

# Confirmed Minutes

<b>Title of meeting:</b>	<b>NRW Board Meeting – Public Meeting</b>
<b>Location:</b>	The Management Centre, Bangor, and Microsoft Teams
<b>Date of meeting:</b>	2 <sup>nd</sup> February 2024
<b>Board Members present:</b>	<p>Sir David Henshaw, Chair          Clare Pillman, Chief Executive          Prof Steve Ormerod, Deputy Chair          Geraint Davies          Prof Peter Fox          Prof Calvin Jones          Lesley Jones          Prof Rhys Jones          Mark McKenna          Kath Palmer          Helen Pittaway          Dr Rosie Plummer</p>
<b>Executive Team Members present:</b>	<p>Ceri Davies, Executive Director of Evidence, Policy and Permitting          Prys Davies, Executive Director of Corporate Strategy and Development          Sarah Jennings, Executive Director of Communications, Customer and Commercial          Gareth O’Shea, Executive Director of Operations          Victoria Rose-Piper, Head of Business Transformation and Adfywio, deputising for Rachael Cunningham, Executive Director of Finance and Corporate Services</p>
<b>Attendees present:</b>	<p>Phil Williams, Head of Governance and Board Secretary (All items)          Martin Cox, Head of North West Wales Operations (All items)          Rob Bell, Head of Finance (Items 6 and 7)          Clive Walmsley, Senior Specialist Advisor (Item 8) Climate Change and Decarbonisation          Lucia Watts, Specialist Advisor – Climate Risk and Adaptation (Item 8)          Mary Lewis, Sustainable Places, Land &amp; Sea Manager (Item 8) Teams</p>

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Harrhy James, Specialist Advisor – Climate Risk and Adaptation (Item 8) Teams  
Huwel Manley, Head of South West Wales Operations (Public Q&A) Teams

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**NRW Observers:** Bhuvaneswari Marrisudi, Board Apprentice  
Jacqui Kedward, Head of Internal Audit  
Tamana Tomlinson, Team Leader and Executive Assistant to the Chief Executive

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**Public Observers:** Jane Thomas  
Robert Meyer  
Kim Waters – Welsh Rivers Union  
Jenny Lampard  
Jim Ralph  
Additional members of the public

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**Apologies:** Rachael Cunningham, Executive Director of Finance and Corporate Services

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**Secretariat:** Natalie Williams, Deputy Board Secretary and Board Secretariat Team Leader  
Jocelyn Benger, Board Secretariat Team

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**Declarations of Interest:**

- Dr Rosie Plummer - Member Pembrokeshire Coast National Park Authority - wide-ranging interactions with NRW including National Park landscape designation and protections including SAC rivers, Marine zones, diverse grant recipient and collaborator; Plantlife Trustee – wide ranging interactions including participant in the Natur am Byth project and recipient of Glaswelltiroedd Gwydn Nature Networks funding
- Prof Steve Ormerod – New declaration: Chair of the Science Advisory Group and Board Member to the new Environmental Markets Board; Chair of the Fish-Eating Birds Advisory Group
- Geraint Davies – Mentor with Farming Connect; Associate of Pwllpeiran Upland Research Centre
- Sir David Henshaw – Resident in the area of search for the proposed new National Park
- Clare Pillman – Resident in the area of search for the proposed new National Park

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## **Item 1. Open Meeting**

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

## **Item 2. Review Minutes and Action Log**

### **Item 2A. Review Minutes from the 16<sup>th</sup> November Public Meeting**

2. The minutes from the public Board meeting on 16<sup>th</sup> November were reviewed and agreed.

### **Item 2B. Review Action Log**

3. The Action Log was reviewed and noted.

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

4. The Chair informed the Board that a busy schedule of meetings with Ministers and officials was taking place. The difficult budgetary position for Welsh Government (WG) and NRW was noted.
5. Phil Williams, the new Head of Governance and Board Secretary, and Bhuvaneshwari Mairipudi, the new Board Apprentice, were welcomed.

