ein cylch gwaith, ond sy'n gysylltiedig â'r trawsnewidiadau sydd eu hangen tuag at ddyfodol sy'n bositif i natur (fel ynni, iechyd, bwyd a thrafnidiaeth). Byddwn yn defnyddio ein tystiolaeth a lle bo hynny'n ddefnyddiol, yn siarad o blaid polisiâu cyrff cyhoeddus eraill a'r Llywodraeth sy'n cyfrannu at fynd i'r afael ag argyfyngau natur, hinsawdd a llygredd.

Byddwn yn mynd ati i gefnogi diwydiant i gyflawni'r datblygiadau arloesol sydd eu hangen i ddatgarboneiddio ac addasu i heriau argyfyngau natur, yr hinsawdd a llygredd. Rydym eisoes wrthi'n llunio'r gwaith o weithredu'r Cynllun Ffermio Cynaliadwy yng Nghymru. Byddwn yn cadw ffocws ehangach ar effaith newidiadau byd-eang mewn systemau bwyd a diogelwch bwyd ar y gymuned ffermio, byd natur a phobl Cymru, i helpu i lunio'r hyn sydd orau ar gyfer lles yn y tymor hir.

#### *Dangos ein hymrwymiad*

Fel ymrwymiad i'r bobl sy'n ymwneud â datblygu'r weledigaeth gyffredin hon, byddwn yn defnyddio ein prosesau adrodd i ddangos y camau yr ydym wedi'u cymryd. Er enghraifft, byddwn yn casglu ac yn adrodd ar yr effaith a gaiff ein gweithredoedd ar bobl a byd natur yn uniongyrchol ac yn anuniongyrchol.

### **Diwrnod Amgylchedd y Byd, 5 Mehefin 2024**

I ddathlu'r holl ymdrechion sy'n cael eu gwneud ledled Cymru i fynd i'r afael â'r argyfyngau natur, hinsawdd a llygredd, a chreu dyfodol lle mae cymdeithas a byd natur yn ffynnu gyda'i gilydd, rwy'n bwriadu cynnal digwyddiad gyda Chomisiwn y Senedd ar Ddiwrnod Amgylchedd y Byd 2024 (dydd Mercher 5 Mehefin).

Bydd y digwyddiad yn gyfle i arddangos ymdrechion gorau'r sectorau cyhoeddus a phreifat i wreiddio gweledigaeth Natur a Ni yn ein gwaith. Rwy'n credu y bydd y digwyddiad hwn yn helpu i ysbrydoli a chefnogi eraill i wneud yr un peth. Yn bwysicaf oll, bydd yn gyfle i ni i gyd ddangos i bobl Cymru sut rydym wedi ystyried eu mewnbwn fel rhan o'r sgwrs genedlaethol barhaus hon.

Os yw eich sefydliad yn dymuno bod yn rhan o'r digwyddiad hwnnw, hoffem glywed gennych yn fawr.

Bydd sefydliadau sy'n nodi a chyhoeddi eu hymateb eu hunain i'r weledigaeth yn cael cynnig gwahoddiad i'r digwyddiad, a chyfle yn ystod y dydd i arddangos eich ymrwymiad a'r newidiadau sydd gennych ar y gweill.

Os oes angen mwy o amser arnoch i ystyried beth yw goblygiadau mabwysiadu'r weledigaeth gyffredin, gallwn gynnig cymorth pellach, gan gynnwys ystyried y llwybrau at 2050 a ddisgrifir yn y weledigaeth, a mapio sut mae gweithgareddau cyfredol eich sefydliadau yn cyfrannu. Dyma gyfle

gwirioneddol i greu partneriaethau newydd i fynd i'r afael â rhai o'r heriau gweithredol a diwylliannol mwyaf sy'n ein hwynebu wrth fynd i'r afael â'r argyfyngau natur, hinsawdd a llygredd.

Gyda'n gilydd, gallwn greu dyfodol lle mae cymdeithas a byd natur yn ffynnu gyda'i gilydd.

DRAFT

## Annex 1

### **Response to Nature and Us: The Shared Vision for Wales.**

The warming planet and increasing pollution caused by human activity is driving nature in Wales towards collapse. Extreme weather is on the increase and biodiversity is declining. The demand for the natural resources that support every aspect of our lives is now outstripping our planet's ability to renew them.

But there is hope. Earlier this year the Nature and Us vision was released, created by people in Wales, that imagined life in 2050, where society and nature thrive together. It builds on and updates aspects of the "Wales we Want" conversation in 2015, from which the Well-being Goals for Wales were developed. It also complements work by RSPB, WWF and National Trust at a UK level on a "People's Plan for Nature" (PPN) – and shares many themes in common with that piece of work. We've looked at our role in the context of the PPN and have reflected that in this response.

I'm writing this letter to share NRW's response to these crucially important pieces of citizen involvement, and to invite you as public bodies to respond and commit to act on this shared vision for the future. I am also offering support if needed, to understand what this vision means for your own organisation, and how we can work together so that you can develop a fully considered response.

The Nature and Us Vision sets out an inspirational challenge for Government, Public Bodies, and third sector within Wales to work together and with citizens in finding solutions to the nature and climate emergency. In short it calls for a 2050, where:

- People and Government have a shared commitment to protecting the natural environment.
- Clear leadership from the Welsh Government helps the public to be more involved in decisions about nature.
- Sharing knowledge helps people understand how nature impacts their lives, and the actions they can take to help protect and restore the natural environment.
- Widespread access to nature helps people across Wales live happy and healthy lives.
- Greener transport and energy options enable more people to make environmentally friendly choices in their day to day lives
- Sustainable land management helps communities buy local food and feel connected to the Welsh land.

(For more detail see [www.natureandus.wales](http://www.natureandus.wales))

Staff across NRW have reviewed these calls alongside our new Corporate Plan Nature and People Thriving Together – to challenge ourselves on whether we go far enough in meeting the vision. I've concluded that now more than ever we need the help of other parts of the public service in Wales to achieve this. At a time where we are all suffering budgetary challenges, we need to collectively raise the bar for nature, and for the well-being of current and future generations.

Given our specific role as the champion of the Welsh environment, NRW will do this in the following ways:

*A shared commitment*

We will help other bodies understand the positive benefits of nature and support them to reflect this in their business plans. This means real measurable outcomes and actions that will enable nature's recovery, and reduce our impact on it, building on the existing "section 6" biodiversity duties on public authorities. We will help others, working with Audit Wales and the Future Generations Commissioner, identify and remove blockers and share good practice. We will exemplify those organisations who have embedded the biodiversity duty (to seek to maintain and enhance biodiversity in the exercise of their functions) not just within small parts of their functions, but integrated across their governance and decision-making processes. In doing so, we can help to inspire other bodies that may be struggling with this duty.

#### *Involving people*

We will provide a leadership role in Wales in relation to involving people in action for nature – whether that's through our evidence communication or advocacy, as facilitators and conveners, or through enabling and empowering communities to act as part of our own work, or in partnership with others and in line with the National Principles for Public Engagement. As a result, more people will be able to participate in decision-making shaping a nature positive future.

Not everyone shares our passion and commitment for nature, nor agrees with the transformations needed to realise a future where society and nature thrive together. We will help to develop a better understanding of public opinion on nature and climate responses to ensure a just transition, for example, by convening groups to identify shared values around contested issues and so that any inequalities are fully considered.

#### *Sharing knowledge and understanding*

We will improve the ways in which we share our knowledge and insights – both in relation to the science around the nature, climate and pollution emergencies, and how we support public and private organisations and communities to understand the contribution that they can make. Our ambition is that by 2030 our evidence, advice and collective knowledge will be valued and respected by all we work with, leading to accelerated action, new collaborations, and integrated decision-making for the nature, climate and pollution crises.

As part of this we recognise the need to broaden our networks and strategic partnerships, so that we are actively listening to a wider audience and develop new opportunities for innovation or working differently. We will also adopt the learning gained from Nature and Us to improve how we involve communities in our work.

#### *Access to nature*

We will continue to diversify the land in our care so that it maximises opportunities for people to enjoy nature, and supports cohesive and resilient communities, whilst creating spaces for nature to thrive. We will work with others to increase the proportion of the population who have access to and are using high quality green space, and ensure local environments continue to contribute to people's health and well-being in a changing climate.

We will continue to showcase how we are supporting nature and climate positive transformations through our procurement and estate management, welcoming challenge to ensure that we can be even better in what we do.

Much of our regulatory work is centred around minimising harmful levels of pollution to air, land and water, and we will apply this work to respond to the calls made in the vision to address the inequalities that communities face in their access to healthy environments.

#### *Greener systems and sustainable food*

We will develop evidence-based positions on issues that might not be directly within our remit, but that are connected to the transformations needed towards a nature positive future (such as energy, health, food and transport). We will use our evidence and where helpful, vocally support policies of other public bodies and Government that contribute to addressing the nature, climate and pollution emergencies.

We will be proactive in supporting industry to take the innovations needed to decarbonise and adapt to the challenges of the nature, climate and pollution emergencies. We are already actively involved in shaping the implementation of the Sustainable Farming Scheme in Wales. We will maintain a wider focus on global shifts in food systems and food security on the farming community, nature, and people of Wales, to help shape what is best for well-being in the long-term.

#### *Demonstrating our commitment*

As a commitment to the people involved in the development of this shared vision, we will use our reporting processes to demonstrate the actions we have taken. For example, we will capture and report on the impact that our actions have on people and nature both directly and indirectly.

### **World Environment Day 5<sup>th</sup> June 2024**

To celebrate the collective efforts being made across Wales to address the nature, climate and pollution emergencies, and to create a future where society and nature thrive together, I am planning to host an event with the Senedd Commission on World Environment Day 2024 (Wednesday 5<sup>th</sup> June).

The event will be an opportunity to showcase the best of the public and private sectors' efforts to embed the Nature and Us vision into our work. I believe this event will help to inspire and support others do the same. Most importantly, it will be a chance for us all to show the people of Wales how we have taken on board their input as part of this ongoing national conversation.

If your organisation wishes to be a part of that event, then we would very much like to hear from you.

Organisations that set out and publish their own response to the vision, will be offered an invitation to the event, and a space throughout the day to showcase the changes and demonstrate your commitment.

If you need more time to think through the implications of adopting the shared vision, we can offer further support, including with looking at the pathways to the 2050 described in the vision, and with mapping how your organisations' current activities contribute. This is a real opportunity to create new partnerships to tackle some of the biggest operational and cultural challenges that we face in addressing the nature, climate and pollution emergencies.

Together, we can create a future where society and nature thrive together.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Business Plan Performance Dashboard 2023/24 and Internal Performance Report 2023/24
<b>Paper Reference:</b>	23-11-B21
<b>Paper sponsored by:</b>	Clare Pillman, Chief Executive
<b>Paper prepared by:</b>	Sioni Davies, Advisor Corporate Planning & Performance
<b>Paper presented by:</b>	Clare Pillman, Chief Executive
<b>Purpose of the paper</b>	Approval of the Q2 Business Plan Performance Dashboard and the Q2 Internal Performance Report
<b>Summary</b>	<p>The Q2 Business Plan Performance Dashboard Report and the Internal Performance Report for period to the end of September 2023.</p> <p>During this period, there are no reported Reds on the Business Plan Performance Dashboard, but we have seen an increase in the number of Ambers to seven, with a corresponding reduction in the number of Greens. Tighter controls were introduced on recruitment and non-staff budgets to manage the in-year budget pressures in August 2023, and we are continuing to monitor the impact of these controls on delivery of our Business Plan. Measure owners (except one) are not generally citing resource issues as a factor impinging delivery in Quarter 2. We will continue to monitor the position carefully in Quarter 3.</p>

## Issue

1. The second quarter of the 23/24 Business Plan performance reporting cycle is complete. This paper presents NRW Board the opportunity to scrutinise the second quarter's performance.

## Background

2. The Business Plan Performance Dashboard is one of the NRW Board's principal means of scrutinising delivery. It was developed in parallel with the 2023/24 Business Plan, working with the NRW Board, Executive Team and Leadership Team. This annual Business Plan relates to our Corporate Plan to March 2030.
3. We are developing a performance framework to sit alongside the new Corporate Plan: in the meantime, this Business Plan dashboard largely reflects measures carried forward from 2022/23, organised around our three new Well-being Objectives.
4. The Business Plan Dashboard Performance Report can be seen at Annex 1 and consists of a:
  - **Dashboard** providing an overview of performance against the 2023/24 measures set out by the Well-being Objectives reflected in our new Corporate Plan and 23/24 annual Business Plan.
  - **Details for each specific measure** with their current (Quarter 2) position and expected year-end position, set out by Well-being Objective.
5. Following the announcement in August 2023 regarding pressures upon the 23/24 NRW budget, which included a recruitment pause, a review started in Quarter 2 to consider our ability to deliver the measures in full (as Green status) by year-end. Expectations for year-end at this mid-year point are positive, with 21 of the 22 measures predicted to be Green, suggesting that these constraints are not impinging our ability to deliver the year-end targets. We will keep this position under review in Quarter 3.
6. The Internal Performance Report can be seen at Annex 2 and covers 11 internally focussed measures, as in 2022/23, with their current (Quarter 2) position and expected year-end position.

## Assessment

7. The NRW Board is requested to scrutinise and approve 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 2023)	Quarter 2 (1 July to 30 Sept 2023)	Quarter 3 (1 Oct – 31 Dec 2023)	Predicted Quarter 4 Year End (to 31 <sup>st</sup> March 2024)	Actual Year End (to 31 <sup>st</sup> March 2024)
Red	0	0		0	
Amber	2	7		1	
Green	20	15		21	
<b>Total</b>	<b>22</b>	<b>22</b>		<b>22</b>	

8. There are seven Amber measures in Q2:

#### **Area of new woodland created on the land in our care**

Our milestone for this quarter is to have made sufficient progress towards the end of year measure to be confident it will be achieved. 128ha of land has been acquired or is under completion for woodland creation at the end of Q2. Regulatory permissions under Environmental Impact Assessment are underway. We are however behind where we wanted to be at the end of Q2 and this measure is currently Amber. We have however reassessed the likely programme for the year and further strengthened the project team. We have increased the forecast we made last Report and if achieved, will reach our year-end targets. We expect we will be Green at year end.

#### **Produce Flood Risk Management Plan (FRMP)**

We have not completed our milestone of publishing the FRMP, making this measure Amber in Q2 (previously Green). We have been finalising the Plan and addressing comments and feedback from the external consultation, and it is now in the final stages of edits, translation and preparation for publication on our website. Our current plan is to publish the FRMP in November 2023 and release related communications products alongside it. We expect to be Green at year end.

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

We have not quite achieved our milestone for this quarter, of 690 additional properties provided with a sustained level of (flood) protection; delivering 669 properties at the end of the quarter. We expect to remain Amber next quarter, and to return to Green at year end, including completing the significant scheme at Ammanford.

#### **Implement Flood Review recommendations / actions**

We have not quite completed our milestone for this quarter (completion of a Work Area Closure Report and draft Transition Report). We have not quite completed the final Work Area Closure Report due to the need to better evidence some of the recommendations in the report, however drafting is well advanced on the Transition Report. The Work Area Closure Report will be submitted for approval during Q3, and we expect to be Green at year end.

#### **Deliver NRW input to Water Company Planning Programmes**

We have not completed our milestone for this quarter (advice to Welsh Government on water company statement of response and recommendations for the final water resources management plans and regional plans). We completed this activity for all the

water resources plans within or affecting Wales by end of September 2023 with the exception of our advice to the Welsh Government on Hafren Dyfrdwy's statement of response, which was returned in early-October, so we have reflected this measure as Amber. We expect to be Green at year end

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

We have not achieved our target for this quarter, to respond to 95% of these incidents within four hours, achieving 90% for the quarter. Though disappointed with this quarter's dip in performance, we expect to be Green at year end and continue to support improvements in both incident recording and the recording system we use for this.

**Decision on an appropriate enforcement response within 3 months**

We have not achieved our milestone for this quarter (of 95% of decisions in relation to environmental crime being made within three months, and to complete our review of recommendations of tasking review and implement). We achieved 91% for this quarter and we have reviewed the tasking review recommendations in the Regulatory Business Group, and actions have been included in the Regulatory Service Plan.

9. The other 15 measures are Green at the end of Q2. Some to note are:

**Priority actions undertaken on protected sites across Wales to improve condition of features**

We have completed our milestone for this quarter which was for 30% of actions to be completed / underway (making this measure Green). We were able to log the 2023-24 planned actions in our database 'Safe' in Q1 and have planned 241 actions to be completed or underway during this financial year. By the start of September 2023, 72 actions were underway and 45 complete. This equates to 49% of actions in the 2023-24 plan and therefore exceeds the Q2 milestone of 30%.

**Timber volume offered to market**

We have completed our milestone for this quarter which was to have made sufficient progress to be confident of reaching the year-end milestone (making this measure Green). By the July 2023 e-sale, we had offered 15% more than the required profile to reach our year-end target. We are on track to have offered 558,000 m3 by the October 2023 e-sale.

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

Our milestone for this quarter was to complete phase one of the water efficiency initiative across our built estate which we have now completed by installing water savings measures across 34 sites (making this measure Green). Unfortunately, we expect to be Amber at year end as we will not be able to achieve our year end target of delivering our Adfywio programme commitments for 2023/24 (and to procure the build and operation of an integrated NRW-wide electric vehicle charging infrastructure). We have not been able to the procure the build and operation of an integrated NRW-wide electric vehicle charging infrastructure. The fleet strategy has been delayed to 2024/25, but an interim fleet purchasing policy has been adopted. The EV infrastructure will be procured in Q1 of 2024/25.

