



# Confirmed Board Minutes

**Title of Meeting:** NRW Board Meeting (Business)

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<b>Date of Meeting:</b>	23 March 2017	<b>Venue</b>	YMCA Mendalgief Road Newport CP20 2HF
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**Board Members:** Diane McCrea (Chair)  
Dr Madeleine Havard (Deputy Chair)  
Sir Paul Williams (Chair of People and Remuneration Committee, PaRC)  
Andy Middleton (Chair of Protected Areas Committee, PAC)  
Nigel Reader (Chair of Audit and Risk Committee, ARAC)  
Dr Ruth Hall  
Dr Elizabeth Haywood  
Karen Balmer  
Howard Davies  
Zoë Henderson  
Chris Blake  
Dr Emyr Roberts (Chief Executive)

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**Executive Team in attendance:** Tim Jones, Executive Director, Operations North and Mid Wales  
Gareth O'Shea, Executive Director, Operations South Wales (arrived for item 1 – local briefing and left at item 9)  
Ceri Davies, Executive Director of Evidence, Policy and Permitting  
Niall Reynolds, Transformation Portfolio Director  
Kevin Ingram, Executive Director for Finance and Corporate Services

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**Other attendees:** Howard Davies, Head of Corporate Planning and Performance – Item 8  
Sue Ginley, Corporate Planning Manager – Item 8  
John Hogg, -Head of South Central Wales Operations – Item 1  
Catrin Grimstead, Senior NRM Officer – Item 1  
Alison Boyes, Living Levels Programme Development Manager, RSPB - Item 1  
Andrew Johnson, Head of People Planning and Business Change – Item 4  
Sam Carpenter, Workforce Planning and Equalities Senior Advisor – Item 4  
Michelle Van-Velzen, Sustainable Land Management Team Leader – Item 5  
David Cavell, Head of Legal – Item 9  
Brian Pawson, Senior Agriculture Advisor – Item 9

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**Secretariat:** Geralene Mills  
Cassandra Hamblett

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### **Item 1 - Standard Board Business**

1. The Chair welcomed the Board Members and the Executive Team to the meeting, as well as acknowledging a number of public attendees.
2. Apologies for absence were noted from Catherine Smith and Ashleigh Dunn. It was noted that Gareth O'Shea was delayed and would arrive for the local briefing.

### **Declarations of Interest**

3. There were no new declarations of interest made in respect of the agenda. It was noted that the updated Declaration of Interests register was being circulated during the meeting, for final sign off by Board Members.

### **Presentation on Living Levels - Gwent**

4. Gareth O'Shea and John Hogg introduced the Living Levels Landscape Partnership project to the Board and welcomed Alison Boyes, RSPB, and Catrin Grimstead, NRW.
5. Catrin explained the project was launched in November 2015 after being awarded funding from the Heritage Lottery Fund (HLF). It is an ambitious and inspiring project with NRW, RSPB and 12 other local partners. In recent years the landscape has declined and this is being addressed through a range of initiatives, including educational projects with local communities.
6. There are several key issues in the project, including:
  - a) Short term challenges with funding
  - b) Long term challenges with legacy
  - c) Maintaining the ethos of the project once completed
  - d) Demonstrating preventative action rather than clearing up afterwards
  - e) Learning legacy for Wales – learning how to work collaboratively and supporting staff.
7. Gareth highlighted the importance of learning from this project which has created new ways of working, whilst realising conservation objectives.

8. The Chair thanked Catrin and Alison for a very engaging presentation, which demonstrated the importance of joint partnership working across Wales and what can be achieved in conservation.

### Item 3 Minutes and Matters Arising

9. The minutes of the January meeting were formally ratified with the following minor amendments:
  - a) Page 7, point 26 a - Evidence – all objectives will be met “put in a note”
  - b) Point 28D – air quality – gap was the lowest recorded in 8 years.
  - c) Point 30D, work of the recreation team – from themes – remove the ‘what’
  - d) Point 34 finance report – December not September
  - e) Andy Middleton: will email an extra sentence clarifying the intention regarding the area statements workshop.

***ACTION POINT – The Secretariat to send the Chair a final hard copy of the January minutes for formal sign-off***

### Action Log

10. Update from Action Point 5 – Tim updated the Board on the Dee Harbour revision order, highlighting a need to make a minor amendment to the NRW Establishment Order. Once this amendment is made then the revision order will be able to progress involving NRW and the Environment Agency.