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

6. The Chief Executive gave an update on items in addition to the written Report.
7. A large amount of work had taken place and continued on the budget challenge for this year and next.
8. It had been a period of intense activity for WG, the farmers' unions, and all concerned with farming, as the final consultation on the Sustainable Farming Scheme (SFS) opened. The Chief Executive met with the National Farmers' Union (NFU) Cymru Council and Meirionnydd Branch, the National Farmers' Union of Wales (NFUW), and attended the events hosted by WG and the farmers' unions. The level of interest, concern and engagement was recognised. NRW would respond to the SFS consultation.
9. The announcement by the Minister for Climate Change of the White Paper to establish environmental principles, governance and the framework for biodiversity targets for Wales was noted. NRW would be involved in the setting of the targets within the framework. The White Paper also established the framework for a permanent Environmental Protection Assessor for Wales.
10. The Executive Director of Operations provided an update on the recent named storms, Isha and Jocelyn. The scale of the challenge caused by the exceptional number of

named storms was noted. Some communities had been affected, although the flooding in Wales was not on the scale of previous storms. Staff had been on call since before Christmas, with rotas doubled over the Christmas period. Staff had been on heightened awareness for months and thanks were extended to all those staff on behalf of Board.

11. The Executive Director of Operations noted the growing number of odour complaints received from the public regarding the Withyhedge landfill site in Pembrokeshire. The concerns of the local community were acknowledged and recognised. A recent public meeting had been attended by NRW and assurance was provided that NRW were doing everything possible through the regulatory role and working with the operator to bring the site back into compliance. The Chair urged the operators to get back into compliance as soon as possible, highlighting that they were failing in their duty to the community.

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

12. Kath Palmer, Chair of the Audit and Risk Assurance Committee (ARAC) gave an update to the Board on the meeting held on 15<sup>th</sup> December. The paper was taken as read and the following elements were highlighted: the positive Audit Wales Report on setting the Wellbeing Objectives (WBOs); four Internal Audit Reports were received; good progress was noted on this year's Internal Audit Plan.
13. Prof Steve Ormerod, Chair of the Evidence Advisory Committee (EAC) gave an update on the meeting held on 16<sup>th</sup> January. Items were received on NRW's response to help deliver under the Wales Biodiversity Targets. The Annual Evidence Conference was reviewed. This was noted as an important and useful event which helped NRW to interact with professional researchers. Matters were considered around water quality monitoring, with staff seeking the best ways to monitor waters most efficiently with a diminishing budget.
14. Helen Pittaway, Chair of the Finance Committee (FC) updated the Board on the meetings held on 7<sup>th</sup> December and 10<sup>th</sup> January. The paper was taken as read. Both meetings had considered financial approvals, and the budget and outlook for the next financial year. The meeting in December had also scrutinised the financial position for this financial year and the overspend lessons learning in the Flood Capital Programme. The initial draft of the Budget and Business Plan for the next financial year had been shared with Board at the previous day's meeting. The FC meetings in February and March included an open invitation to all Board members to attend.
15. Prof Pete Fox, Chair of the Flood Risk Management Committee (FRMC), updated the Board on the meeting held on 11<sup>th</sup> January. The paper was taken as read. An update on NRW's response to the storms had been received, and a note of thanks and appreciation from FRMC had been sent to all staff involved in the response. A progress report on capital schemes was provided; these schemes would offer increased flood protection to local residents. The overspend lessons learnt paper was discussed and work was taking place on implementing the learning. The Tidal Dyfi scheme was

considered and recommended for further work. The Internal Drainage Districts budget proposals were scrutinised and endorsed.