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

	Quarter 1 (1 April – 30 June 2023)	Quarter 2 (1 July to 30 Sept 2023)	Quarter 3 (1 Oct – 31 Dec 2023)	Predicted Quarter 4 (to 31 <sup>st</sup> March 2024)	Actual Year End (to 31 <sup>st</sup> March 2024)
Red	2	0		0	
Amber	0	1		1	
Green	8	9		9	
Unreported	1	1		1	
<b>Total</b>	<b>11</b>	<b>11</b>		<b>11</b>	

11. We have no Red measures in Q2 and only one Amber. Below we highlight our Amber measure. All other measures are Green, except for one. The Absence measure is not reported as the report methodology has recently changed. The latest position on this item will be reported when confirmed. For further details, please refer to Annex 2.

**Sgwrs in place** (priorities and development agreement)

This item is Amber at the end of quarter 2, at 62% (at least 90% would be considered Green). This measure has improved from Red in the last Report as a result of reminders to reflect agreement of Sgwrs plans with staff. A report highlighting underreporting will be sent to managers. Amber is expected at year end.

## Risks, Risk Appetite and opportunities

12. 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 Executive Team and NRW Board will be unable to fulfil their role to scrutinise delivery.

## Wider implications

13. **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.
14. **Equality:** The relevant Equality Impact Assessment covers our Corporate Plan 2030, Well-being Statement and Business Plan 2023/24.

## Next Steps

15. Following NRW Board approval, 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

16. We request the NRW Board approve the Q2 Business Plan Performance Dashboard report and the Internal Performance Report.

## Index of Annexes

Annex 1 – Business Plan Performance Dashboard Q2

Annex 2 – Internal Performance Report Q2

## Approval / Consultation process

<p><b>Approval/consultation process</b></p> <p><b>Responsible:</b></p>	<p>Kirsten Hughes, Lead Specialist Advisor, Corporate Planning &amp; Performance</p> <p>Sarah Williams, Head of Corporate Strategy and PMO</p> <p>Prys Davies, Executive Director of Corporate Strategy and Development</p>
<p><b>Accountable:</b></p>	<p>NRW Board</p>
<p><b>Consulted:</b></p>	<p>Leadership Team (Measure Owners)</p> <p>Executive Team</p>
<p><b>Informed:</b></p>	<p>Leadership Team</p> <p>Planning &amp; Resources Group</p> <p>Executive Team</p> <p>NRW Board</p>

## Annex 1: Business Plan Performance Dashboard 2023/24

Shown in **bold**, the **Green**, **Amber** or **Red** status of each of our Business Plan's dashboard measures. Past and future (expected) positions are also stated.

	Measure ( <i>summary wording</i> )	Previous (Q1)	<b>Current (to Q2)</b>	Next (to Q3)	Year-end (expected)
Nature is recovering	<a href="#">Protected site actions</a>	Green	<b>Green</b>		Green
	<a href="#">Action for declining species</a>	Green	<b>Green</b>		Green
	<a href="#">Wales MPA Network Management Action Plan</a>	Green	<b>Green</b>		Green
	<a href="#">Restore Wales' habitats</a>	Green	<b>Green</b>		Green
	<a href="#">Case for new National Park</a>	Green	<b>Green</b>		Green
	<a href="#">Complete freshwater review</a>	Green	<b>Green</b>		Green
	<a href="#">Sharing Nature and Us</a>	Green	<b>Green</b>		Green
Communities are resilient to climate change	<a href="#">Restore Welsh peatlands</a>	Green	<b>Green</b>		Green
	<a href="#">New woodland created</a>	Amber	<b>Amber</b>		Green
	<a href="#">Maintain flood risk assets; high risk locations</a>	Green	<b>Green</b>		Green
	<a href="#">Produce a Flood Risk Management Plan</a>	Green	<b>Amber</b>		Green
	<a href="#">Properties with reduced risk or sustained protection</a>	Green	<b>Amber</b>		Green
	<a href="#">Implement Flood Review</a>	Amber	<b>Amber</b>		Green
	<a href="#">Timber volume offered</a>	Green	<b>Green</b>		Green
	<a href="#">Low emission fleet &amp; climate adapted built estate</a>	Green	<b>Green</b>		Amber
Pollution is minimised	<a href="#">Compliance breaches effort</a>	Green	<b>Green</b>		Green
	<a href="#">Progress on SAC Rivers</a>	Green	<b>Green</b>		Green
	<a href="#">Input to Water Company Planning Programmes</a>	Green	<b>Amber</b>		Green
	<a href="#">Water quality requirements</a>	Green	<b>Green</b>		Green
	<a href="#">Reduce pollution; metal mines</a>	Green	<b>Green</b>		Green
	<a href="#">Response to 'High' incidents</a>	Green	<b>Amber</b>		Green
	<a href="#">Decision on an appropriate enforcement response</a>	Green	<b>Amber</b>		Green

Key to status<sup>1</sup>: **Green** = achieved; **Amber** = close to; **Red** = missed

<sup>1</sup> Some measures in the dashboard use a more detailed key. Where we do this, the key is reflected on each measure page. For additional background detail on the green, amber or red key we use, please see: [Background: How we use green, amber and red measure ratings](#)

## Our Well-being Objectives

The headings used in this report reflect the Well-being Objectives we are working towards, as stated in [our new Corporate Plan to 2030](#) ('Nature and People Thriving Together'), [our Well-being statement](#) and our [2023/24 Business Plan](#).

Our well-being objectives are:

- [Nature is recovering](#)
- [Communities are resilient to climate change](#)
- [Pollution is minimised](#)

The following pages of this report reflect the latest position of each of our Business Plan Performance dashboard measures for 2023/24. These dashboard measures are largely carried forward from the 2022/23 Business Plan dashboard, while a new performance framework aligned to the new Corporate Plan is being developed, ready for use in 2024/25.

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

## Nature is recovering

### What is needed to ensure nature's recovery?

*“This means taking urgent action to halt and reverse the decline in biodiversity, and to build the resilience of ecosystems so that nature can adapt to a changing climate and continue to provide the basis of all life – clean air, clean water, food and a stable climate. Wales needs to act now to avoid catastrophic ecosystem collapse.”*

[Our new Corporate Plan to 2030](#) expands further on what it will mean to ensure Nature's Recovery across Wales<sup>2</sup>, and in seven place-focussed areas of Wales<sup>3</sup>

Executive Team lead: Ceri Davies

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<sup>2</sup> In our new Corporate Plan to 2030 “Nature and People Thriving Together”, we have set out where NRW is best placed to make a difference within the resources we have and where this will change, with Wales' 2030 targets the first step to achieving international targets, goals and milestones in 2050

<sup>3</sup> Our Corporate Plan also states how we will [work to support nature's recovery in seven place-focussed areas of Wales, including a marine area](#) - Recognising we have made commitments for these places through Public Services Boards and involving communities in the development of [Area Statements](#).

## 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 2023):

- Our **milestone for this quarter is for 30% of actions to be completed / underway**. We have completed this activity. We have logged the 2023-24 planned actions in our database Safle in Q1. We have planned 241 actions to be completed or underway during this financial year. By the start of September 2023, 72 actions were underway and 45 complete. This equates to 49% of actions in the 2023-24 plan and therefore exceeds the Q2 milestone of 30%.
- This measure is **Green**.

### What's next

- We will now continue to work with stakeholders and on our own estate to deliver action through the mechanisms available to NRW, principally land management agreements, direct management, LIFE projects and funded by Nature Networks capital funding.
- Our **milestone for the end of the next quarter is for 50% of actions to be completed / underway**.
- We are currently on track to achieve our **year-end target of 80% of planned actions to be completed / underway**.
- We currently expect we will be Green at year end.

Measure owner: Huwel Manley

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - page 1]



## 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 2023)

- Our **milestone for this quarter is for the Natur am Byth central programme team to be recruited and permission to start the programme from National Heritage Lottery Fund received.**
- We have completed this activity. We successfully recruited all five roles within the Natur am Byth central programme team. Two were internal staff, with three external appointments. All roles were on schedule with the team complete in September 2023. We achieved permission to start from the National Lottery exactly on schedule in mid-July 2023.
- This measure is **Green**.

### What's next

- Our **milestone for the end of the next quarter is to develop work programme for recommendations from the Fish-eating Birds review.** We will now continue with the establishment of the Fish-eating Birds project. We have already established internal working groups and have been developing the actions into a work programme.
- We are currently on track to achieve our **year-end target to progress specific projects illustrating our work in this area (and Natur am Byth monitoring and evaluation framework established, including a species recovery assessment tool).**
- We currently expect we will be Green at year end.

Measure owner: Huwel Manley

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - page 1]

## 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 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 (WNMP) Policy.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is to review action progress and report to NRW's Marine Subgroup**. We have completed this activity, this measure is **Green**. We have submitted a written update on this area of work to the Marine Programme Planning and Delivery group and the Marine Subgroup.
- The climate change profiles project is going well and we do not anticipate any problem completing this action by the end of March 2024. Other NRW actions in the action plan are progressing well.
- The action plan has not yet been published for this year due to WG resources, but it is still planned. WG are hoping to organise a mid-year review of the actions with the Steering Group in November 2023, this is also subject to WG resource being available.

### What's next

- We will now continue to work on actions and to help organise (with WG), a Steering Group meeting to review progress. If a meeting cannot be organised an update on the progress of NRW actions will be submitted to the Steering Group.
- Our **milestone for the end of the next quarter is to review action progress and report to Wales MPA Network Management Steering Group**.
- We are currently on track to achieve our **year-end target to deliver 100% actions (and sign off and report on final delivery)** and are very likely to be Green at year end.

Measure owner: Rhian Jardine

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - page 1]

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

This measure reflects our progress with the management of programmes to address and restore habitats across Wales, including updates throughout the year on Nature Networks, LIFE restoration and development of new programmes.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is that our Nature Networks Map is delivered ready to inform Nature Networks 3 grant funding by the National Heritage Lottery Fund.** This measure is **Green**.
- We have completed this activity. In July 2023, we made available key datasets on habitat connectivity on NRW and WG portals (DataMap Wales and WEIP), to be used by partners to inform applications for Nature Networks 3 grant funding.

### What's next

- We will now plan further development of the Map to 2025 with WG, bringing in additional information to identify strategic priorities and to support policy development for nature recovery.
- Our **milestone for the end of the next quarter is through [Four rivers for LIFE \(4R4L\)](#) to complete 10 kms of riparian fencing, and through LIFE Dee River to deliver Chirk weir fish pass.** We will now fence 10km of riparian zone under the 4R4L project. We will have the plans for Chirk fish pass completed ready for delivery in spring 2024. The design has taken longer than anticipated to finalise, and as such we have not completed the works prior to the end of the in-river working period on the 17 October 2023.
- We are currently on track to achieve our **year-end target to continue to deliver Nature Networks and LIFE Restoration programmes and plan the development of new programmes (and complete Nature Networks and LIFE programme of winter works)** and are to be Green at year end.

Measure owner: Ruth Jenkins

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: **Green** = achieved; **Amber** = close to (e.g. within one month); **Red** = missed  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - page 1]

## Measure: Evaluation of the case for a new National Park in North East Wales

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 2023)

- Our **milestone for this quarter is the completion of a special landscape qualities assessment**, the commissioning of evidence relating to forces for change and alternative management options, together with the commencement of a period of communication and engagement with stakeholders and communities.
- The milestone for Q2 is complete, a contract for Special Landscape Qualities has been agreed for the end of October 2023 to allow an additional online workshop. This will maximise stakeholder participation. All other activity is on track. The follow-on contracts have been appointed. The engagement period preparations are on track and will commence on the 9 October 2023 as planned.
- This measure is **Green**.

### What's next

- We will now work with the Special Landscape Qualities contractor to facilitate the online workshop. The contract is expected to end two weeks later than originally planned, due to a number of stakeholders who could not make the workshops, necessitating an additional online option.
- Our **milestone for the end of the next quarter is completion of a forces for change assessment, a management options assessment and a round of stakeholder engagement**.
- We are currently on track to achieve our **year-end target of continuation of the designation procedure (and commencing the Natural Beauty and Open Air Recreation assessment)** and are to be Green at year end.

Measure owner: Rhian Jardine

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Complete our freshwater quality monitoring review

This measure reflects activity to produce, and share, our water quality monitoring strategy with others; with additional updates in year in relation to long term, and short term 'agile' monitoring.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is to let a contract to inform the design of a 'sentinel' long term monitoring network and share our water quality monitoring strategy with internal and external stakeholders.** We have let 2 contracts to inform the design of a 'sentinel' long term monitoring network: this activity is complete. We expect to receive the outputs from the contracts in late October / early November 2023, at which point we will firm up on the final design of the new network and let a further contract to undertake the detailed statistical design phase. We have started sharing our water quality monitoring strategy.
- This measure is **Green**.

### What's next

- We will complete the sharing of our water quality monitoring strategy and expect this to be complete at Q3. We expect to receive reports from our contractors in Q3 and these will inform decisions on the design of a 'sentinel' network. We will initiate work to develop guidance and case studies on the 'agile' component of our monitoring.
- Our **milestone for the end of the next quarter is to complete case studies to inform a framework for short term intensive 'agile' monitoring.**
- We are currently on track to achieve our **year-end target to progress our water quality monitoring review (and produce a framework for 'agile' monitoring)** and are expected to be Green at year end.

Measure owner: Chris Collins

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Sharing the vision for the natural environment to 2050 - Nature and Us

This measure reflects activity on [Nature and Us](#) / [Natur a Ni](#). Following on from the development of a shared vision for the natural environment in Wales to 2050, we are sharing and promoting the vision, and our organisation's response to it.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is to publish and promote the vision for the natural environment to 2050, develop the organisational response to the vision for the natural environment to 2050 and agree a benefits realisation plan for the Nature and Us programme and vision.** We released the vision at the Royal Welsh Show with partners committed to respond to the vision alongside NRW. We have considered the vision and staff feedback to develop NRW's response. The response proposal was endorsed by the Executive Team end September 2023. Benefits realisation will be informed by the programme evaluation and builds on the response and increasing efforts to engage our stakeholders with realisation of the vision. We have prepared a new website and social media to share the vision with the wider public in October 2023.
- This measure is **Green**.

### What's next

- We will now work with external relations team to prioritise stakeholder involvement in shaping other organisations' responses to the vision. Our **milestone for the end of the next quarter is to publish the organisational response to the vision for the natural environment to 2050 and commence programme evaluation.**
- We are currently on track to achieve our **year-end target to publish final report programme evaluation, commence benefits realisation and embed learning from the evaluation.** The evaluation project commenced September 2023 and the framework for evaluation is in the process of being co-designed.
- We currently expect we will be Green at year end.

Measure owner: Sarah Williams

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Communities are resilient to climate change

### What is needed to ensure resilience to climate change?

*“This means taking urgent action to reduce greenhouse gas emissions and accelerate action to adapt to climate change, reducing the risks and impacts to all sectors of the economy whilst contributing to the Welsh Government ambition for a carbon neutral public sector by 2030, and a net zero Wales by 2050”*

[Our new Corporate Plan to 2030](#) expands further on what it will mean to ensure communities are resilient to climate change across Wales<sup>4</sup>, and in seven place-focussed areas of Wales<sup>5</sup>

Executive Team lead: Sarah Jennings

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<sup>4</sup> In our new Corporate Plan to 2030 “Nature and People Thriving Together”, we have set out where NRW is best placed to make a difference within the resources we have and where this will change, with Wales’ 2030 targets the first step to achieving international targets, goals and milestones in 2050

<sup>5</sup> Our Corporate Plan also states how we will [work to support nature’s recovery in seven place-focussed areas of Wales, including a marine area](#) - Recognising we have made commitments for these places through Public Services Boards and involving communities in the development of [Area Statements](#).

## Measure: Action undertaken to restore Welsh peatlands including peatland on the land in our care

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 land in our care.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is New Competitive Grant awarded**. Launched on 31 March 2023, this new competitive Delivery Grant straddles two years and is suitable for any applicants with a plan ready to action peatland restoration. This grant follows two rounds of Development Grants offered in 2022/23 to plan for ‘shovel-ready’ peatland restoration. The Delivery Grant will see activity and equipment on site, putting into practice some of over 100 possible intervention techniques, to restore the peatland to a healthy bog or fen habitat. Together, the Development and now the Delivery grants accelerate restoration action and help tackle the nature and climate emergencies. 30% of the grant will be spent in the first year with the remaining 70% in the final year. Grants currently awarded equates to approximately £154K.
- This measure is **Green**.

### What's next

- We will now continue to work with NRW staff, partners and contractors to deliver.
- Our **milestone for the end of the next quarter is to commence National Peatland Action Programme groundworks**.
- We are currently on track to achieve our **year-end target to deliver 450 ha of peatland restoration activity as part of the National Peatland Action Plan (including approximately 100 ha on the land in our care)** and are going to be Green at year end.

Measure owner: Huwel Manley

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Area of new woodland created on the land in our care

This measure reflects the area of new woodland created on land in our care (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 land in our care 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 2023)

- Our **milestone for this quarter is to have made sufficient progress towards the end of year measure to be confident it will be achieved**. 128 ha land has been acquired or is under completion for woodland creation at the end of Q2. Regulatory permissions under Environmental Impact Assessment are underway and if these are granted, we expect we will plant 80ha of new woodland in 2023/24 and that with inclusion of other woodland habitats in keeping with the UK Forestry Standard that will be about 100ha of new woodland in total. We have reassessed the likely programme for the year and further strengthened the project team. We have increased the forecast we made last report and if achieved, will reach our targets.
- We are behind where we wanted to be at the end of Q2. This measure is currently **Amber**.