### Committees, Minutes and Matters Arising

#### People and Remuneration Committee

11. The Chair of the People and Remuneration Committee (PaRC), Sir Paul Williams updated the Board from the last meeting held on the 2<sup>nd</sup> March on the following:
  - a) Senior management and organisational design work is on track and developing well.
  - b) The workforce plan for the organisation is progressing, which will feed into the corporate plan.
  - c) Job Evaluation (JE) update – as part of the proposal it is intended that there would be a Voluntary Exit Scheme (VES) in 2018-19.
  - d) Customer care programme update which is developing into the next phase, looking at the development of culture within the organisation.
  - (e) Wellbeing, Health and Safety report, noted for presentation at the Board meeting
  - (f) Update from the Pensions Sub Committee.

12. The Chair noted the concerns raised by PaRC in respect of a further VES. The Chair acknowledged the impact of uncertainty for individuals in the organisation, particularly around JE and organisational design.

13. The next PaRC meeting is scheduled for 16<sup>th</sup> June.

***ACTION POINT – Secretariat noted the March PaRC minutes to be presented for ratification at the next public Board meeting.***

14. The Chair of Audit and Risk Assurance Committee (ARAC), Nigel Reader updated the Board from the last meeting held on the 2<sup>nd</sup> March. Due to Ruth's absence, Zoe had attended the meeting.

- a) Auditor General for Wales' opinion had been received in respect of the Annual Report and Accounts for 2015/16.
- b) The external audit plan for WAO was accepted, subject to close liaison with internal audit.
- c) Approved the relationship protocol between NRW internal audit and external audit, WAO.
- d) Compensatory tree planting scheme – approved subject to WG and WAO approval
- e) The Board noted Nigel's last meeting as Chair will be July before handing over to the new Chair, Karen Balmer.

***ACTION POINT – Secretariat to contact Board Members to attend when Committees are absent of one or more Board Members, to gain further experience and insight.***

15. Flood Risk Management Wales Committee (FRMW) – no meeting held as Committee is waiting to be formally disbanded with the creation of a new Committee by Welsh Government (WG).

16. The newly constituted NRW Flood Risk Management Advisory Group (FRMAG) chaired by Madeleine Havard met on 4<sup>th</sup> January and the date for the next meeting in July is to be confirmed.

***ACTION POINT – Secretariat to canvas new dates for the FRMAG in early July.***

17. The Protected Areas Committee (PAC) – no meeting had been held since the last Board, but information circulated to the Board relating to sites that had been designated was noted. The next meeting of PAC is scheduled to be held in June.

***ACTION POINT – Andy Middleton, Chair of PAC, to circulate a note to the Board to explain actions taken on site designations. Next PAC meeting to be held on the 13<sup>th</sup> June to discuss how to move the PAC agenda forward.***

#### **Item 4. Wellbeing, Health and Safety Update**

18. Gareth O’Shea provided a Wellbeing, Health and Safety update on behalf of Ashleigh Dunn, highlighting a number of issues from the report as follows:

- a) Reported sickness absence has increased since 2015, partially due to new systems and more accurate reporting. The overall sickness reporting is lower when compared to other public bodies. The sickness levels for mental health are being monitored carefully, and there is an increased use of the referral process to support staff.
- b) Health and Safety – no additional reports since last report. One lost time incident due to a third party incident reported.
- c) Serious incident review – the investigation into a large machine overtuning during January is ongoing.
- d) An additional Hand and Arm Vibration Syndrome (HAVS) case confirmed, making a total of 9 reportable cases. Hand and Arm Vibration Syndrome is continuing to be addressed in risk areas; there is a review underway about disposing of outdated equipment.
- e) Report on Occupational Road Risk incidents was presented and reviewed at the PaRC Meeting.

19. Gareth discussed the near misses and the risks within NRW due to the nature of its work and size, highlighting a need for further changes in order to support staff. There is an opportunity to move this forward and discuss within the new Directorate forums led by the Executive Team, Leadership Team and a cross section of directorate staff.

20. The Board suggested a focus on risk assessments, health and well-being issues, and linking this back to leadership support. It was agreed that there needs to be a whole organisational approach explicitly delivered via the management tier.

