



20 September 2018

Paper Title	Performance Report 2018/19 Quarter one report (1 April 2018 to 30 June 2018)
Paper Reference:	NRW B B 44.18
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Purpose of Paper:	For scrutiny
Recommendation:	<p>The Board is requested to scrutinise the performance report for quarter 1 of 2018/19 in advance of sending it to Welsh Government and specifically consider:</p> <ul style="list-style-type: none">• The adequacy of the supporting explanation for each measure and how recent legislation has changed how we work• The action taken and planned

Impact:	<p>How do the proposals in this paper help NRW achieve the Wellbeing of Future Generations Act ways of working in terms of:</p> <ul style="list-style-type: none">• Looking at the long term – Delivery across the dashboard is part of our Business and Corporate Plans and the long term ambition of our Well-being Statement.• Taking an integrated approach – the performance report cuts across the breadth of our work.• Involving a diversity of the population – the performance report is made available to the public.• Working in a collaborative way – a number of our measures reflect working with multiple partners.• Preventing issues from occurring – early identification of emerging issues through the performance report, and plans to deal with these, enables possible improvements to be identified.
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Issue

1. The 2018/19 quarter one round of corporate performance reporting, for 1 April 2018 to 30 June 2018, has now been completed. The performance report has been prepared for Board scrutiny prior to submission to Welsh Government. Performance reporting takes place every three months – a change from last year (when we reported every four months)

Background

2. The corporate performance report is one of the Board's principal ways of scrutinising our delivery and supporting strategic planning.
3. The performance report (annex 1) was developed as part of the process to prepare the 2018/19 Business Plan and the Corporate Plan to 2022 with the Board, the Executive Team and the Planning & Performance sub group of the Board. It consists of:
 - A dashboard providing a single page overview of performance highlights against the Business Plan 2018/19.
 - Text for each dashboard target focussing on why each activity is important, what we have achieved and what we are going to do next.
 - Text explaining how, the Environment (Wales) Act and Wellbeing of Future Generations (Wales) Act have changed how we work.
4. This is the first report for current Business Plan (2018/19). It is also the first report related to our new Corporate Plan to 2022. Our Corporate Plan also contains our latest set of Corporate Indicators which we expect to report against later this year. Indicator reporting specifically support each year's strategic planning and review of our Well-being Objectives.

Assessment

5. For the dashboard, the first report for new Business Plan (2018/19), our performance is shown below. For future periods we will show the previous report situation, and expectation, as appropriate.

	Quarter 1 1 April 2018 to 30 June 2018
'Green'	24
'Green/Amber'	0
'Amber'	3
'Red/Amber'	2
'Red'	0
N/A	6
Total	35

6. The Board is requested to scrutinise the performance report for quarter 1 of 2018/19, and specifically consider:
 - The adequacy of the supporting explanation for each measure and how recent legislation has changed how we work
 - The action taken and planned.
7. The Board is asked to note the following items from the performance report
 - Red/Amber – Incident Response – This has been a challenging quarter with resources being diverted to help with responding to incidents as well as undertaking other priority work. This has meant that there has been less focus on ensuring that timescales are met and incident records are updated and are closed down in a timely manner. There is continuing interaction with local teams who are supplied with performance data. This is helping to understand where there are barriers and blockers to incidents being closed within 30 days, and to better target where improvements need to be made. Further guidance will be issued to teams to encourage the response times to be added to reports for easier identification of our response times to 'High Category' incidents. We know that there is a gap between our response on the ground and our reporting, and we are working to improve that.
 - Red/Amber - Reservoir programme – The purpose of the Reservoirs Act 1975 is to protect people and property from the uncontrolled release of water from large, raised reservoirs and the potentially catastrophic consequences that can arise. A change in legislation in 2016 means that we now manage and maintain 40 reservoirs under the Act. We are delivering a programme of work to ensure that all these reservoirs become compliant with the Act. There has been a fall in performance, mainly due to the change in legislation meaning more breaches of the Act are reported at an earlier stage. We have a significant amount of corrective measures to undertake. There are a total of 225 “Measures in the Interest of Safety” to be completed by 2022; 105 have been completed to date with a further 60 required to be completed by the end of 2018/19 year. We have a programme of work in place to address the required measures and continue to assess each site to identify the best future management option of either, improve, maintain or discontinue. We anticipate an improvement as we go through the year, but it is unlikely to become green as there are a significant number of measures to complete.
 - Amber - Flood assets – we own and maintain over 3,900 flood risk assets in providing an agreed standard of protection to 73,000 properties in Wales. We inspect our assets on a planned rolling basis, plan repairs where needed, and monitor the status every month. At current levels, 55 asset fixes are required to reach the target of 99% of our assets in high risk systems passing. The forecast was for 13 asset repairs to be carried out in quarter one, of which five were carried out. Asset fixes are prioritised on the degree of flood risk posed from the failing asset and the available resource. Flood events can also impact the programme of repairs. Contingency Plans have been created locally where required until the asset is fully serviceable. We expect that the assets not repaired in quarter one will be addressed in quarter two along with those already planned. As assets are inspected

on a rolling basis then as assets are fixed, some others will be identified as failing. It is hard to predict future performance levels as new failings can be identified at any time, but repairs are actioned on the back of the monitoring. The more substantial fixes are included in the capital programme of work, and so may take some time to deliver. An example of this is the substantial flood alleviation work at Crindau, Newport.

- Amber - Monitoring and addressing tree and plant health – *P ramorum* is the most serious tree disease problem to have affected forests in Wales. Over the past few years it has spread very rapidly and is now causing very serious economic, social and environmental impacts. The control measures through the Statutory Notice is a legal requirement for the protection of plants from harmful pests and diseases by preventing disease introduction or spread. We have been managing the disease using Statutory Notices since 2010. To date over 8,000 ha of larch on the Welsh Government Woodland Estate have been placed under some form of Statutory Notice. We will continue to regulate the disease in the manner noted in Welsh Government's *Phytophthora ramorum* in Wales - Disease Management Strategy. The 90% target for notices to be issued within 30 days of disease confirmation has not been met; it is currently 60%.
 - Amber - Organisational design – We are developing a new operating model that achieves our purpose and enables Sustainable Management of Natural Resources in all we do. Revisions to our Senior management Review and testing has required additional time and the detailed design was completed in July and not June as planned, hence the amber rating. However the overall programme is still on track.
 - Green – Independent Review of Timber Contracting – our independent reviewers have been appointed and are now commencing their review of documentation and programme of meetings with staff, Board members and Wales Audit Office. We expect their report in the Autumn. We will appear before the Public Accounts Committee later in September.
8. The Chief Executive will provide a verbal summary of achievement at the Board meeting and members of Executive Team will be available to answer questions.
 9. The performance report will be submitted to the Minister for the Environment and Rural Affairs and it will be published on the Natural Resources Wales website.

Recommendation

10. The Board is requested to:

- Scrutinise and agree the performance report for quarter one, prior to its submission to Welsh Government

Key Risks

11. If the performance information provided does not accurately reflect progress towards Business/Corporate Plan Objectives, then the Board will be unable to fulfil their role to scrutinise NRW's delivery.

Financial Implications

12. There are no significant financial implications in providing the performance report.

Equality impact assessment (EqIA)

13. An equality impact assessment was carried out on the 2018/19 Business Plan.

Index of Annex

[Annex 1 – 2018/19 quarter one performance report \(1 April 2018 to 30 June 2018\).](#)