### What's next

- We will now continue to deliver the programme, working in particular with colleagues to further smooth the EIA process.
- Our **milestone for the end of the next quarter remains to have made sufficient progress towards the end of year measure to be confident it will be achieved**.
- We are currently on track to achieve our **year-end target of an additional 100 ha of land acquired / identified for woodland creation** and our planned programme will meet the target of **100 ha woodland created in 2023/24 (contributing to 350 ha total woodland created over the life of the programme)** provided we can further accelerate the EIA process. The target to create 350 ha total new woodland over the life of the programme remains secure. We expect we will be Green at year end.

Measure owner: Dominic Driver

Q1	to Q2	to Q3	Expected year-end
Amber	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Maintain flood risk assets in high risk systems 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 2023)

- Our target for this measure each quarter is **98% of flood risk assets in high risk systems at target condition**. We are exceeding the target, at 98.1% at end of September 2023. The measure is **Green**.
- We currently have 76 below required condition assets across Wales; having 79 or fewer achieves the target, therefore we are 3 assets above Green. During the last quarter, we have made fixes to 30 assets, but also 46 different assets have become below their required condition due to issues found.
- Asset inspections are carried out on a rolling basis. Issues which cause an asset to become a below required condition asset may be found at any time. This measure is a snapshot in time, and we continually update our data.

### What's next

- We will continue to plan for and deliver fixes for the remaining assets that are below required condition, plus develop plans for fixes to any assets that have been added within the last month.
- We are making improvements to our asset management practices, including inspection regimes and data management, and this *may* cause a short term increase in numbers of assets below required condition (for example as a result of the potential for assets below required condition being identified more quickly).
- Nonetheless, we currently expect to be Green at year end based on current trends; but performance will always be dependent on the outcome from asset inspections, which cannot be reliably predicted.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved ( $\geq 98\%$ ); Red = missed ( $\leq 70\%$ ), Amber = close to (i.e. between Red and Green)  
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## Measure: Produce Flood Risk Management Plan

This measure reflects our progress in producing an updated [Flood Risk Management Plan \(FRMP\)](#) and includes updates in relation to consultation around its publication, adoption and future monitoring. The updated plan will identify what is at risk of flooding, alongside objectives and measures we propose to manage the risk of flooding.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is that the FRMP is published**. We have not achieved this. We have been finalising the plan and addressing comments and feedback from the external consultation, and it is in the final stages of edits, translation and preparation for publication on our website. Planning work with both our Communications and Digital teams is advanced with a communications plan for its release being finalised. Our current plan is to publish the FRMP in November 2023 and release related communications products alongside it.
- This measure is **Amber**, as the report is yet to be published, but there is a pathway to publication in November 2023.

### What's next

- We will now finalise the documents and prepare for publication and release in November 2023.
- Our **milestone for the end of the next quarter is FRMP to be adopted and delivery monitored**. We believe we will be at this stage by the end of this calendar year and therefore bring this measure back to Green status.
- We are currently on track to achieve our **year-end target of FRMP published, adopted and monitored** as publishing the plan in November 2023 will allow this work to move into adoption, delivery and monitoring.
- We currently expect to be Green at year end.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year-end
Green	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## 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 2023)

- Our **milestone for this quarter is 690 additional properties provided with a sustained level of protection**. We have not quite achieved this, with performance at 669 properties, due to a small number of projects now profiled to next financial year for delivery reasons.
- This measure is **Amber**.

### What's next

- Our **milestone for the end of the next quarter is 176 additional properties provided with a sustained level of protection (866 properties in total)**. We are currently forecasting 86 additional properties (765 running total) for Q3, so we expect to be Amber still at the end of Q3. However, good progress is being made with projects forecasted to be completed by the end of this financial year, including the significant scheme at Ammanford.
- We therefore expect to achieve our **year-end target of 1,000 additional properties directly provided with reduced risk / sustained level of protection** and expect to be Green at year end.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year-end
Green	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## 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 2023)

- Our **milestone for this quarter is to draft, review and approve one remaining Work Area Closure Report, and draft the Transition Report**. We have not quite completed the final Work Area Closure Report, due to the need to better evidence some of the recommendations in the report, such that it can then be submitted to the Flood Recovery and Review Implementation Programme (FRRIP) Board for approval. Drafting is well advanced on the Transition Report.
- This measure is **Amber**.

### What's next

- We plan to complete the final Work Area Closure Report and submit to the FRRIP Board for approval in November 2023. We plan to finalise the Transition Report and submit to FRRIP Board for approval in December 2023.
- Our **milestone for the end of the next quarter is review and approve Transition Report**; we expect to achieve this, and to have completed the outstanding action from the previous quarter (approval of the final Work Area Closure Report).
- We are on track to achieve our **year-end target of programme transition and closure reports complete (draft, review and approve Programme Closure Report; track remaining actions through existing governance groups)**, we currently expect we will be Green at year end.

Measure owner: Jeremy Parr

Q1	to Q2	to Q3	Expected year-end
Amber	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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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 2023)

- Our **milestone for this quarter is to have made sufficient progress to be confident of reaching the year-end milestone**. We have completed this activity. By the July 2023 e-sale, we had offered 423,000 m3 cumulative of timber for sale, which was 15% more than the required profile to reach our year-end target. We are on track to have offered 558,000 m3 by the October e-sale, 3% ahead of profile.
- This measure is **Green**.

### What's next

- We will now prepare for the October 2023 e-sale and continue with the full year programme which if achieved would reach 753,000 m3 cumulative for the year.
- Our **milestone for the end of the next quarter is to have made sufficient progress to be confident of reaching the year-end milestone**. We are currently on track to achieve our **year-end target of 721,500 m<sup>3</sup> (offered to market)**. There is some uncertainty about engineering resource, but overall, we expect to be Green at year end.

Measure owner: Dominic Driver

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## 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 2023)

- Our **milestone for this quarter is to complete phase one of the water efficiency initiative across our built estate**. We have completed this activity. We have installed water savings measures across 34 sites.
- This measure is **Green**.

### What's next

- We are now working with fleet users to develop our five-year transition schedule to Ultra Low Emission Vehicles for our badged fleet. A series of workshops are planned over the coming months.
- Our **milestone for Q4 is to agree a five-year transition schedule to Ultra Low Emission Vehicles for our badged fleet. Complete the replacement of bulk fuel storage tanks for HVO (Hydrotreated Vegetable Oil)**.
- Due to resourcing issues within the team, we will not achieve our **year-end target of delivering our Adfywio programme commitments for 2023/24 (and to procure the build and operation of an integrated NRW-wide electric vehicle charging infrastructure)**, we have not been able to the procure the build and operation of an integrated NRW-wide electric vehicle charging infrastructure. The fleet strategy has been delayed to 2024/25, but an interim fleet purchasing policy has been adopted. The EV infrastructure will be procured in Q1 of 2024/25.
- We currently expect we will be Amber at year end.

Measure owner: Victoria Rose-Piper

Q1	to Q2	to Q3	Expected year-end
Green	Green		Amber

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Pollution is minimised

### What is needed to ensure pollution is minimised?

*“This means taking action to minimise those things that harm human health, biodiversity and contribute to greenhouse gas emissions, while simultaneously driving down waste by ensuring the reuse and substitution of materials in key sectors of the Welsh economy.”*

[Our new Corporate Plan to 2030](#) expands further on what it will mean to ensure pollution is minimised across Wales<sup>6</sup>, and in seven place-focussed areas of Wales<sup>7</sup>

Executive Team lead: Gareth O'Shea

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<sup>6</sup> In our new Corporate Plan to 2030 “Nature and People Thriving Together”, we have set out where NRW is best placed to make a difference within the resources we have and where this will change, with Wales’ 2030 targets the first step to achieving international targets, goals and milestones in 2050

<sup>7</sup> Our Corporate Plan also states how we will [work to support nature’s recovery in seven place-focussed areas of Wales, including a marine area](#) - Recognising we have made commitments for these places through Public Services Boards and involving communities in the development of [Area Statements](#).



## Measure: Category 1 and category 2 compliance breaches are subjected to further compliance effort (action or review)

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 (action or review) 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, water companies and storm overflows action.

### Latest position (to end of September 2023)

- Our milestone for this quarter is **95% category 1 and category 2 compliance breaches are subjected to further compliance effort (action or review) within 6 months, to finalise Regulatory Service Standards (Level of compliance activities and performance monitoring framework) and publish a water company Environmental Performance Assessment report**. We have completed these activities. All 12 compliance breaches (100%) were followed up.
- We published on our website the Water Company Environmental Performance Assessment Report in July 2023.
- This measure is **Green**.

### What's next

- Our milestone for the end of the next quarter remains **95%, and to update on compliance performance based on our Regulation Business Board metrics**. We continue to monitor progress against Category 1 and 2 compliance breaches. Our teams remain under substantial pressure dealing with incidents and illegal activity. We are prioritising compliance visits at the highest risk sites. Where significant breaches are identified, it is crucial that we follow these up in a timely manner.
- We are currently on track to achieve our **year-end target of 95% (and report on milestones from our Regulatory Action Plan within the Storm Overflow Roadmap)** and are aiming to be Green at year end.

Measure owner: Martin Cox

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## 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 2023)

- Our **milestone for this quarter is produce a mitigation measures menu and an Evidence Pack for the Nutrient Management Boards**. We have completed this activity. We have submitted the mitigation measures menu to Welsh Government which has been shared with external stakeholders. We have also shared an evidence pack with the Nutrient Management Boards across Wales.
- This measure is **Green**.

### What's next

- We will now continue to work on delivering the products for the SAC Rivers project and the commitments in the First Minister's Action Plan on relieving pressures on SAC River Catchments to support delivery of affordable housing and the products in the NRW SAC Rivers Project.
- Our **milestone for the end of the next quarter is to explore provision of a database of SAC rivers projects contributing to reducing nutrient loading**.
- We are currently on track to achieve our **year-end target of having delivered NRW's 2023/24 commitments in the First Minister Action Plan for the SAC rivers (and review 100 Water Quality Discharge Permits)**.
- 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

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Deliver NRW input to Water Company Planning Programmes

This measure reflects NRW input to Water Company Planning Programmes, including in relation to water resources management, regional plans affecting Wales, Price Review 2024 ([PR24](#)) and storm overflows action.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is advice to Welsh Government on water company statement of response and recommendations for the final water resources management plans and regional plans**. We completed this activity for all the water resources plans within or affecting Wales by end of September 2023 with the exception of our advice to the WG on Hafren Dyfrdwy's statement of response. Consequently, this measure is **Amber**.
- We sent our advice reports to the WG for Dŵr Cymru and Albion Eco in August 2023. We also sent our advice to the Environment Agency (EA) for inclusion within their reports to Defra for Severn Trent, United Utilities and Leep during Q2. We also sent our advice to Water Resources West on its statement of response to the consultation on its regional plan in September 2023. We engaged with the EA and Ofwat in developing our advice on all the plans. We have started the review of the water company drought plan guideline (to be published in 2024), for the next round of drought plans.

### What's next

- We sent our final advice report to WG on Hafren Dyfrdwy's statement of response on 9 October 2023, which completes the milestone for Q2. WG agreed an extension to early October 2023 due to the company delaying provision of revised tables and some appendices for regulators to assess. Our **milestone for the end of the next quarter is to provide advice to RAPID (Regulator's Alliance for Progressing Infrastructure Development) on gated process for strategic resource schemes that are within or affecting Wales**. We are currently on track to achieve our **year-end target of NRW inputted into Water Company Planning Programmes (and provide advice to Ofwat on their PR24 draft determination)** and are likely to be Green at year end.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year-end
Green	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## Measure: Deliver programmes to review statutory water quality requirements

This measure reflects 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 (RBMPs).

### Latest position (to end of September 2023)

- Our **milestone for this quarter is to further develop Storm Overflow Classification Guidance following stakeholder comments**. We have completed this activity. Stakeholder comments have been taken on board and a revised paper has been presented to Regulatory Business Group.
- This measure is **Green**.

### What's next

- We will now present options for the presentation of the River Basin Management Plan to the Wales Water Management Forum and agree what the vision will be and then look at models for resourcing that vision. The Storm Overflow Classification Guidance will be finalised.
- Our **milestone for the end of the next quarter is to agree vision for fourth cycle of River Basin Management Plans with stakeholders and finalise Storm Overflow Classification Guidance**.
- We are currently on track to achieve our **year-end target of programmes to review statutory water quality requirements delivered (and review progress of RBMP national measures, opportunity catchments and investigations)** and are on track to be Green at year end.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
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## 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, ensuring the sites are safe.

### Latest position (to end of September 2023)

- Our **milestone for this quarter is to provide a progress update towards the target showing the number of enabling activities, designs, trials, and the construction of assets, in progress and completed**. We have completed this activity, delivering 34 of the 42 outputs targeted in 2023-24. This measure is **Green**.
- In Q2, we delivered 23 outputs as follows:
  - 20 enabling activities (3 at Wemyss, 3 at Nant-y-Mwyn, 3 at Dylife, 2 at Sett, 2 at Level Fawr Sett and 1 each at Gwydir-Parc, Trelogan West, Minera, Upper Clarach, Rhoswydol, Havan and Van)
  - 2 detailed design (at Castell Sett and Level Fawr Sett)
  - A journal paper on the research, development and innovation trial at Parys Mountain.

### What's next

- Our **milestone for the end of the next quarter remains to provide a progress update towards the target showing the number of enabling activities, designs, trials, and the construction of assets, in progress and completed**. We will now continue working across 25 projects, enabling development and delivery of solutions to reduce pollution and hazards from metal mines; protect and enhance the environment, and engage with stakeholders to conserve and celebrate mining heritage.
- We are currently on track to achieve our **year-end target of to complete a total of 36 enabling activities, two designs, two trials and construction of two assets**, and are expecting to be Green at year end.

Measure owner: Sian Williams

Q1	to Q2	to Q3	Expected year-end
Green	Green		Green

Key: **Green** = achieved; **Amber** = close to (e.g. within one month); **Red** = missed  
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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. Responses may include physical attendance at the site, but also includes other activities, such as contacting professional partners.

### Latest position (to end of September 2023)

- Our **target for this quarter is responding to 95% of these incidents within four hours.**
- Our half-yearly performance at the end of September 2023 is 93% (97% for Q1 and 90% for Q2). This measure is **Amber**.

### What's next

- We are disappointed with this dip in performance and recognise the effort from our Senior Incident Officers to help officers fill in the information correctly, due in part to the functionality issues with our Wales Incident Recording System (WIRS) and confusion from those filling in the records. We will continue to support, train and guide teams to ensure they understand how to complete WIRS correctly and will be hosting a national awareness session accompanying the release of our updated Incident Categorisation Guidance. In order to make it easier for officers to fill in the reports correctly in the first place (which will then reduce the burden on our Senior Incident Officers), we will continue to push for the improvements to WIRS.
- Our **target for the end of the next quarter remains at 95%.**
- We currently expect we will be Green at year end.

Measure owner: Lyndsey Rawlinson

Q1	to Q2	to Q3	Expected year-end
Green	Amber		Green

Key: Green = achieved ( $\geq 94.5\%$ ); Red = missed ( $\leq 66.5\%$ ), Amber = close to (i.e. between Red and Green)  
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## Measure: Decision on an appropriate enforcement response within 3 months

This measure reflects decisions on an 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 2023)

- Our **milestone for this quarter is 95% of decisions in relation to environmental crime being made within three months, and to complete our review of recommendations of tasking review and implement**. We have not fully completed this activity: Q2 metric is 91%. We have reviewed the tasking review recommendations in the Regulatory Business Group, and actions have been included in the Regulatory Service Plan.
- This measure is **Amber**.

### What's next

- We will continue to manage enforcement decision making and putting steps in place for improvements. We will continue to report on regulatory activity while seeking to improve strategic resourcing and targeting of environmental crime. The Annual Regulatory Report will be published in Q3.
- Our **milestone for the end of the next quarter remains 95% and publish Annual Regulatory Report**.
- We are currently on track to achieve our **year-end target of 95% with explanatory narrative (and complete Tackling Waste Crime annual report)**.
- We currently expect we will be Green at year end.

Measure owner: Nadia De Longhi

Q1	to Q2	to Q3	Expected year-end
Green	Amber		Green

Key: Green = achieved; Amber = close to (e.g. within one month); Red = missed  
 [To return to start of report - see [Business Plan Performance Dashboard](#) - page 1]

## Background: How we use green, amber and red measure ratings

Each quarter through the year, for each measure, 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 measure performance position within our Annual Report and Accounts, with the 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.

This year, to assist readers of the Business Plan dashboard report, we have included how the green, amber or red status is determined for each measure in the dashboard as part of each measure page.

We use the same key for all measures in the Business Plan dashboard report, with a small number of numeric measures (two measures this year) reflecting a more specific key. On the occasions we use a more specific key, this is because the numeric detail provided is used directly in the assessment of the reported performance position.