***ACTION POINT - The Board requested the risk assessments, health and well-being issues be addressed at PaRC.***

21. The Board noted the report presented and the important work in this area to support staff and their wellbeing.

#### **Item 4. Equality, Diversity and Inclusion (EDI) Annual Report and Action Plan**

22. Sam Carpenter introduced the EDI report 2016, annex and action plan to the Board seeking approval for publication.
23. Sam highlighted the following areas in the report:
- a) There will be a new regulation for gender pay gaps due out later in 2017. It appears that there is a 7% difference on gender pay, which appears less than the civil service average figure. There is work underway to identify where the issues are and how to address them.
  - b) There has been a very positive review of NRW's Visitor Centres and the measures taken to promote inclusion.
  - c) NRW Equality, Diversity and Inclusion Forum– a membership review is underway.
24. The Board approved and commended the report as an excellent example of achievements to date and noted the positive ambitions within the plan to move NRW forward.

#### **Item 5 – Future timber availability NRW B B 16.17**

25. Ceri Davies introduced the plan developed to unlock opportunities, deliver sustainability and tackle challenges in the longer term.

Michelle Van-Velzen presented the Timber Marketing Plan for 2017 – 2022, noting the following key areas of challenge:

- Continued delivery of a broad suite of benefits from the land managed by NRW
- Use our enabling roles in order to successfully balance regulation and advice
- Environmental benefits – promotion of opportunities

26. The Board noted its support of the recommendations within the paper, highlighting a need to focus on SMNR, including issues arising from climate change and the promotion and marketing of Welsh timber within the UK. The Board supported NRW's ambitions in its plans to address the decline in timber availability on both the private and WG estates.

***ACTION POINT – Ruth Jenkins to prepare a detailed action plan to support timber marketing and present to the Board for consideration, especially to address the predicted shortfall in timber availability.***

27. The Chair thanked Michelle and Ruth for the presentation. The Chair confirmed that Chris Blake would join the task and finish group on behalf of the Board.

#### **Item 6. Final Business Plan and Budget 17/18 NRW B B 17.17**

28. Kevin Ingram introduced the work on the final business plan and budget for 2017/18 which has been developed with the support of the Board sub group.
29. The Chair of ARAC stated his approval for the budget presented.
30. The Board highlighted a need for the budget spreadsheet to provide greater detail around ring fenced budget provision, especially Flood Risk Management Capital funding. The Chair agreed that the breakdown should be provided in future.
31. The Board commended the Business Plan and Budget as presented, subject to a careful proof read.

#### **Item 7. Finance Update Report – Financial Year 2016-17 NRW B B 18.17**

32. Kevin Ingram presented the Finance update report for the current year. The results of the Q3 reforecasting exercise addressed the revision of income and expenditure. There was recognition that some expenditure will be carried forward to 2017/18.
33. The Chair of ARAC commended the financial management, which is a credit to the management team. During the past year there have been various iterations to the budget in line with protocols. It was requested that ARAC review the end of year position, the report to include an audit trail of all changes completed in year.

#### **Item 8. Wellbeing Statement NRW B B 19.17**

34. Howard Davies presented the paper which has been revised and edited. The revised paper had been made available to the Board at the development meeting for an early review.
35. Sue Ginley thanked the Board for the useful feedback received. The editor had made improvements to the document whilst retaining the fundamental messages.

***ACTION POINT – All Board Members to review the Wellbeing Statement presented and submit any amendments or comments to Sue Ginley by 12.00 on 24th March.***

36. The Board approved and commended the documents presented.

#### **Item 9. The implications of Brexit for natural resource management and for NRW NRW B B 20.17**

37. Ceri Davies introduced the Brexit paper supported by David Cavell and Brian Pawson. The Board were asked to advise on whether NRW should continue to

emphasize work on land management, marine, air quality and the implications of the Great Reform Bill or whether other topics should be prioritised.

38. Ceri emphasised the need for Board support by attending roundtables and Welsh Government events. It is recognised that Brexit will have implications across all areas; these wider issues will be picked up in future discussions and papers.

39. The Board raised questions for further consideration as follows:

- a) How can we shape the policy and the direction of travel?
- b) What as a Board do we expect to do as ambassadors?
- c) NRW needs to be in a better position to deliver SMNR, and the economic aspects of the wider benefits.
- d) Have we set the right level of ambition along with compliance with all legislation linking to NRW's remit?
- e) What are the resource implications of various scenarios?

40. The Chair of ARAC complimented the work of the authors of the paper, which was very informative. The Chair supported the need to focus on specific priority areas, whilst linking with corresponding work across the UK e.g. Natural England, JNCC, etc.

***Action Point: Brian Pawson to share information with the Board following the 'EU Response Workshop - Impacts and Opportunities' seminar on 27<sup>th</sup> April.***

41. The Chief Executive raised the importance for NRW to be in discussions going forward and to part of the discussion groups in the Cabinet Secretary's Brexit Round Table initiative and with WG officials on regulatory aspects.