16. Prof Calvin Jones, Chair of the Land Estate Committee (LEC), updated the Board. Work on the Recreation Strategy was progressing and would be presented to the Board in May. ARAC agreed to the extension of several actions as a result of Internal Audits in Land Stewardship; these had received a Moderate opinion. An update was provided on the UK Woodland Assurance Scheme (UKWAS). The potential impact of resource constraints on the outcomes of future UKWAS audits was noted. LEC had been informed of the latest volume of timber to market.
17. Mark McKenna, Chair of the People and Customer Committee (PCC) updated the Board on the meeting held on 12<sup>th</sup> December. The paper was taken as read. The meeting had been positive and included a presentation from the Institute of Customer Service. The Wellbeing, Health and Safety Quarter 2 Report was scrutinised, and the Committee noted that the culture was generally positive. Various updates were received, including further discussion on the complexities and challenges in Waterfall Country. The Communications Strategic Plan was scrutinised and its link into the Corporate Plan was welcomed.
18. Dr Rosie Plummer, Chair of the Protected Areas Committee (PrAC) updated the Board on work since the meeting held on 3<sup>rd</sup> October. As noted in the CEO Report, Gweld y Coed had been confirmed as a Site of Special Scientific Interest (SSSI) without objection. It was highlighted that this represented months of work with landowners. The Board had received an update on the prospective new National Park search area and designation process.
19. Prof Rhys Jones, Chair of the Wales Land Management Forum (WLMF), updated the Board. The paper was taken as read. An introduction to the new Forestry Regional Advisory Committee (RAC) took place. Thanks were offered to all NRW staff involved in the meeting. The Special Area of Conservation (SAC) Rivers Agricultural Technical Group gave an update on the draft report. A joint meeting of the WLMF Sub Group on Agricultural Pollution had taken place with the Wales Fisheries Forum and Wales Water Management Forum to focus on the compliance report and sheep dip pollution. It was highlighted that bringing the Forums together had worked well and a follow-up workshop on sheep dip pollution was being arranged.
20. Prof Steve Ormerod, Chair of the Wales Fisheries Forum (WFF) and Wales Water Management Forum (WWMF) updated the Board, noting that the joint meeting with the WLMF had been much appreciated around this shared concern. The WFF had met on 27<sup>th</sup> November and update was received from the Fish-Eating Birds Advisory Group. A pilot project was taking place in the river Usk. The concerns over salmonids had dominated the meeting. The update paper on the recent meeting of the WWMF was taken as read.
21. Geraint Davies, Chair of the National Access Forum for Wales (NAFW), updated the Board. The paper was taken as read. The presentation on the Crossing Boundaries project on the Great Glamorgan Way was highlighted. The Minister for Climate Change

had been due to attend and there was disappointment from Forum members when this was cancelled again, although it was hoped that this could be rearranged. A useful update was received on issues in Waterfall Country.

22. The Chair provided an update on the membership of Board Committees. It was confirmed that Lesley Jones had agreed to be a temporary member of ARAC for the meetings in March, June, and September 2024, although the Board were asked to agree that the Chair be delegated to attend the ARAC meeting in March due to Lesley Jones' prior commitments. The Board agreed to the proposals.

**DECISION: Lesley Jones to be a temporary member of ARAC for the meetings in March, June, and September 2024, with the Chair delegated to attend the ARAC meeting in March 2024**

## Item 6. Finance Performance Report

Presenter: Rob Bell, Head of Finance

23. The Head of Finance introduced the item and provided an overview of the paper, noting the Report was the position at the end of November. This had been scrutinised by the Executive Team (ET) and FC. An overview of the Revenue position was provided. It was noted that this was tracking to profile, but this was masking some of the pressures on budgets. Proposals on balancing the budget through £2m of reductions across NRW had been put forward to WG in November; this included measures around increasing the charge to programmes and projects, and the change in accounting rules around leases. This was formally accepted by WG in January. Overprogramming had now been reduced to £0.5m.
24. An update was provided on the issue around salary savings and the need to make around £2m of savings, which were currently around £1.1m with recruitment controls in place. Additional pressures since the Report included: another reduction in timber income forecast; the cladding issue at Ty Cambria; the issue relating to the audit of the Welsh European Funding Office (WEFO) claim, although confirmation was awaited on this – provision had been made and a further report would be provided to ARAC in March. FC had been informed. Further budget reductions were being sought, which would be collated and brought to ET to consider all the impacts. An update was provided on Capital spend, which was progressing well. WG had been informed of the small pressure in the Flood Capital Programme. The Board were asked to approve the change to the forecast from £266.9m to £270.2m.
25. The Board discussed the content of the Report, noting that the latest changes would be reported to ET and FC. The pressures on the budget were recognised. Board members queried the causes of the reduction in charging income and whether there was a pattern or information available on the reasons behind this. The Board were informed that ET had considered this matter and asked the Head of Regulation and Permitting to conduct a piece of work on this after the year end to give a sense of any behaviour change and any potential impacts for consideration. It was confirmed that the Annual

Regulatory Charge Review would be brought to the next FC meeting and Board Update Call in February.

26. The Board approved the change in the original budget from £266.9m to a forecasted £270.2m and noted the financial performance to the end of November 2023.

**APPROVED: The change in the original budget from £266.9m to a forecasted £270.2m**

## **Item 7. Internal Drainage Districts Budget**

Presenter: Rob Bell, Head of Finance

27. The Head of Finance presented the proposals for the Internal Drainage Districts (IDDs) Precepts, Rates and Levies for 2024/25 for approval to the Board. A summary was provided of the details in the paper. FRMC had scrutinised and endorsed the proposals at the meeting on 11<sup>th</sup> January. For 2024/25, it was proposed to increase: Precepts by 3% to £327k; Special Levies to £1417k; Drainage Rates to £205k. This was an increase of 4% on Special Levies and Drainage Rates. Advisory Groups had been meeting across North and South Wales. NRW were aware of the points and concerns raised by stakeholders on the quality of work, however, these were outside the remit of the paper. The Board were requested to approve the proposals as detailed in the paper.