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



## Annex 2 – Internal Performance Report

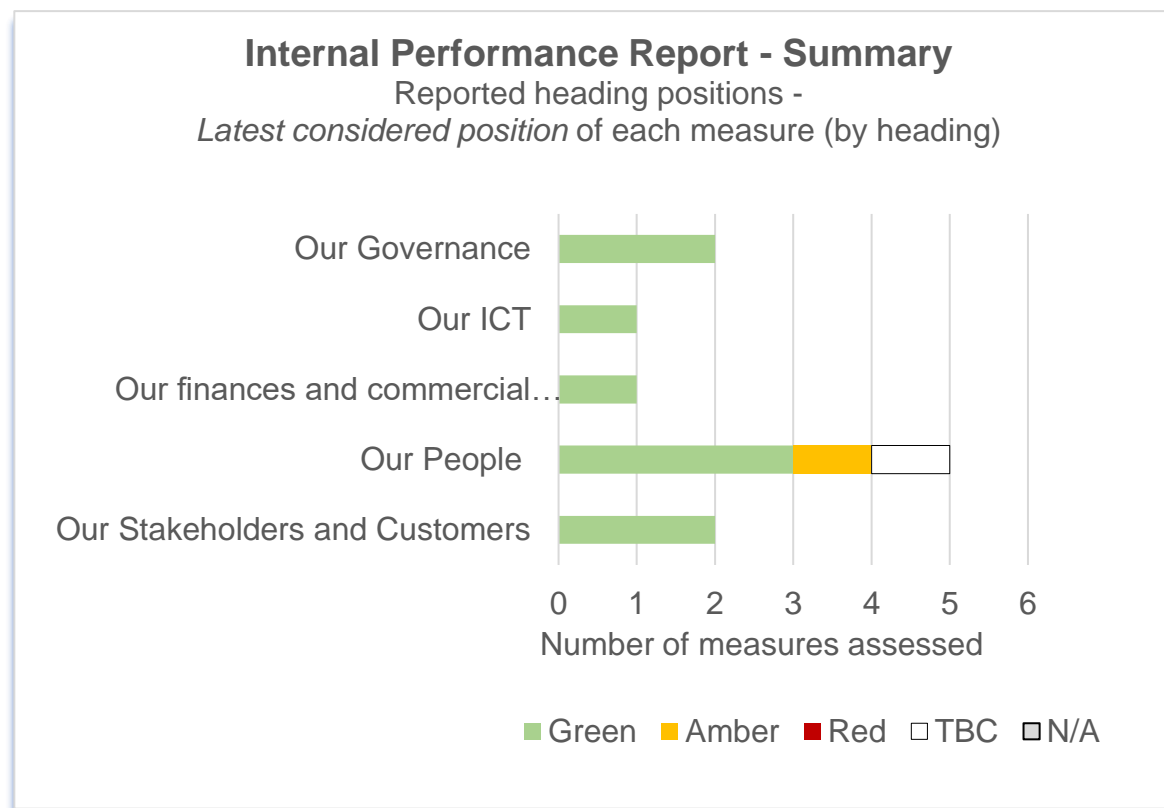
The following pages reflect a quarter end performance snapshot in relation to a number of key measures which our Planning & Resource Group consider each month relating to the 'health' of our organisation.

### Summary

The performance position\* (at the end of the quarter, i. e. September 2023) for the eleven measures covered by this report is:

- **Nine green**
- **One amber**
- **None red**
- **One TBC**

(see next page for detail)



\* Key: Green - achieved; Amber - close; Red - missed.

## Measures to note

*Updates below reflect all measures red, amber or TBC at the end of the quarter.*

### Our People:

- **Sgwr's in place** (priorities and development agreement) is Amber at the end of this quarter at 62% (at least 90% would be considered green). This measure has improved from Red in the last report following on from reminders to reflect agreement of sgwr's plans with staff. A report highlighting underreporting will be sent to managers. Amber is expected at year end.
- **Absence** is not fully reported. The absence report methodology has recently been updated. The latest position on this item will be reported when this is confirmed.

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\* Key: Green - achieved; Amber - close; Red - missed.

## Remaining measures

*The remaining measures, i.e., those not already highlighted as 'Measures to note' on the previous page, are reflected below.*

### 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 Green at 92% at the end of the quarter (at least 90% is considered green). **Measure has improved from red in the last report.** Green is expected at year end.
- In relation to non-compliance (**enforcement response** within NRW) our response remains Green, with no enforcement notice issued to NRW this quarter. Our ambition for Green is to have zero. Any response would be reviewed internally and by our external auditors (e.g., for ISO14001 and UKWAS).

### Our ICT

- **Information Commissioner's Office (ICO)** reported incidents remains Green with no such investigations ongoing at the end of the quarter, and one reported data breach during 2023/24.

### Our Finances and Commercial Opportunities:

- **Payments performance** to our suppliers remains Green at the end of the quarter at 95%.

### Our People:

- **Health & Safety Near Miss reporting** remains Green at the end of the quarter, with an increase in the number of near misses reported compared with the same period last year.
- **Health and Safety Active Monitoring** (i.e., regular inspection and checking to ensure that wellbeing, health and safety standards are being implemented) remains Green at the end of the quarter.
- **'Mandatory E-Learning'** (online training items all NRW staff are required to complete) remains Green at the end of the quarter at 94% (at least 89.5% is considered green).

### Our Stakeholders and Customers:

- **Access to Information requests** ('ATIs') responded to within 20 days remains Green at the end of the quarter with no response outside of this timescale, and 99% of all such ATIs or EIR requests completed within 20 days during the year to date.
- **Complaints** responded to within 20 days remains Green at the end of the quarter, with no response made outside of this timescale, and all stage 1 complaints completed within 20 days this quarter.

## NRW Board Paper

<b>Date of meeting:</b>	16 <sup>th</sup> November 2023
<b>Title of Paper:</b>	Realignment of NRW's governance structure and arrangements with the Corporate Plan
<b>Paper Reference:</b>	23-11-B22
<b>Paper sponsored by:</b>	Prys Davies, Executive Director of Corporate Strategy and Development
<b>Paper prepared by:</b>	Victoria Painter- Head of Governance and Board Secretary (Interim)
<b>Paper presented by:</b>	Victoria Painter- Head of Governance and Board Secretary (Interim)
<b>Purpose of the paper</b>	Approval
<b>Summary</b>	<p>The Board is asked to <b>approve</b> the revised terms of reference of the:</p> <ul style="list-style-type: none"> <li>• Board</li> <li>• Executive Team (ET)</li> <li>• Audit and Risk Assurance Committee (ARAC)</li> <li>• Finance Committee (FC)</li> <li>• Land Estate Committee (LEC)</li> <li>• Protected Areas Committee (PrAC)</li> <li>• People and Customer Committee (PCC)</li> <li>• Evidence Advisory Committee (EAC)</li> <li>• Flood Risk Management Committee (FRMC)</li> <li>• General terms of reference and ways of working</li> </ul> <p>The Board is also asked to <b>note</b> the work completed to date on the alignment of the governance structure and arrangements to the Corporate Plan, including <b>noting</b> the</p>

	terms of reference of the Planning and Resources Group (PRG)
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## Background

1. Following the publication of NRW's Corporate Plan: Nature and People Thriving Together, significant work has been ongoing around aligning the ways of working of the organisation with the ambition of the Corporate Plan. The Plan recognised that the way we govern the organisation is key to the successful delivery of this Corporate Plan. We committed to building on our existing governance structure and to introduce improvements that will ensure we all adopt the values, behaviours and ways of working that enable us to be more effective.
2. This work is being considered in a holistic way, developed as a suite of improvements to help the organisation and our colleagues. Some of this work will have an impact upon staff, including the redevelopment of our Strategic Risk Register and risk appetite statements and the changes to our schemes of delegation.
3. Other specific pieces of work will enable the Executive Team (ET), Board and Committees as they lead the organisation towards the achievement of the Wellbeing Objectives set out in the new Plan. These include the review of the suite of terms of reference of the Board and its Committees.
4. A number of these changes have taken place to date, with further work planned. This paper serves to update the Board on the progress of the work undertaken to date, to obtain the Board approval of some of the specific elements of the work, namely the suite of terms of reference, and then to advise the Board of the next steps.

## Key changes: Governance structure and arrangements

5. **Planning and Resources Group (PRG):** In the Corporate Plan we commit to a number of changes and improvements to our planning, performance and prioritisation processes. The PRG will provide the strategic oversight as we define the scope of these changes to ensure activity is planned, prioritised, resourced and delivered across NRW as a whole to support the balanced delivery of the Wellbeing Objectives.

The PRG was established over the summer and has developed a representative membership and workplan and has been providing the ET with informed recommendations around prioritisation and planning of resources since then. The Chair of PRG, Prys Davies, reports into ET as a standing item at every ET meeting.

6. **ET Wellbeing Objective Leads:** Board Members are aware that three of the Executive Team members have been appointed as wellbeing leads, to sponsor and drive the balanced delivery of the Wellbeing Objectives. We have collaborated with the wider Executive Team to create an agreed role and remit for these lead roles. The role and

remit are contained within Annex 12, and will be regularly and proactively updated as required.

7. **Review of non-financial schemes of delegation:** We have been proactively reviewing our non-financial schemes of delegation, namely our Statutory and Legal Scheme (SaLS) and our Delegated Authority Schedule (DaS) to align with our commitment in the Corporate Plan to continue to empower, enable and trust our colleagues across the organisation to make well-informed decisions at the more appropriate level of delegated responsibility. This review is almost complete, with relevant approvals to change being sought from the ET, and where applicable, the Board later in the year.
8. **Redevelopment of the Strategic Risk Register, risk appetite and tolerance:** Work has been progressing on this since the publication of the Corporate Plan, drawing on feedback from the ET, ARAC and other Committees. Our new strategic risks will be better aligned to our Wellbeing Objectives, enabling us to better use risk information to make informed decisions in pursuit of the achievement of those objectives. Further work is ongoing around risk appetite and tolerance levels that will also align to the Wellbeing Objectives and NRW's values. Further detail on this is presented as a separate item at Board.
9. **Impact Statements and Strategic Indicators:** Have been developed and will be tested through the remainder of 2023/24 until quarter three of 2024/25, thereafter they will be finalised. Alongside the technical document, we have prepared a process setting out how ET and the Board will use the Impacts and Strategic Indicators to monitor and scrutinise progress in meeting our Wellbeing Objectives.
10. **Reporting between Business Groups and the Executive Team:** A new reporting template between all Business Groups and the ET has recently been approved and launched. This will allow the ET as a collective to have improved oversight of the functional delivery taking place at Business Groups. The template requires Business Group Chairs to highlight key areas to the ET, including performance, escalating issues or risks. These reports will be presented as a standing item at the ET, and considered together to inform ET's view of progress in relation to the balanced delivery of the Wellbeing Objectives taking place across the organisation.

## Key changes: Board, Committee and Executive Team terms of reference and ways of working

11. As part of our commitment to good governance, NRW reviews its terms of reference for the Board and its Committees annually, as well as that of the ET.
12. A review of the Committee specific terms of reference has been undertaken by each Committee, alongside a review of the terms of reference of the Board and the general terms of reference and ways of working. The ET have reviewed their terms of reference iteratively over a number of months.

13. Each of the final drafts of the Committee terms of reference presented for approval have been formally endorsed by the Committees. The ET has also endorsed its own terms of reference prior to submission to the Board.

14. A summary of the key changes is set out below:

Board, Committees and general terms of reference/ways of working:

- Reference to the new Corporate Plan, and explicit links to the three new Wellbeing Objectives and the role of the Committees in scrutinising and providing assurance to the Board on performance towards the Wellbeing Objectives as relevant;
- Increased emphasis on the Committees assuming a further oversight role to the matters within their terms of reference and reporting to the Board in a way that provides assurance over the discharge of their responsibilities;
- Clarity around membership of Committees and expected frequency of meetings throughout the year, including codifying the ability for each Committee to meet in person once a year should they chose to do so;
- Changes to empower the Finance Committee to further scrutinise financial performance, undertake certain approvals as required by our non-financial scheme of delegation, and to approve any revisions to the in-year budget (the Board will retain the reserved role to approve and set the annual budget and business plan);
- Clarity around roles of Committees in certain areas where two or more Committees serve a similar or complimentary role, ensuring that all Committees are sufficiently clear on scope (with reference to the establishment of the Board business management group). Where relevant, a lead Committee has been identified to reduce the requirement for staff to provide presentations to multiple Committees;
- Specific inclusion to be able to bring an additional non-executive member to PrAC without further need to refer to the Board where non-quoracy is a threat to timely decision making;
- Increased emphasis on sustainability of venue choices for in person meetings

Executive Team:

- Reference to the new Wellbeing Objectives and Corporate Plan;
- Clear distinction between ET's strategic and delivery modes;
- Emphasis on ET's assurance role, and oversight of performance and management information and other key data;
- Changes to ET's approval of corporate policies: not all requiring approval by ET, but by Directors where the changes/ implications are less significant/narrower in scope,

refocussing the role of the ET as a whole to obtain assurance over compliance with corporate policies

## Further work

15. The next stage of the change will be to consider how well the Committee structure aligns with the new Corporate Plan and leading the organisation to deliver against it. Over the coming months, work will be undertaken to engage with Board Members to review the structure and determine whether changes are required to realign any Committees, such as Flood Risk Management Committee, Protected Areas Committee, and possibly Land Estate Committee, and the Fora and Sub-Fora, to ensure there is a sensible and proportionate structure in place.
16. The Committees will each need to consider, along with their Executive leads, how the proposed changes to the current terms of reference will impact their work programme, ways of working and forward look, and how they will each take forward their role in scrutinising and providing assurance to the Board.
17. The Board has begun to consider how each of its members can embody the values set out in the Corporate Plan, and feedback from the latest Board development day has indicated that the Board would welcome further discussions around this.

## Risks, Risk Appetite and opportunities

18. This review will ensure that NRW has appropriate Board, ET and Committee terms of reference in place that are reflective of and consistent with the organisation's vision and agreed objectives.
19. Some of the changes proposed as part of the review represent an opportunity to work in a different way and to use our values to support the achievement of the Wellbeing Objectives.

## Wider implications

- (a) **Well-being Objectives:** This review will specifically focus on the role of the Board and Committees in the delivery of the Wellbeing Objectives.
- (b) **Finance:** There are no financial implications directly associated with this paper.
- (c) **Resource implications:** There are no resource implications directly associated with this paper.
- (d) **Equality:** The governance requirements affect all members of staff equally. No adverse effects are anticipated for any protected groups or characteristics.
- (e) **Data Protection:** There are no data protection implications.



## Next Steps

20. Once approved, these documents will become operational and will supersede previous versions.
21. All of these documents will be subject to another review in around a year's time, or sooner if required.

## Recommendation

22. The Board is asked to **approve** the revised terms of reference of the:

- Board
- Executive Team
- Audit and Risk Assurance Committee (ARAC)
- Finance Committee (FC)
- Land Estate Committee (LEC)
- Protected Areas Committee (PrAC)
- People and Customer Committee (PCC)
- Evidence Advisory Committee (EAC)
- Flood Risk Management Committee (FRMC)
- General terms of reference and ways of working

23. The Board is also asked to **note** the work completed to date on the alignment of the governance structure and arrangements to the Corporate Plan, including **noting** the terms of reference of the Planning and Resources Group (PRG).

## Index of Annexes

Annex 1 – Board Terms of Reference

Annex 2 – General terms of reference and ways of working

Annex 3 – Executive Team terms of reference

Annex 4 – ARAC specific terms of reference

Annex 5 – FC specific terms of reference

Annex 6 – FRMC specific terms of reference

Annex 7 – PrAC specific terms of reference

Annex 8 – PCC specific terms of reference

Annex 9 – LEC specific terms of reference

Annex 10 – EAC specific terms of reference

Annex 11 – PRG terms of reference (for information)

Annex 12 – Role and Remit of ET WBO Lead (for information)

## Approval / Consultation process

<b>Responsible:</b>	Victoria Painter- Head of Governance and Board Secretary (Interim)
<b>Accountable:</b>	NRW Board approves the Terms of Reference of the Board Committees and the ET
<b>Consulted:</b>	All of the Board members have been involved in the review as it relates to their Committees, and the entire Board have been offered the opportunity to comment on the changes to the Board and General terms of reference  The Executive Leads for each of the Committees and some key stakeholders have also been involved
<b>Informed:</b>	These changes will be published on our website and intranet

# Board Terms of Reference

**Terms of Reference agreed: November 2023**

**Next review date: November 2024**

## 1. Purpose

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

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

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

## 2. Scope

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

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

### 3. Responsibilities

3.1. The responsibilities of the Board include to:

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

### 4. Board reserved matters

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

**Governance and control:**

- 4.1.1. review and approve the Board's overall corporate governance arrangements;
- 4.1.2. approve substantive amendments to the Board's reserved matters;
- 4.1.3. approve terms of reference of the Board's committees, sub-committees, or working groups;
- 4.1.4. approve Board minutes;
- 4.1.5. approve Board and Committee schedules of meetings;
- 4.1.6. approve delegation of any of the Board powers to the Chief Executive;
- 4.1.7. approve the schemes of financial and non-financial delegation, covering delegation to appropriate role holders;
- 4.1.8. approve the Framework Document with the Welsh Government, or successor documents;

4.1.9. approve the strategy and principles for management of risk.

**Appointments:**

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

**Strategy, Business Plan and budget:**

- 4.1.13. approve (including varying) Corporate Plan and other functional Strategies and Plans, subject to approval by the Welsh Government;
- 4.1.14. approve the annual Business Plan and annual budget, prior to submission to Welsh Government;
- 4.1.15. approve NRW's strategic indicators aligned with the well-being objectives;
- 4.1.16. ensure the statement of accounts complies with any directions given by the Minister, Auditor General, and good practice;
- 4.1.17. approve and present NRW's annual report and accounts to the Auditor General for Wales, the Minister, and the National Assembly for Wales.

**Operational decisions:**

- 4.1.18. approve the policy content of corporate, strategic, documents that relate to NRW's strategy, purpose, and long-term vision;
- 4.1.19. approve the scheme of charges;
- 4.1.20. approve major organisational developments and changes to the organisation.

