Agenda

Title of Meeting:	NRW Board Meeting – Day 2 (Public Session)

Date of Meeting:	21 November 2019	**Venue:**	Welshpool Livestock Sales, Buttington Cross, Welshpool SY21 8SR

Time of Meeting:	09.00

Time:	**Subject**
09.00 **(5 mins)**	**1. Open meeting** • Welcome • Apologies • Declaration of Interests Sponsor and Presenter: Sir David Henshaw (Chair)
09.05 **(15 mins)**	**2. Review public minutes from September meeting and Action Log** **2A. Review September 2019 Public Minutes** **2B. Review Public Action Log** Sponsor and Presenter: Sir David Henshaw (Chair)
09.20 **(40 mins)**	**3. Local Presentation – Presentation Only** Sponsor: Gareth O'Shea, Executive Director of Operation Presenter: Martin Cox, Head of Mid Wales Operations Summary: Local Presentation
10.00 **(30 mins)**	**4. SoNaRR Interim Report** Sponsor: Ceri Davies, Executive Director of Evidence, Policy and Permitting Presenters: Michael Evans, Head of Knowledge and Evidence and Julie Boswell, Lead Specialist Advisor, Environmental Reporting Team **Paper: 19-11-B11** Summary: To sign off the SoNaRR Interim report
10.30 **(10 mins)**	**Break**

10.40 **(20 mins)**	**5. Climate Emergency Update** Sponsors: Ceri Davies, Executive Director of Evidence Presenter: Clive Walmsley, Lead Specialist Advisor: Climate Change & Decarbonisation **Paper: 19-11-B12** Summary: To provide an update on the work being carried out on the Climate Change emergency
11.00 **(15 mins)**	**6. JNCC Overview – Presentation only** Sponsor: Sir Davids Henshaw, Chair Presenter: Michael Evans, Head of Knowledge and Evidence Summary: To provide an overview of the role of JNCC and its relationship with NRW and its ongoing activities
11.15 **(15 mins)**	**7. Area Statements Update – Presentation only** Sponsor: Gareth O'Shea, Executive Director of Operations Presenter: Martin P Evans, Head of South West Wales Operations Summary: To provide an update following the stakeholder engagement workshops on Area Statements
11.30 **(45 mins)**	**8. Corporate Performance Dashboard 2019/20 – Quarter 2 and Incident Management update** Sponsor and Presenter: Clare Pillman, Chief Executive **Paper: 19-11-B13** Summary: To provide an update on Quarter 2 performance and Incident Management pathway
12.15	**Close meeting**

Unconfirmed Board Minutes

Title of Meeting: **Location:**	**NRW Board Meeting – Public** **Crug Glas Hotel, St Davids**
Date of Meeting:	Thursday 19th September 2019
Present Board Members:	Sir David Henshaw; Chair Clare Pillman; Chief Executive Prof Steve Ormerod; Deputy Chair Chris Blake Catherine Brown Julia Cherrett Geraint Davies Howard Davies Dr Elizabeth Haywood Zoe Henderson Dr Rosie Plummer Prof Peter Rigby
Executive Team Present	Ceri Davies, Executive Director of Evidence, Policy and Permitting Prys Davies, Director of Corporate Strategy and Development Gareth O'Shea, Executive Director, Operations South
Additional Attendees Present:	Catrin Hornung, Head of Communications and External Relations – All items Rhian Jardine, Head of DPS and Marine Services – All items Helen John – All items Tracey Mayes, Team Leader, Office of the Chief Executive – All items Nick Thomas, Principal Advisor, Strategic Projects Sue Williams, Lead Specialist Advisor, Children, Education, Lifelong Learning and Skills – Item 4 Michael Evans, Head of Knowledge and Evidence – Item 5 Julie Boswell, Lead Specialist Advisor, Environmental Reporting Team – Item 5 Amanda Paton, Specialist, Transformation of Customer Services – Item 6 Peter Gough, Principal Advisor Fisheries – Item 7 Mary Lewis, Marine and Coastal Policy and Planning Team Leader – Item 9
Secretariat:	Carol Stevens Rhiannon Spencer

1. Open Meeting

1.1 Welcome – Chair welcomed all and members of the public to the meeting and all around the table introduced themselves.

1.2 Apologies noted for Board Member Karen Balmer, Kevin Ingram, Executive Director of Finance and Corporate Services and Tim Jones, Executive Director Operations North and Mid.

1.3 Declaration of interest: None declared.

2. Review Minutes and Action Log

2A. Review minutes from July Public meeting
Minutes of the meeting on the 11th July 2019
It was noted that Catherine Brown was not in attendance at the public meeting on the 11th July 2019. Minutes to be amended to reflect this.

2B. Review July Action Log
The actions in the action log were considered.

3. Brexit Update – Presentation only
Nick Thomas, Principal Advisor, Strategic Projects

Executive Director of Operations South gave introductions.

3.1 The Board were advised that the purpose of the item was to provide assurance of our preparedness as a category 1 responder.
NOTED: NRW were prepared for Brexit no deal exit on 31st March 2019 and have used the Summer to get even better prepared from a policy front and incident response perspective.