28. Prof Pete Fox as Chair of FRMC, commented on the discussions that took place at the recent FRMC meeting, noting that the management of IDD's was historical and continued to be a touchstone for debate with farmers.

29. Board members discussed the adequacy of the approach going forward, recognising the historic context. The wording in paragraph 7 of the annex to the paper was queried and the Head of Finance agreed to clarify this.

**ACTION: The Head of Finance to clarify the wording used in paragraph 7 of the annex to the IDD paper**

30. The Board approved the items as detailed in the paper.

**APPROVED: The Internal Drainage District (IDD) special levies, drainage rates and precepts for 2024/25**

**APPROVED: The authorisation of its common seal to be affixed to the Approved Drainage Rates**

**APPROVED: Delegation of the Board's responsibility for approving annual statements for 2023/24 to Rachael Cunningham, Executive Director for Finance and Corporate Services**

## Item 8. NRW's Adaptation Plan

Presenters: Clive Walmsley, Senior Specialist Advisor, Climate Change and Decarbonisation; Lucia Watts, Specialist Advisor – Climate Risk and Adaptation

31. The Executive Director of Evidence, Policy and Permitting introduced the item. The specific actions under the Corporate Plan on communities' resilience to climate change were noted. The Adaptation Plan presented to the Board for approval looked at how NRW operated and planned its remit.
32. The Senior Specialist Advisor, Climate Change and Decarbonisation presented the background to the item, which had last come to the Board in 2020, noting that the scientific community could now attribute weather events to climate change. The frequency and magnitude of weather events was highlighted. It was emphasised that that adaptation was multi-faceted, and included personal, community and authority responsibilities. NRW needed to be resilient to minimise the risk on climate change issues. A strategic discussion on decarbonisation was planned for the Board meeting in September.
33. The Specialist Advisor, Climate Risk and Adaptation gave a presentation summarising the detail in the paper. NRW's responsibility for adaptation planning and the sources of evidence used within the Adaptation Plan were described. The UK Climate Change Risk Assessment 2021 was shared, and the risks and opportunities were described, noting the growing level of risk, which had seen an increase of 20% in four years. The Baseline Risk Assessment was described, which highlighted that all areas of NRW were at risk from climate change. The consultation process within NRW was explained. The results and findings had been incorporated into the Adaptation Plan. The priority themes within the Adaptation Plan 2023-27 and their links to the Corporate Plan were described, and examples were shared. Publication was planned for Spring 2024, followed by development and action of the Delivery Plan during 2024 with governance through the Business Groups. Future development and steps were described, with the ambition to develop a new Adaptation Plan every five years which would evolve in response to policy, evidence, and business need.
34. The Board welcomed the Adaptation Plan and appreciated the cross-organisational work and rich evidence base. Board members noted that although this was an operational document, it would be important for it to feed into strategic planning and ensure that it was incorporated into NRW's change programmes. It should be part of the cross-cutting themes for decision-making.
35. A specific point was raised on the wording on page 20. It was highlighted that the driver for changing the productivity of forestry was the Sustainable Management of Natural Resources (SMNR) rather than production targets.
36. The issues relating to climate change had been known for many years and there was now a critical need to take action. It was also important for NRW to set the standards, and the work on the Corporate Plan WBOs had enabled this to come forward. The Board's leadership role in this matter for the organisation and Wales was recognised. It was highlighted that NRW's links and interactions with the Public Service Boards



(PSBs), other organisations, and stakeholders provided an avenue for advocacy and action. It was suggested that the Adaptation Plan could be used as an exemplar piece for local authorities.

37. The urgency of the issue was emphasised and the pace of action and delivery on adaptation needed to be a priority.
38. It was recognised that this was the first iteration of the Adaptation Plan but the approach to radical solutions and including a radical vision was recommended for future work. It was noted that the Plan would develop going forward.
39. The other areas of work within NRW that were also focusing on the approach to adaptation were noted. Each Corporate Plan WBO was led by an ET member, with a structure below to look at work across organisation. Advocacy and how NRW worked with its supply chain were highlighted.
40. Actions relating to the plan for net zero and carbon impact were raised. It was explained that these would be brought to the Board for a strategic discussion in September. Board members emphasised the need to ensure that these issues were aligned with the change programmes that were taking place.
41. The Chair thanked the team for their work. The Board approved the NRW Adaptation Plan for publication.