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

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

4.4. Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or

Chair's action should be clearly reported to the Board as soon as possible and recorded in the minutes of its next meeting for information.

- 4.5. These terms of reference do not preclude the Chair or the Board deciding other matters, non-reserved, should they come to the Board for discussion or decision.
- 4.6. The Board will normally conduct an annual effectiveness review. This should include a self-review led by the Chair, including feedback from members of the Board, any lessons learned and potential improvements. The Board should consider commissioning an independent external review of effectiveness approximately once every three years.
- 4.7. The terms of reference will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 4.8. A record of each annual review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the Board for approval.

## 5. Meetings

- 5.1. The Board will usually meet six times a year. Discussions will be held in public unless they are considered exempt based on the criteria approved by the Board. Interim Board updates will be held during the intervening months.
- 5.2. A meeting will be quorate for a particular agenda item if a majority of Board members are present for the whole of the item(s), and as long as the majority of those present are non-executive Board members. Deputies are not permitted.
- 5.3. For the purpose of determining whether a quorum is present, a Board member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 5.4. Board members must declare any potential conflict of interest at the relevant meeting, even if already recorded in the published register of Interest. Any such declaration will be recorded in the minutes of the meeting.
- 5.5. Subject to their declarations of interest (the Chair may ask a Board Member to withdraw from the discussion and/or abstain from voting if they feel that the potential for conflict of interest merits it), each Board Member shall have the right to vote in any debate and to have their views recorded in the minutes.
- 5.6. In the event of no majority decision, the Chair of the Board shall have a second or casting vote, whether or not they previously voted on the matter.

- 5.7. Board Members should not act as “representatives” of any specific sector. Subject to the conflict of Interest rules, Board Members are expected to make use of their wider experience, contributing fully to Board consideration of such issues, whilst making decisions collectively, based on the evidence and relevant criteria, in pursuit of the fulfilment of NRW’s objectives.
- 5.8. Board Members are expected to observe appropriate confidentiality and discretion in the conduct of matters of the Board and handling/safe-keeping of information and documents, in particular, in relation to any personal, proprietary, or commercial information.
- 5.9. The Board may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings. Attendees who are not members of the Board will not be entitled to vote.

## 6. Administration

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

- 6.6. Papers and minutes from the non-confidential Board items will be translated and published on the NRW website.

## 7. Membership

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

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

## Current Members (as at November 2023)

Sir David Henshaw, Chair (term end date 31 October 2025)  
Professor Steve Ormerod, Deputy Chair (term end date 31 October 2025)  
Geraint Davies (term end date 31 October 2024)  
Professor Peter Fox (term end 31 October 2026)  
Professor Calvin Jones (term end date 28 February 2028)  
Lesley Jones (term end 31 October 2026)  
Professor Rhys Jones (term end 31 October 2027)  
Mark McKenna (term end date 28 February 2028)  
Kathleen Palmer (term end 31 October 2026)  
Helen Pittaway (term end 31 October 2026)  
Dr Rosie Plummer (term end date 31 October 2024)  
Clare Pillman, Chief Executive/Accounting Officer



# GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

Terms of Reference agreed: November 2023

Next review date: November 2024

## 1. Constitution

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

## 2. Membership

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

- 2.3 The Protected Areas Committee (PrAC) is authorised by the Board to appoint an additional non-executive member of the Board to the Committee on a one-off basis where there is a time-critical need to apply the statutory functions of the Committee. This appointment will only take place where the decision required of the Committee is time critical, and there is a threat to quoracy meaning the decision could otherwise not be made in a timely manner. The Chair of the Committee is authorised to determine who the additional non-executive director should be, taking into account relevant considerations, and ensuring adequate training and briefing is provided in advance.
- 2.3 Committee members who are Board members will normally serve for their period of appointment as Member of the Board (as specified in their appointment letter from NRW's sponsoring Minister). ARAC membership is for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a Committee or when, for whatever reason, there are changes to the Board membership.
- 2.4 The NRW Board will review membership of each Committee annually.
- 2.5 Each Committee may co-opt non-Board members as it considers appropriate.
- 2.6 A Committee may include members who are neither Board members nor NRW staff. Such members will serve for the period for which they are appointed and on terms set out in their letter of engagement.

### 3. Authority

- 3.1 Each Committee is authorised by the Board to:
- 3.1.1 consider any matter within its terms of reference as noted below, or any related matter within its remit and to seek any information it requires from staff. All such requests will be channelled through the Secretariat in the first instance;
  - 3.1.2 make recommendations to the Board for action or decision, and progress work within its terms of reference;
  - 3.1.3 establish smaller sub-groups / task forces to address matters within the Committee remit as appropriate. These will be time limited and focussed on concluding specific tasks on behalf of the Committee.
- 3.2 There may occasionally be a need to consider items between meetings on the Committees' behalf in order to expedite urgent business or in the event of a major incident. If the need for urgent consideration of major and/or controversial items arises, Committees will normally delegate the matter to a specially convened Urgency Committee consisting of its Chair and one further Committee member. If an

item arises that is not major or controversial but is time critical, the Chair may use their discretion on whether to take Chair's action, advised if appropriate by the Board Secretary.

- 3.3 Where Chair's action on time critical items does take place, it will be considered appropriate (where possible) that the Chair seeks the views of members by email before taking their decision. All decisions taken by the Urgency Committee and/or Chair's action should be clearly reported to the committee as soon as possible and recorded in the minutes of its next meeting for information.

## 4 Accountability and reporting

- 4.1 Each committee is accountable to the Board. Any matters that require disclosure, consideration or advice will be drawn to the attention of the Board.
- 4.2 Reports will be submitted and presented to the Board by, or on behalf of, the Committee Chair. The format of this report will be in a manner prescribed by the Board, and will usually consist of a summary of the discussion held at each meeting to the subsequent meeting of the Board. Such reports may be verbal by exception only.
- 4.3 The Committee Chair will refer to the Board such issues arising at or in between Committee meetings that, in their judgement, pose a material risk to the business integrity or reputation of NRW.
- 4.4 Committees, or nominated Members of the Committees will review strategic risks relevant to their area of responsibility and/or expertise for particular scrutiny and will highlight any areas of concern, enabling the Board and ARAC to seek any particular assurances required.

## 5 Annual review

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

## 6 Frequency, schedule of meetings, and venues

- 6.1 Committees will meet with whatever frequency is deemed suitable to the effective conduct of the business and discharge of responsibilities. Additional meetings may be scheduled if and as required.
- 6.2 Meetings will be arranged by the Secretariat to a schedule of dates/times as appropriate for ensuring the effective conduct of business and timeliness of reporting to the Board.
- 6.3 The meeting of the Chairs of the Committees, groups and forums will be used to assist the secretariat maintain an overview of the Board and Committee business to maximise the efficient and effective integration across strategic areas, use of members time, and integration of Board and Committee business to best effect
- 6.4 All Committees will have the option to hold one meeting of the Committee in person each year. The decision as to whether or not to hold an in person Committee meeting will be made by the Committee Chair in consultation with the Executive Lead for the Committee. The remainder of the Committee meetings will be held virtually, with the exception of PrAC which may have an additional requirement for specific meetings to be held in public.
- 6.5 For the purpose of an in person meeting, venues will be selected and determined on a case-by-case basis by the Secretariat in consultation as appropriate with the relevant Committee Chair. This decision should take account of the business of the meeting. Venues may include any suitable location, with due regard for sustainability and value for money, including NRW offices by default or other suitable venues, with appropriate facilities for proper conduct of the business including accessibility and public attendance provision as required.

## 7 Quorum and voting

- 7.1 A meeting will be quorate for a particular agenda item if three Committee members are present for the whole of the item(s). Deputies are not permitted. The exception to this is in relation to the EAC, where a meeting will be quorate for a particular agenda item if two non-executive Committee members and at least half of the independent members are present for the whole of the item.
- 7.2 For the purpose of determining whether a quorum is present, a Committee member may be counted in the quorum if they are able to participate in the proceedings of the meeting, including by remote means (e.g. telephone or other digital link) and remain so available throughout the discussion and decision for each item for which they are counted as part of the quorum.
- 7.3 Subject to their declarations of interest (the Chair may ask a Board member to withdraw from the discussion and/or abstain from voting if they feel that the potential

for conflict-of-interest merits it), each member shall have the right to vote in any debate and to have their views recorded in the minutes.

- 7.4 In the event of no majority decision, the Committee Chair shall have a second or casting vote, whether or not they previously voted on the matter.

## **8 Independent professional advice**

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

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

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

## 10 Attendance of executives and others at meetings

- 10.1 The NRW Board Chair has a standing invitation to attend any committee meetings in a non-voting capacity.
- 10.2 All Board members have an open invitation to attend all Committee meetings as an observer. The Committee Chair will advise on any restrictions and the appropriate level of participation.
- 10.3 Officials from the sponsor department in Welsh Government also have a standing invitation to attend as observers but will, as a courtesy, always notify the Secretariat sufficiently in advance to enable the Chief Executive, Committee Chair, and members to be so advised.
- 10.4 Nominated members of the Executive, suited to the individual responsibilities of each committee and determined in liaison between the Chief Executive and the Committee Chair, will normally be expected to attend meetings.
- 10.5 One member of the Executive Team will be designated the Executive lead for each Committee and will work with the Committee Chair and the Secretariat to ensure the smooth running of the Committee.
- 10.6 The Chief Executive can designate attendance by any other members of staff as they think appropriate to support the operation of the Committee, particular items, or for reasons of personal development.
- 10.7 Each Committee may, without setting any precedent, invite other officials, individuals or representatives of other organisations to attend all, or part of, its meetings.
- 10.8 Attendees who are not members of the Committees will not be entitled to vote. The exception to this is in respect of an additional non-executive director's appointment to PrAC meetings for the purpose of ensuring quorate decisions in a timely manner, in line with section 2.3 of these terms of reference.
- 10.9 A Committee may exclude or ask for the withdrawal of any or all of those executives or others who normally attend or are invited, to facilitate open and frank discussion of particular matters, to take legal advice, or where discussion affects their personal situation or performance.
- 10.10 Attendees who are not members of the Committee are required to observe the same levels of confidentiality, proper conduct, and declaration of interests as members. The Secretariat will circulate these terms of reference to non-members to alert them to this.

## 11 Secretariat function and papers

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

## 12 Minutes

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

## 13 Communication

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

# Executive Team Terms of Reference

**Terms of Reference updated:** November 2023

**Next review date:** September 2024

## Purpose

1. The Executive Team collectively support the Chief Executive Officer, who is directly accountable to the Board, in the delivery of Natural Resources Wales (NRW)'s Corporate Plan and Wellbeing Objectives.

## Scope

2. The Executive Team oversee NRW's overall strategy and delivery, focussing on strategic direction, oversight and assurance and ensuring the effective prioritisation of resources to achieve the vision and Wellbeing Objectives set by the Board.
3. The Executive Team will support the Board in ensuring that in the exercise of its functions, NRW has due regard to the climate and nature emergencies and the minimisation of pollution, to pursuing and promoting the sustainable management of natural resources, and to ensuring the principles of sustainable management of natural resources are applied, so far as is possible within its powers.

## Responsibilities

4. The Executive Team is responsible for setting the strategic direction of NRW, in line with the vision set by the Board, and for providing assurance over delivery, including:

**Strategy: To consider and develop long-term strategic views and approaches, focussing on a 3-7 year time horizon, and a focus on external facing matters, including:**

- 4.1 To endorse the Corporate Plan and Wellbeing Objectives and other strategies that deliver the vision set by the Board, prior to their approval by the Board;



- 4.2 To endorse the overall strategy for risk and risk appetite for NRW within which the organisation delivers the Corporate Plan, prior to approval by the Board;
- 4.3 To manage overall performance and risks, to provide assurance that the Corporate Plan and Wellbeing Objectives are being delivered efficiently and safely;
- 4.4 To make decisions on the reprioritisation of resources across NRW to support the balanced delivery of the Wellbeing Objectives, supported where relevant by clear recommendations by the Planning & Resources Group (PRG);
- 4.5 To approve relevant NRW corporate policies, challenging and leading change if they are not fit for purpose;

**Delivery: To undertake duties that ensure the effective oversight and assurance over delivery within the organisation and matters required to support the effective running of the organisation, and consistent with specific requirements, including:**

- 4.6 To take decisions on corporate matters outside the delegated authority of individual Executive Directors, including review and endorse those items that fall under Welsh Government calling-in arrangements and Board reserved matters;
- 4.7 To act as a point of escalation and resolution for matters escalated from Business Groups, including to provide advice/direction or reach a decision, where relevant;
- 4.8 To actively review the strategic risks facing the organisation and their mitigation, identify new and emerging risks from a strategic perspective that could have a significant impact upon the organisation and consider escalation of risks from elsewhere in the organisation to the strategic risk register;
- 4.9 To seek assurance over delivery within the organisation, by receipt of timely performance management and management information reports from Corporate Strategy & PMO department and other groups, including business groups, within the organisation as relevant upon which they can draw assurance;
- 4.10 To provide robust and detailed scrutiny of Health & Safety updates;
- 4.11 To seek assurance on compliance with NRW's corporate policies through robust scrutiny of management information and effective second line of assurance;

- 4.12 To provide general oversight for cybersecurity, including review and scrutiny of quarterly reports from the Cyber and Information Governance Group and monitoring the performance of the group;
- 4.13 To endorse all items prior to their presentation to the NRW Board.
- 5. In the event of a major incident, some elements of Executive Team authority may be devolved to the Strategic Incident Response, Recovery and Review Group (SIRRRG) to enable it to prioritise business critical activities.
- 6. The Chief Executive will commission an external review of the effectiveness of the Executive Team at least once every three years, in line with good practice, and will lead a discussion with all members to address the findings of the review.
- 7. These terms of reference will be reviewed annually, to ensure they are fit for purpose and functionally effective.
- 8. A record of each review of effectiveness and terms of reference will be made. Any recommendations for material change will be brought to the attention of the Executive Team and presented to the Board for approval.

## Meetings

- 9. The Executive Team will meet fortnightly, alternating between an Executive Team Strategy (ETS) meeting and an Executive Team Delivery (ETD) meeting. Executive Team Strategy meetings will normally be in person for up to one full working day during the month where there is no Board meeting, when they will meet virtually. ET Delivery meetings will meet virtually for up to half a working day. Meetings will be chaired by the Chief Executive Officer or appointed deputy.
- 10. The Executive Team will meet informally once a week for updates on current operational and corporate issues. Formal decisions will not be taken during these meetings.
- 11. The Executive Team will normally meet in person for up to three development days per year.
- 12. There may occasionally be a need for the Chief Executive or Duty Strategic Manager to consider items between meetings on the Executive Team's behalf in order to expedite urgent business or in the event of a major incident.
- 13. The Executive Team is a consultative body that supports the Chief Executive, who is directly accountable to the Board. The primary aim will be to try and reach consensus on key issues and decisions, adopting the principles of collective responsibility if that proves impossible. Therefore there is no quoracy requirement, although good attendance is expected and highly desirable.

14. Executive Team members must declare any potential conflict of interest at the relevant meeting, even if already recorded on the Register of Interest on MyNRW. Any such declaration will be recorded in the minutes of the meeting.
15. Subject to their declarations of interest (the Chair of the meeting may ask an Executive Team member to withdraw from the discussion if they feel that the potential for conflict of interest merits it), each member shall have the right to be heard in any debate and to have their views recorded in the minutes.
16. Executive Team members are expected to observe appropriate confidentiality and discretion in the conduct of matters and handling/safe keeping of information and documents, in particular in relation to any personal, proprietary, or commercial information.
17. NRW staff and external stakeholders will attend to present agenda items or participate in discussions as invited (where relevant).
18. The schedule of formal meetings and their locations will be published on the intranet.
19. NRW staff are encouraged to attend Executive Team meetings to observe how executive business is conducted. This is limited to four members of staff per meeting. Staff should email the Secretariat mailbox to request attendance.

## Administration

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

24. Minutes from these meetings can be made available to staff members upon request to the Secretariat, once they have been confirmed at the following meeting.

## Membership

25. The Executive Team consists of those in the roles of Chief Executive Officer and Executive Director of NRW. Membership is based on permanent organisational roles, therefore there is no fixed time period of membership for this group.
26. Deputies should be sent in accordance with delegation forms relating to planned absence or as relevant to agenda items at short notice.
27. These meetings are not open to the general public.

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

## Current Members (as at November 2023)

Clare Pillman, Chief Executive and Accounting Officer  
Ceri Davies, Executive Director for Evidence, Policy and Permitting  
Gareth O'Shea, Executive Director of Operations  
Prys Davies, Executive Director of Corporate Strategy and Development  
Rachael Cunningham, Executive Director of Finance and Corporate Services  
Sarah Jennings, Executive Director of Communications, Customer and Commercial

# Audit & Risk Assurance Committee Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

Revised general terms of reference to be included once approved.

## AUDIT AND RISK ASSURANCE COMMITTEE (ARAC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

### 1. Purpose

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

### 2. Scope

2.1. ARAC will provide assurance on the establishment and maintenance of an effective control environment to ensure financial and wider business integrity, sustainability and continuity.

2.2. ARAC will monitor NRW's risk management processes to ensure their effectiveness in anticipating future risks as well as addressing the here and now, and that risk mitigation measures are consistent with NRW's risk appetite.

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

- 2.4. ARAC will scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to ARAC.