42. Dave Cavell drew attention to the Great Repeal Bill, under which it is expected that WG will obtain delegated powers.

43. The Chair thanked the presenters for the initial look at the implications and opportunities around Brexit.

**Item 10 - Chair's Report/Chief Executive Report/Board Member Activities - NRW B B 21.17 / NRW B B 22.17 / NRW B B 23.17**

44. The Board reviewed and discussed the activity reports. The Board Members' activity log needs to be developed further with a suggestion of quarterly updates.

45. Madeleine Havard updated the Board following attendance at the opening of the new bike trail at Bwlch Nant Yr Arian.

46. The Chief Executive discussed his recent activities with the following highlights:



- a) Involvement with the Wessex Storm Exercise led by the Ministry of Defence.
- b) A meeting scheduled with CEOs of environmental agencies at the end of May.

47. The Chair met with the Environment Agency Chair, Emma Howard-Boyd and will be discussing common themes in the future.

48. Ceri Davies referred to a meeting with the other 5 agencies for the UK and Ireland in Dublin on the 20<sup>th</sup> April.

### **Item 11 Any other business**

49. Ruth Hall attended a National Trust Council meeting representing NRW, with an agenda focused on making links around natural heritage.

### **Meeting close**

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

## Public questions

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

### Annex 1 - Public Questions:

**Victor Bonutt from Kenfig Hill Fishing and Angling Club** – raised the following concerns on the NRW suggestions for fishing stocks:

- The proposals (catch and release) – will the evidence gathered to make decisions be shared with those interested?
- What evidence do we have that the actions by anglers under changes to byelaws will yield increased stocks?
- Why not continue with voluntary means?
- Would like to see more staff time and effort on this work.
- Would like to know the accuracy of the information that comes to anglers about stocks.
- If it doesn't work would we be prepared to back down?
- Salmon returns and trials have not been successful.

Ceri Davies responded to the main points as follows:

We are currently preparing our consultation proposals following discussions with stakeholder groups about the evidence we have and what we should consider doing in terms of byelaws but also other proposals like angling methods.

We will set out the evidence base for all to see including information around confidence levels. We will try to assess the costs and benefits of what we are doing via an impact assessment.

We will also be clear that changes to byelaws is just one aspect; we are also using our regulatory role to ensure the rivers are of the best quality to support biodiversity. We are also investing in river restoration schemes to do the same. But we can't ignore the

evidence of declining stocks and not then look at angling and net controls too. This is a sustainable management of natural resources approach.

We will retain an open mind in developing our consultation document and setting out the evidence base and throughout the consultation process. We will only reach a conclusion at the end of the consultation process once we've considered all the representations and any evidence submitted via that process.

We want to work with local and regional fisheries groups and would be happy to talk to stakeholders about our consultation proposals.

**Martin Bishop from Confor** - What are the private sector doing in both responding to ancient woodland sites restoration and creating new woodlands else? It is very hard to get permission to plant on new ground.

At the moment the default position is not to plant – it can take about 2 years to complete an EIA, and 3 months for NRW to advise on the need for an EIA. There has been a reduction in both the public and private sector planting, driven by EU money. We need to get better at doing the compensatory planting - regulation is the key issue.

The Board noted that there is a consultation on the EIA threshold being led by Defra at present. Martin noted the Auditor General for Wales' report on Long Term Contracts. Martin commented he has long campaigned for more forestry knowledge on the Board and welcomed the Board's interest.

The Chair responded to Martin confirming that a full discussion around the Auditor General's comments had taken place at the Audit and Risk Assurance Committee meeting on 2<sup>nd</sup> March. NRW will be taking these comments away and developing an action plan based on lessons learnt.

**Jack Hanbury Tenison from Pontypool estate –**

There has been a constant issue with waste being dumped in Caerphilly which is a licenced site monitored by NRW. Concerns and issues have been raised with the Chief Executive previously, with the land owner being held responsible for clear up costs. Jack supported the development of a strategy in Wales to promote and develop waste site management.

The Chair responded about NRW's regulatory responsibilities.

The Chief Executive responded that NRW has developed proposals on how the waste management system could be improved; discussions are underway between NRW and WG to identify the powers required for NRW to deliver on some of these requirements.

The Chair concluded it is important for NRW to promote a reduction in criminal activities, working closely with licenced operators so that NRW can support those who were implementing good standards.