#### **APPROVED: NRW's Adaptation Plan**

### **Item 9. Items for Approval**

#### **Item 9a. Wellbeing, Health and Safety Quarter 2 Report**

42. The Executive Director of Corporate Strategy and Development introduced the item and noted that this had been scrutinised by PCC at the meeting on 12<sup>th</sup> December.
43. Board members asked for assurance on the completion of mandatory Health and Safety training and were informed that this was rated as Green in terms of the dashboard Red Amber Green (RAG) status.
44. The Board approved the Wellbeing, Health and Safety Report for Quarter 2 Report.

#### **APPROVED: The Wellbeing, Health and Safety Report for Quarter 2**

#### **Item 9b. Amendment to the Statutory and Legal Scheme (SaLS)**

45. The Executive Director of Corporate Strategy and Development introduced the item and noted that this had been approved by correspondence by the Board.

**NOTED: The Board approval by correspondence of the new line added to the Statutory and Legal Scheme (SaLS) to identify a qualified person that can approve exemptions from the duty to disclose information requested under a Freedom of**

## **Information request, where that information may cause prejudice to the conduct of public affairs**

### **Item 10. AOB**

46. No matters were raised under AOB.

### **Meeting Closed**

### **Public Q&A**

47. The Chair explained that NRW were looking at how it engaged with the public, recognising that the Public Q&A session was not an ideal scenario.

48. Questions were received and responses provided on the following matters.

49. Colin Barnett – Withyhedge Landfill issues. As requested by Mr Barnett, his concerns had been shared with the Board. An update on this matter had been included within the CEO Report and noted earlier in the meeting. A visit by NRW staff had taken place and a community meeting had been held. The Executive Director of Operations reiterated that NRW were working with the operator to get the site back into compliance.

50. Robert Meyer – Tan Lan Embankment. Prof Pete Fox, as Chair of FRMC, responded. Mr Meyer was thanked for his questions, and it was confirmed that a detailed answer would follow. The concerns and anxieties were noted and shared by some of the smaller communities in Wales. Briefs had been received from Board member, Geraint Davies, and other colleagues. It was noted that the study was close to conclusion. The costs of continued public investment were highlighted, and it was explained that further investment was not likely to be forthcoming due to investment policy and priorities. Martin Cox, Head of North West Wales Operations, would continue to liaise on this matter.

51. The Head of North West Wales Operations confirmed that the impact on infrastructure had been included as part of the study, noting that consultation had taken place with Network Rail and stakeholders. Mr Meyer requested a copy of the business study and report. It was confirmed that this would be shared in due course.

52. Jane Thomas – Visitor Centres. Prof Calvin Jones, as Chair of LEC, responded. It was emphasised that the situation was not where NRW would want to be, but the organisation was facing significant shortfalls going forward and needed to make changes to achieve a balanced budget. Visitor Centres had gained a lot of public attention, but NRW were looking across the whole business for savings and trying to do this with a focus on the delivery of the Corporate Plan. This was more challenging and complicated, with the need to bring in information from across the whole organisation. The budget for 2024/25 was not yet finalised and the Board had not been asked to approve any decisions on visitor centres. Management information was being collated for a decision by the end of March. It was important to avoid conflating the level of

services and the ability of the public to access land. Public access to the land would be maintained but what sort of services provided there was being considered. Where NRW could not continue to provide those services, it would be looking for others to take those on.

53. The Executive Director of Communications, Customer and Commercial confirmed that NRW would continue to protect the National Nature Reserves and the sites around the visitor centres and ensure that nature could thrive. NRW would continue to ensure public access and wanted to continue to work with the community and providers going forward to ensure continuity.
54. Kim Williams – Visitor Centres. A wide range of questions were submitted which would be responded to by correspondence.
55. Kim Waters – water quality issues. These were submitted during the meeting via the chat facility and would be considered outside the meeting.
56. Jenny Lampard – Visitor Centres. Asked during the meeting via the chat facility, how the general public could support the maintenance and investment of visitor centres.
57. The Board reflected on the way in which the Board interacted with the public at the Board meeting. The Board asked that the list of public questions be added to Diligent for reference.

**ACTION: The Secretariat to add public questions to Diligent for future meetings**

**Public Meeting Closed**