### 3. Responsibilities

- 3.1 ARAC is responsible for effectiveness of key financial and other controls by ensuring it gains appropriate assurance of the:
- 3.1.1. **Financial and other internal control frameworks;**
  - 3.1.2. Risk management framework, including aligning its own review of risks matters with deep dives conducted by other Board Committees;
  - 3.1.3. Strategic risks relevant to compliance, by undertaking a programme of deep dives to scrutinise current and target scores, seeking confidence on the appropriateness of planned actions to manage risks and secure the target scores identified;
  - 3.1.4. NRW Corporate governance arrangements;
  - 3.1.5. Policies and procedures in respect of fraud, irregularity and public interest disclosure;
  - 3.1.6. Management of Information, Data, and Cyber security risks, seeking confidence that those risks are managed appropriately, and necessary controls are in place;
  - 3.1.7. Implementation of approved recommendations relating to both internal and external audit reports and management responses;
  - 3.1.8. consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control;
  - 3.1.9. review the accounting policies relating to the financial statements, particularly in relation to any changes, and to comment on their adequacy;
  - 3.1.10. scrutinise and report to the Board on the Annual Report and Accounts of NRW and the Chief Executive/Accounting Officer's Governance Statement and recommend approval for the Chief Executive/Accounting Officer to sign off the Annual Report and Accounts;
  - 3.1.11. alert the Board and the Chief Executive/Accounting Officer to issues that pose a material risk;
  - 3.1.12. gain assurance on issues of fraud, losses and special payments, including the Annual Report;
  - 3.1.13. scrutinise all significant contracts let without competition (individually or collectively) in order to support transparency of decision;
  - 3.1.14. oversight and scrutiny of progress and delivery of the Vision for Good Governance business transformation programme.

#### 3.2. External Audit

- 3.2.1. Wales Audit Office is NRW's external auditor.

3.2.2. ARAC will review the work of the external auditor and will consider their findings and management's response to them. Specific responsibilities include to:

- 3.2.2.1. review and recommend (to the Chief Executive/Accounting Officer) approval of the annual external audit plan and audit fee;
- 3.2.2.2. review all external audit reports, including the audit completion report before final submission to the Chief Executive/Accounting Officer and the NRW Board, as well as any work undertaken outside of the annual external audit plan and management's response thereto;
- 3.2.2.3. review the performance of the external auditor.

### **Internal Audit**

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

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

### **Assurance**

3.2.4. ARAC will oversee NRW's assurance arrangements to ensure their effectiveness and will provide leadership, scrutiny, and guidance on assurance activity, ensure alignment with the organisation's strategic risks and with Internal Audit activity and findings. Specific responsibilities include:

- 3.2.4.1 Agree the assurance strategy and annual assurance plan;
- 3.2.4.2 Receive and review periodic assurance reports;
- 3.2.4.3 Scrutinise performance over the three lines model, ensuring focus on areas of weakness
- 3.2.4.4 Champion and scrutinise the development of risk assurance, and the embedding of a holistic approach to risk management, controls and assurance

## **4. Meetings**

4.1. ARAC will aim to meet at least four times per year, typically to assist the programming and budgetary cycle. Additional meetings may be convened as and when required.

4.2. At least once a year, and otherwise as required, the internal and external auditors will meet with ARAC without members of the executive being present.

## 5. Membership

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

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

## Current Members (as at November 2023)

Chair	Kathleen Palmer, Board member (term end date 31 October 2026)
Members	Dr Rosie Plummer, Board member (term end date 31 October 2024) Professor Rhys Jones, Board member (term end date 31 October 2027)
Executive lead	Rachael Cunningham, Executive Director of Finance and Corporate Services
Other regular attendees	Clare Pillman, Chief Executive/Accounting Officer Rob Bell, Head of Finance Victoria Painter, Interim Head of Governance and Board Secretary Jacqui Kedward, Head of Internal Audit



# Finance Committee (FC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The general terms of reference will be inserted here once approved.

## FINANCE COMMITTEE (FC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2023

### 1. Purpose

- 1.1. The Finance Committee (FC) is a Committee established to provide the Board with timely advice and assurance in relation to its remit and to make specific decisions and undertake specific functions as delegated to it by the Board.
- 1.2. The remit of the FC, therefore, is principally to advise the Board and to support the Chief Executive/Accounting Officer on finance, budget management, corporate and annual business planning and the performance management framework.

### 2. Scope

- 2.1 The FC is required and authorised by the Board to provide advice, oversight and scrutiny on strategy, management and performance in relation to finance, business planning and performance, charge schemes, commercial matters (including timber sales and marketing activity), compliance, programme management office and contract management office. In carrying out its role, FC will focus on strategic direction and development, and in scrutinising performance and delivery.
- 2.2 FC will need to ensure that in carrying out its role it does not duplicate that of the Audit and Risk Assurance Committee (ARAC). The role of ARAC is to advise the Board on risk, financial stewardship and accountability, control and governance. ARAC will also continue to scrutinise improvements made in response to reviews undertaken by Internal Audit.
- 2.3 FC and ARAC have complementary roles. FC will be forward looking, making decisions within their remit and providing advice to the Board on financial and performance matters as required. ARAC will scrutinise and provide assurance as required. FC will lead in reviewing progress on commercial activities, sales, and marketing (including of timber), with ARAC providing the overview.
- 2.4 FC will scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to FC.

### 3. Responsibilities

The responsibilities of FC are to:

#### 3.1 Performance Management:

- 3.1.1. Provide steer, advice and challenge in the development of NRW's performance management framework and the annual business plan, supporting operational performance metrics and management information to ensure alignment with the well-being objectives and long-term vision (to 2050);

#### 3.2 Financial Management:

- 3.2.1 Provide steer, advice and challenge to ensure the development of appropriate finance strategies, management reporting, and plans;
- 3.2.2 Scrutinise the annual Budget prior to submission to the full Board for approval, challenging the underlying assumptions and advising the Board on its adoption; and approve any in-year revisions to the opening budget;
- 3.2.3 Provide detailed oversight and scrutiny of the financial performance of NRW through the monthly and quarterly management financial statements to ensure appropriate and effective use of funds; providing the Board with detailed assurance around levels of performance;
- 3.2.4 Monitor the financial position and future prospects/sustainability of the organisation to ensure that it can continue to meet its commitments and strategic objectives;
- 3.2.5 Champion the importance of value for money, ensure appropriate financial controls are in place and monitor performance;
- 3.2.6 Review and scrutinise the performance report included in the Annual Report and Accounts;
- 3.2.7 Provide oversight and advice in relation to the funding of the NRW membership of the Local Government Pension Scheme;
- 3.2.8 With specific authority delegated to it by the Board, make any non-reserved financial approvals as laid out in Managing our Money (MoM), NRW's financial scheme of delegation, escalating or passing approvals through to Board as it deems appropriate

#### 3.3 Procurement, contracts and agreements:

- 3.3.1 Provide oversight and scrutiny of procurement, contract management, grants, land management agreements and other partnership agreements as appropriate;
- 3.3.2 Provide oversight and scrutiny of Programme and Project assurance through the Programme Management Office;

### **3.4 ICT and Business transformation:**

- 3.4.1 Provide oversight and scrutiny of the delivery of business transformation and ICT transformation programmes, and receive and consider regular reports on the ICT strategic workplan and related investment position;

### **3.5 Strategic charging programme:**

- 3.5.1 Provide advice and steer to the strategic charging programme in relation to changes in current charge schemes and in the development of new schemes;

### **3.6 Sustainable commercial activities**

- 3.6.1 Provide steer, advice and challenge in the development of commercial strategies and plans;
- 3.6.2 Oversee and scrutinise the delivery of commercial plans and performance;
- 3.6.3 Scrutinise and challenge key risks and issues for timber sales and marketing and the embedding of governance and process improvements in these spheres;

## **4. Meetings**

- 4.1 FC will aim to meet at least four times per year, typically to assist the programming and budgetary cycle.
- 4.2 Additional meetings may be convened as and when required, particularly to support the requirements to scrutinise financial performance in advance of subsequent Board meetings.

## **5. Membership**

- 5.1 FC will be chaired by Helen Pittaway.
- 5.2 Membership will include four non-executive Board members (inclusive of the Chair).
- 5.3 The Executive Director of Finance and Corporate Services and the Accounting Officer/Chief Executive will also normally attend meetings.

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

#### **Current Members (as at November 2023)**

Chair	Helen Pittaway, Board Member (term end 31 October 2026)
Members	Sir David Henshaw, Chair of the NRW Board (term end date 31 October 2025)
	Prof Peter Fox, Board Member (term end 31 October 2026)
	Prof Calvin Jones, Board member (term end date 31 October

2028)

Executive lead	Rachel Cunningham, Executive Director of Finance and Corporate Services Clare Pillman, Chief Executive and Accounting Officer
Other regular attendees	Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Rob Bell, Head of Finance Sarah Williams, Head of Corporate Strategy & PMO Elsie Grace, Head of Sustainable Commercial Development (for commercial matters) Nadia De Longhi, Head of Regulation and Permitting (for charging matters)

# Flood Risk Management Committee (FRMC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The general terms of reference will be inserted here once approved.

## Flood Risk Management Committee (FRMC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

### 1. Purpose

- 1.1. The Flood Risk Management Committee (FRMC) is a committee established by the Board to provide timely advice and assurance in relation to its remit and to make specific decisions and undertake specific functions as delegated to it by the Board.
- 1.2. Specifically, the Board has established FRMC in order to discharge a number of NRW's statutory FRM responsibilities.
- 1.3. In particular, FRMC advises the Board on the investment, management, strategy and planning of flood risk investment proposals.

### 2. Scope

- 2.1. FRMC is required and authorised by the Board to:
  - 2.1.1 Assist the Board to fulfil NRW's statutory flood risk management functions;
  - 2.1.2 To provide scrutiny and approval of the flood risk management capital programme allocations, advising the Board on overall performance of the flood (capital) provisions;
  - 2.1.3 Provide scrutiny and oversight of reservoir safety;

- 2.1.4 Scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to FRMC.

### **3. Responsibilities**

- 3.1. To provide advice to the Executive Team, and make recommendations to the NRW Board as appropriate, on:
  - 3.1.1. the current and medium-term flood risk management investment programmes of NRW, particularly to help ensure that evidence-based investment decisions are made, value for money is achieved, and full utilisation of available budgets is made;
  - 3.1.2. other key flood risk management issues on a 'needs-be' basis;
  - 3.1.3. the proposals for rates and levies of Internal Drainage Districts, which are currently set annually;
  - 3.1.4. oversight of reservoir safety.

### **4. Meetings**

- 4.1. FRMC will aim to meet four times per year, typically including January and June to assist the programming and budgetary cycle.
- 4.2. Additional meetings may be convened as required.
- 4.3. The meetings will be supported by the Secretariat team, the Flood Strategic Planning & Investment team and members of the Finance team.

### **5. Membership**

- 5.1. FMRC will be chaired by Professor Peter Fox.
- 5.2. Membership will include four non-executive Board members (inclusive of the Committee Chair).
- 5.3. The Executive Director of Operations and the Head of Flood Incident Risk Management will also normally attend meetings.
- 5.4. Members of FRMC should not normally also be members of the Audit and Risk Assurance Committee (ARAC) to maintain separation and minimise possible conflicts of interest.
- 5.5. However, where this is not possible or there is a strong case for members to sit on both committees due to their specific areas of expertise, suitable arrangements should be made to manage any conflicts of interest. For example, the committee member may need to absent themselves from any discussions at ARAC pertaining to flood capital funding.

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

**Current Members (as at November 2023)**

Chair	Prof Peter Fox, Board Member (term end date 31 October 2026)
Members	Geraint Davies, Board member (term end date 31 October 2024) Prof Calvin Jones, Board member (term end date 31 October 2028) Lesley Jones, Board Member (term end date 31 October 2026)
Executive lead	Gareth O'Shea, Executive Director of Operations
Other regular attendees	Jeremy Parr, Head of Flood Risk and Incident Management David Letellier, Head of Service for Flood



# Protected Areas Committee (PrAC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The general terms of reference will be inserted here once approved.

## PROTECTED AREAS COMMITTEE (PrAC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

### 1. Purpose

- 1.1. The Protected Areas Committee (PrAC) is a committee established to provide the Board with timely advice and assurance in relation to its remit, and to make specific decisions and undertake specific functions as delegated to it by the Board.
- 1.2. Specifically, PrAC is vested with delegated authority by the Board in order to discharge NRW's statutory duties in respect of NRW's responsibilities pursuant to legislation concerned with nature conservation and designated landscapes.
- 1.3. In particular, PrAC deals with the notification and de-notification of Sites of Special Scientific Interest (SSSIs), the declaration and de-declaration of National Nature Reserves (NNR) and the duty to keep under review natural beauty, and designation, variation or revocation of National Parks and Areas of Outstanding Natural Beauty (AONB).

### Site of Special Scientific Interest (SSSI)

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

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

- 1.5. Under Sections 28(1) and 28(5) of the Wildlife and Countryside Act 1981 (as amended), where NRW is of the opinion that any area of land is of special interest

NRW has a duty to notify that fact and thereafter, within nine months, either give notice withdrawing the notification or confirming the notification (with or without modifications).

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

### **National Nature Reserve (NNR)**

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

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

- 1.8. NRW has a right to declare and de-declare areas that will be, or cease to be, managed as nature reserves by virtue of Section 19 of the National Parks and Access to the Countryside Act 1949, and by Section 35(1) of the Wildlife and Countryside Act 1981 to declare any nature reserve which it considers to be of national importance an NNR.
- 1.9. Under Section 35(1) of the Wildlife and Countryside Act 1981 (as amended), NRW may declare any land as a National Nature Reserve where they are satisfied that the land is of national importance and is being managed as a nature reserve under an agreement entered into with NRW, is held by NRW and is being managed as a nature reserve, or is held by an approved body and is being managed.

### **Natural Beauty**

- 1.10. The Countryside Functions Section 2(2) Countryside Act 1968 requires NRW to keep under review all matters relating to:
  - 1.10.1. the provision and improvement of facilities for the enjoyment of the countryside;
  - 1.10.2. the conservation and enhancement of the natural beauty and amenity of the countryside; and
  - 1.10.3. the need to secure public access to the countryside for the purposes of open-air recreation.
- 1.11. Allied to this, under Section 85(b) National Parks and Access to the Countryside Act 1949, NRW has a duty to inquire into and report on questions relating to natural beauty.
- 1.12. These general duties make provision for the evidence base to inform decision-making on NRW's designation powers in relation to National Parks and AONBs.

## National Parks

- 1.13. Section 5(2) National Parks and Access to the Countryside Act 1949 gives NRW the power to designate extensive tracts of country in Wales as a National Park where by reason of:
- 1.13.1. their natural beauty; and
  - 1.13.2. the opportunities they afford for open-air recreation, having regard both to their character and to their position in relation to centres of population, it is especially desirable that they are made National Parks for the purposes of:
    - 1.13.2.1. conserving and enhancing the natural beauty, wildlife and cultural heritage of the area; and
    - 1.13.2.2. promoting opportunities for the understanding and enjoyment of the special qualities of those areas by the public.
- 1.14. Section 6(1) National Parks and Access to the Countryside Act 1949 makes provision for a general duty for NRW from time to time to consider existing and new areas for designation, the order of designation and timescale.
- 1.15. Due to the scale of the implications of a potential new National Park designation, the Board requires discussion and approval of an initial assessment of whether an area qualifies for consideration for designation, and prioritisation of proposals for a new National Park designation or boundary variation. These duties are delegated to PrAC before formal approval is sought from the NRW Board to proceed with the statutory designation process. Should the NRW Board approve any statutory consultation under section 7 of the 1949 Act, it will undertake the same, and then having considered the consultation responses decide whether or not to submit a Designation Order to the Welsh Minister. Following that decision, appropriate notice as required by paragraph 1 of Schedule 1 of the 1949 Act should be given. NRW should seek to resolve objections or representations received. However, if objections or representations cannot be resolved, they should be sent with the Designation Order when it is sent to the Welsh Minister. The NRW Board may choose to delegate these functions to PrAC.
- 1.16. Section 11A of the 1949 Act (as amended) places a duty on NRW to have regard to the purposes of the conservation and enhancement of the natural beauty, wildlife and cultural heritage; and of promoting opportunities for the understanding and enjoyment of the special qualities of the area by the public in undertaking any functions affecting the National Parks or any land in a National Park.

## Areas of Outstanding Natural Beauty (AONBs)

- 1.17. Section 82(2) Countryside and Rights of Way Act 2000 provides NRW with the power to designate an Area of Outstanding Natural Beauty.
- 1.18. PrAC should discuss and approve initial assessment of whether an area qualifies for consideration for a new AONB designation or boundary variation before formal approval is sought from the NRW Board to proceed with the statutory designation process. Should the NRW Board approve any statutory consultation under section 83

of the 2000 Act, it will undertake the same, and then having considered the consultation responses decide whether or not to submit a Designation Order to the National Assembly for Wales. Following that decision, appropriate notice as required by section 83(2) of the 2000 Act should be given. NRW should seek to resolve objections or representations received. However, if objections or representations cannot be resolved, they should be sent with the Designation Order when it is sent to the National Assembly for Wales. The NRW Board may choose to delegate these functions to PrAC.

- 1.19. Section 85 of the 2000 Act places a duty on NRW to have regard to the purpose of conserving and enhancing the natural beauty of the AONB, in undertaking any functions in relation to or affecting land in an AONB.
- 1.20. Under Section 86 and 91 of the 2000 Act the Welsh Parliament is required to consult NRW on any Order for the establishment of a Conservation Board and on the amount of any grants from the Assembly to a Conservation Board.

## 2. Scope

- 2.1. PrAC is required and authorised by the Board to:
- 2.2. Make decisions on land protection on the basis of evidence presented to PrAC that are legally enforceable.
- 2.3. Support the Board and Executive Team by providing advice on strategic casework and wider protected area issues. In particular, it provides a focal point for Board discussions on matters relating to protected areas including their role in mainstreaming the Sustainable Management of Natural Resources (SMNR) approach.
- 2.4. Carry out its role in ways that compliment and align with the terms of reference and the role and manner to the the Land Estate Committee (LEC). The LEC has particular responsibilities for the use of NRW managed land and for promoting SMNR in that context.
- 2.5. Support Board and the Executive Team, providing a focal point for Board strategic discussions on matters relating to protected areas including their role in mainstreaming the SMNR approach and in addressing the climate, nature and biodiversity issues.
- 2.6. Scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to the PrAC.

## 3. Responsibilities

- 3.1. The general responsibilities of PrAC are to:
  - 3.1.1. Take an evidence-based approach in accordance with good practice principles and guidelines on using scientific advice, including oversight of relevant monitoring, consideration of performance management information and collaboration with partner organisations to share and analyse data;

- 3.1.2. Support the Board and Executive Team by providing advice on wider protected area issues and strategic casework;
  - 3.1.3. Receive reports and assurance on NRW's maintenance of the protected areas register and ensure that it is published and available for public review on the NRW website;
  - 3.1.4. Ensure that PrAC members are suitably and fully briefed and receive any relevant legal guidance on the circumstances of each site;
  - 3.1.5. Assess any new information of relevance, being aware that decisions often require assessments based on the best available data or evidence that may be limited;
  - 3.1.6. Receive reports and advice on case law relevant to the responsibilities of the PrAC.
  - 3.1.7. Advise the Board and Chief Executive on court case attendance to defend NRW's decision on site protection through the justice system.
  - 3.1.8. Have regard to the alignment of decisions and practices with relevant European Union principles, regulation and guidance
- 3.2. Appropriate legal training and guidance will be provided for members of PrAC and updated on a regular basis, and a record of this kept.
- 3.3. The responsibilities of PrAC specific to SSSIs are to:
- 3.3.1. Formally set and adopt appropriate procedures and standards to fulfil the Board's delegation to PrAC of discharging NRW responsibilities for the confirmation of notification, variation, additions to or enlargement of, and denotification of SSSIs where considering un-resolved objections (including arrangements for liaison and communication with owners, occupiers, and other relevant stakeholders within the expected time frames and as aligned with case law).
  - 3.3.2. Hold meetings in public concerning individual sites in line with the time-frame set out in S28(5) of the Wildlife and Countryside Act 1981 for reviewing proposals relating to protected areas.
  - 3.3.3. Consider proposals for the confirmation of the notification, variation, additions to or enlargement of SSSIs including determining whether, in whole or in part, the site meets the criteria, qualifies, and is appropriate for notification, variation, addition to or enlargement of the SSSI, with consideration of un-resolved objections.
  - 3.3.4. Consider proposals for the confirmation of the denotification of SSSIs, including assessing and determining whether, in whole or in part, the site meets the criteria for denotification to be appropriate, with consideration of un-resolved objections.

- 3.3.5. Review and test any objection for notification, variation, additions to or enlargement of or denotification of SSSI on the basis of the information available, taking the opportunity to question NRW officers, expert advisers, and stakeholders as appropriate.
- 3.3.6. Reach an opinion on whether or not the notification or denotification should be confirmed with or without amendments.
- 3.3.7. When approving the confirmation of any SSSI notification PrAC can:
  - 3.3.7.1. correct textual errors within the documentation;
  - 3.3.7.2. delete aspects of the description;
  - 3.3.7.3. delete operations from the list of operations likely to damage the special interest of the site, or modify the wording to make them less onerous or more appropriate;
  - 3.3.7.4. delete areas of land from the SSSI where they no longer support any of the features of special interest.
- 3.3.8. When approving the confirmation of any SSSI PrAC may not add:
  - 3.3.8.1. any special features;
  - 3.3.8.2. any operations likely to damage the special interest of the site;
  - 3.3.8.3. any new aspects to the management statement;
  - 3.3.8.4. any land to the SSSI.
- 3.3.9. Any such additions would require a further notification of the SSSI site.
- 3.4. The responsibilities of PrAC specific to National Nature Reserves (NNR) are to:
  - 3.4.1. Formally set and adopt appropriate procedures and standards to fulfil the Board's delegation to PrAC of the discharge of NRW responsibilities for the declaration and de-declaration of NNRs.
  - 3.4.2. Consider proposals for the declaration of land as an NNR, including determining whether, in whole or in part, the site meets the criteria, qualifies and is appropriate for declaration.
  - 3.4.3. Consider proposals for the de-declaration of whole or part of an NNR where followed by re-declaration (for instance to enable the transfer of management between NRW and an existing Approved Body).
  - 3.4.4. Consider approval of proposed plans to de-declare land as an NNR.
- 3.5. The responsibilities of PrAC specific to National Parks are to:

- 3.5.1. Advise the NRW Board on the consideration of assessments for the designation of a new National Park or boundary variation of an existing National Park.
  - 3.5.2. Advise the NRW Board on whether to approve the undertaking of a statutory consultation on a draft Designation Order for a new National Park or the variation of an existing National Park boundary.
  - 3.5.3. If requested, advise the NRW Board on whether to approve the submission of a Designation Order and representations for the designation of a new National Park or boundary variation to the Welsh Ministers for confirmation.
- 3.6. The responsibilities of PrAC specific to Areas of Outstanding Natural Beauty (AONB) are to:
- 3.6.1. Advise the NRW Board on the consideration of the designation of a new AONB or boundary variation of an existing AONB.
  - 3.6.2. Advise the NRW Board on whether to approve the undertaking of a statutory consultation on a draft Designation Order for a new AONB or the variation of an existing AONB boundary.
  - 3.6.3. If requested, advise the NRW Board on whether to approve the submission of a Designation Order and representations for the designation of a new AONB or boundary variation to the National Assembly for Wales for confirmation.

## 4. Meetings

- 4.1. PrAC usually meets at least three times per year and never less than once per year.
- 4.2. Additional meetings will be convened as required for designation purposes under sections 3.3-3.6 above.

## 5. Membership

- 5.1. PrAC will be chaired by Dr Rosie Plummer.
- 5.2. Membership will include four non-executive members (inclusive of the Committee Chair).
- 5.3. The following will routinely be invited to attend:
  - 5.3.1. A solicitor with appropriate expertise in environmental law to provide guidance and legal advice during the meeting;
  - 5.3.2. The Executive Director of Operations;
  - 5.3.3. NRW conservation staff with expertise on the particular sites under consideration at the meeting;

5.3.4. Others with knowledge and expertise relevant to the particular sites under consideration at the meeting.

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

**Current Members (as at November 2023)**

Chair	Dr Rosie Plummer, Board member (term end date 31 October 2024)
Members	Professor Steve Ormerod, Board member (term end date 31 October 2025) Geraint Davies, Board member (term end date 31 October 2024) Lesley Jones, Board member (term end date 31 October 2026)
Executive lead	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Other regular attendees	Ruth Jenkins, Head of Natural Resource Management Policy Chris Collins, Head of Knowledge and Evidence/ Steven King, Deputy Head of Knowledge and Evidence



# People and Customer Committee (PCC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

General terms of reference will be inserted once approved.

## PEOPLE & CUSTOMER COMMITTEE (PCC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

## 1. Purpose

- 1.1. The People & Customer Committee (PCC) is a committee established to provide the Board with timely advice and assurance in relation to its remit and to make specific decisions and undertake specific functions as delegated to it by the Board.
- 1.2. The remit of PCC includes, therefore: people management; reward; strategic organisational development; health, safety and wellbeing; customers; complaints and commendations; stakeholders, Welsh language, communications, digital services, equality, diversity and inclusion; and organisational change on behalf of the Board.

## 2. Scope

- 2.1. The PCC is required and authorised by the Board to:
- 2.2. Have oversight of the pay and conditions and overall pay strategy for all staff employed by NRW, pension scheme provision, wellbeing, health and safety, equality and diversity and development of the Welsh Language;
- 2.3. Approve the annual staff pay award;
- 2.4. Advise on strategic organisational development, ensuring there is a clear strategy in place, effective and affordable organisation design and learning and development, and effective management of major change initiatives, with the intention of ensuring a well-motivated, high performing inclusive and innovative workforce;
- 2.5. Advise on strategic communications for the organisation, ensuring that our communication and engagement activity helps deliver our organisational priorities, building trust and enhancing NRW's reputation;
- 2.6. Oversee the delivery of the customer experience and digital strategies and provide strategic advice as NRW transforms to being a service-centred organisation that designs its services around its users and customers;
- 2.7. Scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to the PCC.

## 3. Responsibilities

The responsibilities of the PCC are to:

### 3.1. Reward:

- 3.1.1. Oversee the overall reward strategy, job evaluation scheme and terms and conditions for all staff employed by NRW including the Chief Executive and the Executive Team;
- 3.1.2. Review performance against objectives for the Chief Executive, together with the Chief Executive's assessment of the Executive Team's performance;

- 3.1.3. Approve any annual pay awards for staff;
- 3.1.4. Review and scrutinise the Remuneration Report included within the Annual Report and Accounts;
- 3.1.5. Consider any other matters relating to reward, terms and conditions and people management referred to the PCC by the Chair or the Board

### **3.2. People:**

- 3.2.1. Provide assurance to the Board that NRW's people policies and its people strategy support the delivery of the organisation's strategic purpose; and that its conditions of employment are in line with the law and relevant guidance issued by the Welsh Government, HM Treasury, and the Cabinet Office as appropriate;
- 3.2.2. Oversee and scrutinise aspects of business transformation relevant to the PCC's people remit

### **3.3. Talent and Succession:**

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

### **3.4. Pensions:**

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

### **3.5. Exit Arrangements:**

- 3.5.1. Consider and ratify Executive Team exit applications and severance payments;
- 3.5.2. Maintain an overview of exit arrangements such as redundancies and analysis of exit interview insight;
- 3.5.3. PCC Chair to review and ratify severance payments for staff up to and including Leadership Team

### **3.6. Wellbeing, health and safety:**

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

- 3.6.2. Review key risks and monitor wellbeing, health and safety of staff, contractors, and members of the public accessing the NRW Estate to ensure effective management by the Executive, reporting to the Board on any significant issues

### **3.7. Welsh language:**

- 3.7.1. Provide strategic guidance to the organisation in pursuit of its ambitions towards becoming a bilingual organisation, and providing evidence-based assurance to the Board that relevant legal and regulatory requirements are being met;
- 3.7.2. Approve the Welsh Language Annual Report prior to publication;
- 3.7.3. Consider the Welsh Language Commissioner's requirements and the Executive's plans and responses

### **3.8. Equality and Diversity:**

- 3.8.1. Provide strategic guidance to the organisation in pursuit of its ambitions towards becoming an inclusive and diverse organisation, and providing the Board with evidence-based assurance that relevant legal and regulatory requirements are being met;
- 3.8.2. Approve relevant reports, including the Diversity and Inclusion Report and the Gender Pay Gap Report;
- 3.8.3. Scrutinise the annual Modern Slavery report prior to approval by the Board;
- 3.8.4. Consider the Commissioner's requirements and the Executive's plans and responses

### **3.9. Customer Experience:**

- 3.9.1. Oversee NRW's Customer Experience & Engagement Strategy and Digital Strategy, providing strategic guidance to the organisation in pursuit of its ambitions towards becoming an organisation that embeds a culture of excellent customer experiences and ensures NRW puts the customer at the heart of all it does;
- 3.9.2. Consider all relevant reports on how NRW listens to people and customers, to shape services and become a user-led organisation, including but not exclusively:
  - 3.9.2.1. Freedom of Information annual report
  - 3.9.2.2. Complaints and Commendations annual report
  - 3.9.2.3. Annual UKSCI benchmarking report
- 3.9.3. Oversee and scrutinise aspects of business transformation relevant to PCC's customer experience remit

### 3.10. **Organisational Development:**

- 3.10.1. Oversee NRW's Strategy to develop the organisation, its teams, and people to ensure clarity of purpose, effective leadership and cultural change, and report to the Board on progress;
- 3.10.2. As part of the strategy implementation, to:
  - 3.10.2.1. review feedback from staff, including staff surveys and the Executive's actions and progress, and consider how this is assessed and implemented;
  - 3.10.2.2. advise on the development of a strategic workforce plan;
  - 3.10.2.3. provide advice on cultural change, leadership development, organisational design, and strategic change;
  - 3.10.2.4. oversee organisation-wide change, scrutinise plans, risks, and progress;
- 3.10.3. Monitor and review delivery and benefits of key business cases and the benefits realisation plan as part of post-vesting evaluation

### 3.11 **Stakeholder:**

- 3.11.1 Oversee the delivery of NRW's Customer Experience & Engagement Strategy, providing strategic guidance to the organisation in pursuit of its ambitions towards becoming an organisation that embeds a culture of excellent stakeholder engagement across NRW
- 3.11.2 Consider all relevant reports on how NRW engages with people and stakeholders, how it influences, and advocates change through its communication and relationship management and how it listens to people and customers, to shape services and become a user led organisation;
- 3.11.3 Oversee and scrutinise aspects of business transformation relevant to the PCC's stakeholder remit

### 3.12 **Communications:**

- 3.12.1 Oversee NRW's communications strategy, providing strategic advice to help steer the direction of travel in support of the corporate plan delivery. This includes corporate communications, advocacy, brand development and colleague communications
- 3.12.2 Scrutinise performance in the above areas through quarterly communications reports, using insight to help steer future direction

### 3.13 **Digital services:**

- 3.13.1 Oversee the delivery of NRW's digital strategy, providing strategic advice to help steer the direction of travel
- 3.13.2 Scrutinise performance in service improvement and organisational performance on the delivery of the strategy
- 3.13.3 Oversee and scrutinise aspects of business transformation relevant to PCC's digital services remit

### 3.14 **Other:**

- 3.14.1 Consider, and provide advice and guidance in relation to the development and review of policy that falls within the remit of PCC as required, ensuring it is fit for purpose and complies with relevant legal and statutory requirements (to include specifically NRW's Safeguarding policy)
- 3.14.2 Provide assurance to the Board that such policies are compliant with legal and regulatory requirements and are consistent with NRW's values and wellbeing objectives

## 4. Meetings

- 4.1 PCC will aim to meet four times per year.
- 4.2 The Chair of the Board or Chief Executive/Accounting Officer may ask PCC to convene further meetings to discuss issues where PCC's advice is desirable.

## 5. Membership

- 5.1 PCC will be chaired by Mark McKenna.
- 5.2 Membership will include four non-executive Board members (inclusive of the Committee Chair).
- 5.3 The Executive Director of Communications, Customer and Commercial, and Executive Director of Corporate Strategy and Development will also normally attend meetings.

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

**Current Members (as at November 2023)**

Chair	Mark McKenna, Board Member (term end date 31 October 2028)
Members	Dr Rosie Plummer, Board Member (term end date 31 October 2024) Helen Pittaway, Board member (term end date 31 October 2026)
Executive lead(s)	Prys Davies, Executive Director of Corporate Strategy and Development; and Sarah Jennings, Director of Communications, Customer and Commercial
Other regular attendees	Clare Pillman, Chief Executive/Accounting Officer Catrin Hornung, Head of Customer and Digital Transformation Steve Burton, Head of People Management Sarah-Ellen Stacey, Head of Organisational Development Naomi Lawrence, Head of Customer and Engagement

# Land Estate Committee (LEC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

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

### 1. Constitution

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

### 2. Membership

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



extendable by no more than two additional three-year periods, so long as members continue to be independent. However, changes or rotations may be appropriate from time to time, for example to reinforce particular skills needed on a committee or when, for whatever reason, there are changes to the Board membership.

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

### 3. Authority

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

### 4. Accountability and reporting

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

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

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

## 5. Annual review

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

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

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

## 7. Quorum and voting

- 7.1. A meeting will be quorate for a particular agenda item if a majority of committee members – and at least two in any case - are present for the whole of the item(s). Deputies are not permitted.

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

## **8. Independent professional advice**

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

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

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

## 10. Attendance of executives and others at meetings

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

## 11. Secretariat function and papers

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

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

## 12. Minutes

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

## 13. Communication

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

## Land Estate Committee (LEC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

### 1. Purpose

- 1.1. The Land Estate Committee (LEC) is a standing committee established to provide the Board with timely advice and assurance in relation to its remit and to make specific decisions and undertake specific functions as delegated to it by the Board.
- 1.2. The remit of LEC, includes, therefore to advise on the sustainable management of NRW's land estate, to include investment in the estate, its management, and proposals for changes in its use.

### 2. Scope

- 2.1. The LEC is required and authorised by the Board to:
- 2.2. Provide thought leadership and scrutiny of the use of NRW's managed land estate, to ensure that it is used and managed in a way that promotes the Sustainable Management of Natural Resources (SMNR).
- 2.3. Scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to LEC.
- 2.4. The scope of the land estate is limited to land under NRW's ownership and/or management. LEC's remit includes the Welsh Government Woodland Estate (WGWE); National Nature Reserves (NNRs) in NRW's direct care; visitor centres; other established recreation or tourism facilities on the Estate; recreational use of inland bodies of water that are included within NRW's land estate; sustainable commercial development on and/or using the NRW Estate including, for example, timber sales and tourism, recreation and culture developments; and reservoirs; mine tips; and metal mines on the NRW Estate. It excludes the management of flood assets, including among other assets reservoirs covered by the Flood Risk and Incident Management function with the Flood Risk Management Committee.
- 2.5. LEC will complement and avoid overlap with the remit of the Protected Areas Committee (PrAC). The PrAC has particular responsibilities in relation to designation and protected areas and related case work and for mainstreaming SMNR through this context. Specifically, PrAC will be responsible for sub-committee level decisions on designation of areas of the NRW Estate.

### 3. Responsibilities

3.1. The responsibilities of the LEC are to:

- 3.1.1. Promote innovative and progressive ways of using and adapting NRW's land estate to tackle the climate and nature emergencies and the minimisation of pollution;
- 3.1.2. Leverage its collective authority, experience and influence with external partners such as local communities to work together in tackling the nature and climate emergencies and to minimise pollution;
- 3.1.3. Consider and advise on high-level proposals for sustainable commercial development of the land estate, including diversification and promotion of green enterprise, with a focus on the 3Ps- planet, people and prosperity;
- 3.1.4. Provide advice and direction in the development of strategy and policy in relation to the direct use of land by Government for SMNR;
- 3.1.5. Provide high level advice on development and delivery of the Land Stewardship Service Plan and the elements of the Commercial Service Plan related to the NRW Estate, including the Land Stewardship risk framework and relevant risks in the Commercial risk framework;
- 3.1.6. Other key land estate management issues on a 'needs-be' basis.

### 4. Meetings

- 4.1. LEC will aim to meet three times per year, with a regular summation of key issues collated online for communication to the Board, and to assist the budgetary cycle. Additional meetings may be convened as required.
- 4.2. The meetings will primarily be supported by the Secretariat team and members of the Land Stewardship and Sustainable Commercial Development team, and other subject matter experts as required.

### 5. Membership

- 5.1. LEC will be chaired by Professor Calvin Jones.
- 5.2. Membership will include four non-executive Board members (inclusive of the Chair).
- 5.3. The Executive Director of Evidence, Policy & Permitting; the Executive Director of Operations, the Head of Land Stewardship; and the Head of Sustainable Commercial Development will also normally attend meetings.

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

## Current Members (as at November 2023)

Chair	Professor Calvin Jones, Board member (term end date 31 October 2028)
Members	Professor Peter Fox, Board member (term end date 31 October 2026) Geraint Davies, Board member (term end date 31 October 2024) Mark McKenna, Board member (term end date 31 October 2028)
Executive lead	Sarah Jennings, Executive Director of Communication, Customer, and Commercial
Other regular attendees	Ceri Davies, Executive Director of Evidence, Policy & Permitting Gareth O'Shea, Executive Director of Operations Dominic Driver, Head of Land Stewardship Elsie Grace, Head of Sustainable Commercial Development Gavin Bown, Head of Service, Land Stewardship



# Evidence Advisory Committee (EAC) Terms of Reference

## GENERAL TERMS OF REFERENCE AND WAYS OF WORKING

The general terms of reference will be included once approved.

## EVIDENCE ADVISORY COMMITTEE (EAC)

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

**Terms of Reference agreed:** November 2023

**Next review date:** September 2024

### 1. Purpose

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

### 2. Scope

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

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

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

2.4. EAC will scrutinise and provide assurance to the Board on performance towards the Corporate Plan Wellbeing Objectives as relevant to EAC.

### 3. Responsibilities

3.1. The EAC is authorised and required by the Board to:

- 3.1.1. promote, stimulate and encourage the embedding of evidence processes, quality assurance, and delivery;
- 3.1.2. act as a sounding board for strategic and operational evidence identified or being delivered by NRW;
- 3.1.3. provide oversight and scrutiny of all relevant reports for Data and Information business transformation;
- 3.1.4. highlight new approaches to delivering evidence and innovation for NRW;
- 3.1.5. recommend to the Board the balance of the evidence portfolio between operational and policy, reactive and futures, for future resource allocation;
- 3.1.6. report to the NRW Board on the quality and fitness of evidence process and delivery in NRW;
- 3.1.7. champion at Board level the use of futures studies in NRW, including technology and innovation foresight.

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

### 4. Meetings

4.1. EAC will aim to meet three times per year, typically to include January and June to assist the programming and budgetary cycle.

### 5. Membership

5.1. EAC will be chaired by Professor Steve Ormerod.

5.2. Membership will comprise a second NRW Board member and about ten independent external members with an understanding of the Welsh context, judged by the EAC Chair and NRW leads to offer a diverse range of appropriate expertise, e.g. interdisciplinary evidence approaches (including behavioural insights), SMNR, research impact, analytical approaches, operational research, technology innovation, and science communications.

5.3. The terms of the independent external members is three years. Second terms are permissible upon mutual agreement between members and the EAC Chair. In exceptional circumstances, a third term may be permissible. Independent members' appointment can be terminated with immediate effect by NRW or the independent members at any time, if made in writing.

**[END OF TERMS OF REFERENCE]**

**Current Members (as at November 2023)**

Chair	Professor Steve Ormerod, Board member and Deputy Chair of the NRW Board (term end date 31 October 2025)
Members	Professor Rhys Jones, Board Member (term end date 31 October 2027) Professor Gillian Bristow, Independent member Dr Hefin Jones, Independent member Professor Susan Owens, Independent member Professor Andrew Pullin, Independent member Professor Mark Whitehead, Independent member Dr Tom Nisbet, Independent member Professor Melanie Austen, Independent member Dr Victoria Jenkins, Independent Member Professor David Chadwick, Independent Member Dr Wyn Morris, Independent Member Dr Siwan Davies, Independent Member
Executive lead	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Other regular attendees	Chris Collins, Head of Knowledge and Evidence Steven King, Deputy Head of Knowledge & Evidence

# NRW Planning and Resources Group (PRG) Terms of Reference

**Note:** these Terms of Reference describe the role that PRG is intended to play as it becomes established. However, it is recognised that, as a new forum, the PRG will operate in “start-up mode” initially. The precise role of the PRG and how it fulfils this is also expected to evolve over time. As a result, these Terms of Reference will be reviewed no later than March 2024, towards the end of the PRG’s first 12 months of operation.

## 1. Purpose

- 1.1 In the corporate plan we commit to a number of changes and improvements to our planning, performance and prioritisation processes. The PRG will provide the strategic oversight as we define the scope of these changes to ensure activity is planned, prioritised, resourced and delivered across NRW as a whole to support the balanced delivery of the Wellbeing Objectives.
- 1.2 The detail of the PRG work programme will emerge over the course of its first year as integrated tools and processes are developed. The PRG will identify opportunities to streamline and simplify existing arrangements in place for prioritisation within individual business areas.
- 1.3 The PRG reports to ET on planning and performance and makes recommendations on prioritisation. The PRG supports ET to exercise its assurance function through a line of sight across into functional delivery (via Business Groups), enabling services and business transformation.
- 1.4 Given the nature of its cross-cutting role, the PRG will take care in exercising its responsibilities not to duplicate the work of other teams and forums.
- 1.5 In exercising its responsibilities set out below, the PRG will be informed by NRW’s risk landscape and risk appetite. PRG will ensure that its recommendations to ET include a thorough consideration of the risks and implications (existing and new) associated with possible options.
- 1.6 The PRG may take on certain responsibilities of other forums, some of which have been stood down as a result:
  - 1.6.1 The responsibilities of the former Service Level Agreements (SLA) Group.

1.6.2 The strategic workforce planning responsibilities of the former NRW Workforce Panel (with the other responsibilities of the Workforce Panel passing to the People Board and/or other similar groups).

1.7 The PRG will provide a quarterly update and commentary to ET on performance and, as necessary, will make recommendations to ET for decision.

## 2. Responsibilities

2.1 **Planning.** The PRG will ensure that NRW's resources (finance, workforce and third party contracts) and delivery activity are joined up effectively across the organisation in support of the delivery of the Wellbeing Objectives and are informed by NRW's risk landscape and risk appetite, by:

2.1.1 Overseeing the development of the Corporate Plan and Annual Business Plan and high-level financial and workforce strategies, ensuring that organisation-wide planning processes and outputs align to and support the balanced delivery of the Wellbeing Objectives. The PRG will ensure that strategic steers from ET are reflected and will also make specific recommendations to ET. The draft Plans will be submitted to the ET, and subsequently to the Board, for approval where appropriate.

2.1.2 Overseeing the development and maintenance of Service Level Agreements (SLAs) to drive local accountability against the Corporate Plan and Annual Business Plan.

2.2 **Performance.** The PRG will monitor performance against the deliverables set out in the Annual Business Plan, alongside monitoring the in-year financial and headcount position, and key risks. The PRG will then provide a commentary to ET to support its quarterly performance discussion.

2.3 **In-year reprioritisation.** The PRG will make recommendations to ET on the in-year reprioritisation of resources across NRW to support the balanced delivery of the Wellbeing Objectives, for example in response to a change in ministerial or wider priorities, a change in the financial position, a decline in performance, efficiencies generated by transformation, or emerging/changing risks.

2.3.1 Where required to support the balanced delivery of the Wellbeing Objectives, the PRG may provide recommendations to ET on reprioritisation within particular business areas.

2.3.2 The PRG will recommend to ET changes to individual SLAs required as a result of any decision by ET to reprioritise resources.

2.4 **Investment.** Given the multi-year nature of the Wellbeing Objectives, the PRG will maintain oversight of investment in business transformation and new initiatives, and through its recommendations to ET will help ensure that investment decisions balance short-term needs with longer-term opportunities to transform the organisation. The PRG will aim to ensure the organisation seeks value for money and benefits realisation in pursuit of the delivery of the wellbeing objectives. In line with local arrangements elsewhere, detailed decisions on the prioritisation of

business transformation within available funding are governed by the Business Transformation Management Group.

2.4.1 The PRG will also provide input and recommendations to ET on NRW's strategic approach to negotiations with the Welsh Government (e.g. as part of the budget process) and ongoing funding discussions, to ensure that individual negotiations support the balanced delivery of the Wellbeing Objectives.

2.5 **Data.** As PRG becomes established, it will also be responsible for assessing and defining what data and insight is required to support ET to monitor performance accurately and effectively across NRW, and for making recommendations to ET (e.g. for specific improvement initiatives, commissioning new data or insight). The PRG itself is not intended to drive additional reporting requirements on teams.

### 3. Membership

3.1 The PRG will retain a small membership, allowing the group to work expediently and effectively. The membership is made up of members appointed by virtue of their role in the organisation, and nominees from particular Directorates to ensure a broad, fair and equitable balance of views. The following individuals will be standing members of the PRG:

#### ***Members by virtue of their role***

3.1.1 Executive Director of Corporate Strategy and Development (Prys Davies) – Chair

3.1.2 Head of Corporate Strategy (Sarah Williams) – Deputy Chair

3.1.3 Executive Director Finance and Corporate Services (Rachael Cunningham)

3.1.4 Head of Finance (Rob Bell)

#### ***Members appointed as nominees by their Directorate***

3.1.5 Head of Procurement and Contracts (Ian Mowatt) – Communications, Customer and Commercial Directorate

3.1.6 Head of Land Stewardship (Dominic Driver) and Head of NRM Policy (Ruth Jenkins) – Evidence, Policy and Permitting Directorate

3.1.7 Head of DPAS & Marine Services (Rhian Jardine) and Head of South East Wales Operations (Steve Morgan) – Operations Directorate

3.2 The following individuals will attend on an as-needed basis, subject to agendas:

3.2.1 Head of People Management (Steve Burton)

3.2.2 Head of Business Transformation (Martin Parkinson)

3.2.3 Head of Organisational Development (Sarah Stacey)

3.2.4 Additional/alternative Directorate representatives as required

- 3.3 **Deputies.** Each member will have an appointed deputy, to provide in-built resilience and ensure that meetings can operate around members' leave and other priorities. This deputy should be at a Leadership Team level in order to be able to sufficiently represent the views of the particular Directorate. This could, in some cases, be the additional Directorate nominees as proposed by the Directors from time to time.
- 3.4 The PRG Chair may also invite other individuals to attend PRG at certain times to contribute their expertise on particular agenda items.
- 3.5 All members and their deputies are expected to:
- 3.5.1 Through their participation, focus NRW's passion and collective action towards nature's recovery, resilience to climate change, and minimising pollution, through the sustainable management of our natural resources (SMNR).
  - 3.5.2 Demonstrate NRW's values in their participation, both individually and collectively.
  - 3.5.3 Act in the interests of NRW as a whole and role model integrated (SMNR) and joined-up working, using PRG as a forum to collectively test and challenge issues, and make final recommendations to ET.
  - 3.5.4 Read all papers and supporting information, and seek clarification in advance to make best use of time in meetings.
  - 3.5.5 Engage regularly with others within their business area to ensure they can adequately represent their business area on the PRG, and to promote awareness of the work of the PRG.
- 3.6 Members and deputies should not automatically expect to retain their membership in the event they move to a different role in the organisation. In line with good practice, membership will be reviewed as part of periodic effectiveness reviews (see Development, below).

## 4. Meetings

- 4.1 The PRG will operate in an agile way to meet the needs of the organisation, and meeting frequency and agendas should consider the demands of the organisation
- 4.2 The full PRG will formally meet once every month (i.e. the 9 PRG members listed in 3.1.1-3.1.7). Additionally, the members appointed by virtue of their role (those listed in 3.1.1-3.1.4) will usually meet once during the month in between the full PRG meetings (resulting in a fortnightly meeting cadence for those members).
- 4.3 The PRG may need to meet more frequently or communicate outside of meetings in the run up to the Financial Year to agree the draft Annual Business Plan, or in other circumstances as it sees fit.

- 4.4 The PRG can establish sub-groups, special interest, and/or task and finish groups to enable it to fully discharge its duties as it sees fit. It is envisaged that any such group would contain members of the PRG, bringing in alternative/additional representatives or other individuals to contribute their specialist input as required. The frequency and cadence of such meetings, in addition to the membership, is to be agreed by the PRG as part of the establishment of any such groups.
- 4.5 In the Chair's absence the Deputy Chair shall chair the meeting. PRG does not have a formal decision making role, rather it makes recommendations to the ET or provides challenge and input to existing teams and individuals where required, there is no quoracy requirement. However, members should prioritise attendance and should inform the Chair in advance if they need to be absent, and ensure their deputy is available and prepared to attend.
- 4.6 Meetings may be held face to face or digitally.
- 4.7 An agenda and any supporting information will be circulated in advance of the meetings, and summary of agreed actions and next steps circulated within two working days following the meeting.
- 4.8 Every effort should be made to reach agreement among the members or deputies present on a recommendation made by the PRG to ET. If this is not possible then the Chair will have the final say on the content of any recommendation to the ET. All members of the PRG are expected to adopt the principle of collective responsibility for the recommendations made to ET, even where agreement was not possible.

## 5. Administration

- 5.1 The Board Secretariat Team will provide administrative support for the PRG. This includes:
- Arranging the meetings;
  - Maintaining a forward look;
  - Preparing agendas and supporting information;
  - Capturing actions and next steps, and following these up; and
  - Filing PRG documents in NRW's Document Management System to ensure a formal record is kept.
- 5.2 In order to exercise its responsibilities as set out above, the PRG will draw upon existing reporting and information but is not intended to generate onerous additional reporting requirements on teams.

## 6. Development

- 6.1 The PRG Chair will lead a regular discussion with all members to identify development needs and will work with the governance and secretariat teams to ensure appropriate support (e.g. training, coaching, guidance) is available to enable PRG to exercise its responsibilities effectively.
- 6.2 The Chair will work with the secretariat to commission an external review of the effectiveness of the PRG at least once every two to three years, in line with good



practice, and will lead a discussion with all members to address the findings of the review.

## 7. Transparency

- 7.1 The PRG aims to be as transparent as possible about its work.
- 7.2 The PRG runs a rolling observer programme and invites anyone in NRW with an interest in learning more about PRG's role and work to observe one of its meetings. Please speak to the PRG Secretariat Deborah Lee to arrange this.
- 7.3 Further information about the PRG is available on the intranet [[link to dedicated PRG page](#)].

Approved by: Executive Team (Who delegated authority for final approval to Executive Director of Corporate Strategy & Development)

Date: May 2023

Date of next review: March 2024

## V1.1 Role and Remit of ET Well-Being Objective Lead

**Purpose:** *You will role model the NRW values in all you do, to ensure the integrated delivery of the Well-being Objectives. You will work collaboratively to secure the balanced delivery of all three Well-being Objectives. You will be accountable to the Chief Executive Officer, and ultimately the Board for the following:*

### 1. Leadership:

- **Visible leadership and championing of your individual WBO, through:**
  - Internal engagement and communication, celebrating successes, identifying opportunities and solutions to challenges in delivery
  - Extend your networks to be better connected, working collaboratively to develop and promote effective working relationships to ensure the successful delivery of the WBO
  - Lead Board discussions on strategic topics, drawing out the impacts, risks and opportunities for delivery of each of well-being objective
  - Ensure topics are considered in an integrated way across the well-being objectives and not in isolation

### 3: Performance Management:

- Aligning planning and prioritisation processes to guide resource allocation with the organisational strategy for the delivery of the WBO

### 2: Governance & Assurance:

- **Make use of existing governance structures and processes to facilitate a proportionate, effective approach to the delivery of your WBO , including:**
  - making use of existing internal controls and sources of assurance
  - providing timely information to ET and the Board upon which they can draw assurance over the effective delivery of the WBO

### 4: Risk Management:

- Dynamic and proactive ownership and oversight of the management of strategic and other risks that relate to and/ or could effect the delivery of the WBO
- Timely identification and escalation of risks to the strategic level that relate to and/ or could effect the delivery of the WBO