3.2 Nick Thomas, Principal Advisor, Strategic Projects provided the Board with a presentation and advised that since April 2019 we have focussed on business-critical activities, business readiness and multi-agency working. Focusing on business continuity planning.
NOTED: All teams have business continuity plans in place, and even without Brexit, this was a critical and important piece of work.

3.3 Current work priorities included, but were not limited to, reviewing business continuity plans, reviewing business critical activities and ensuring that our key facilities and staff are prepared for potential disruption.
NOTED: Over all we feel like we're in a good place now. The next step is to consider undertaking some scenario planning for what the consequences of a no deal Brexit could cause.

3.4 NRW has a key role in supporting Local Resilience Forums and multi-agency working, and all Leadership team and Executive team have been trained to support these forums.

3.5 The Board asked questions around whether the resource for this area of work and the additional cost were being monitored. The Executive Director of Operations South advised that we are able to quantify the cost.

3.6 Questions were raised around how EU staff are being supported.
NOTED: There are around 30 EU staff in NRW and they are being supported as a specific group. Tone of communication is support for staff and remaining neutral. It was felt that there was a good support group that Katherine Duggan has been leading on for mutual support and help.

3.7 The Chair asked that there be a regular update to the Board on this issue as time progresses.
ACTION: Board to be provided with regular update on Brexit preparedness – Executive Director of Operations South

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4. **Education Approach – Paper 19-09-B11**
Sue Williams, Lead Specialist Advisor, Children, Education, Lifelong Learning and Skills.

4.1 The Executive Director of Evidence, Policy and Permitting gave introductions and explained that this was a comprehensive paper on what we cover in this activity and that there had been a significant change to this teams work following the business area review and a decision to 'focus on influencing and providing advice to Welsh Government on Education and Skills - recognising that other providers are better placed to take on direct delivery of formal education'.

4.2 The presentation looked at the new operating model – providing advice, support and guidance, encouraging the use of our resources and data by others and enabling others to use the land we own and manage.

4.3 Information was also provided on our new policy position which now covered Children, Education, Lifelong Learning and Skills.
NOTED: There are 8 strands within the policy which with the issues of the moment focus our work, but these strands were open to change as we respond to new legislation. The Board were advised that this new legislation represented the biggest education reform since 2008.

4.4 The Board discussed the training programme for teachers, professionals and stakeholders as well as Acorn Antics, the participation that had been seen and Outdoor Learning Wales Week. All had been receiving positive feedback and participation was growing annually.
NOTED: NRW were now uploading materials to Hwb which is the Welsh Government's resource for teachers.

4.5 The Chief Executive advised that there was a question from the stakeholder event on the 18th September around how we involve young people in policy making. It was felt that this is hugely important to us as an organisation. Sue Williams felt that Young Wales is in a good position to do this with us and that we could also work with organisations like Young Farmers Cymru and enter questions in to one of their debating competitions.

4.6 It was felt that the Board could increase exposure to the voice of the young by inviting a group of young children to come and present to the them following the Children's charter being released and they could give their opinions on the charter.

ACTION: Sue Williams to come up with series of propositions on how the Board might involve young children in their Board meetings.

4.7 The Board asked that any work going forward, including on our 2050 vision also have emphasis on diversity and inclusion especially around age. It was also felt that we should be targeting Agricultural colleges as they are our future land managers.
NOTED: Work is already being done in this area.

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5. SoNaRR Update – Paper 19-09-B12

Julie Boswell, Lead Specialist Advisor, Environmental Reporting Team and Michael Evans, Head of Knowledge and Evidence.

5.1 The Executive Director of Evidence, Policy and Permitting gave introductions and context to the item. The Board were advised that we're coming up to key milestones in preparation of the interim report. The Interim reporting step allows Welsh Government to consider the policy changes they'll need to make.

5.2 Head of Knowledge and Evidence; Mike Evans provided the Board with a presentation which looked at Engagement, Indicators of SMNR and publishing of SoNaRR2.
NOTED: The SoNaRR workstream is currently at Amber but looking to be Green by the end of September.

5.3 Head of Knowledge and Evidence; Mike Evans spoke about what the Interim report covers and the emerging changes since SoNaRR1.
NOTED: It was asked by the Board that cultural reflection be included in the indicators. Questions were also raised around where we're drawing our set of evidence from and if we are confident of the quality of the evidence coming out of State of Nature. The Board were advised that we are confident that the evidence from State of Nature is solid and that we're working with Government on modelling.

5.4 The Chair raised concerns as to how understandable the report was and asked that the Executive Team look at the accessibility of the information for landing this with the public. The Board supported additional communications and engagement resources being considered so that the final report is well publicised.

ACTION: Executive Team to look at the level of understanding and accessibility for landing the SoNaRR information with the public.

6. Customer Service Update – 19-09-B13
Amanda Paton, Specialist, Transformation of Customer Services.

The Executive Director of Evidence, Policy and Permitting gave introductions and advised that this was a 6-monthly update as requested by the Board.

6.1 Specialist, Transformation of Customer Services, Amanda Paton provided a presentation to the Board and advised that since she last presented to the Board in March 2019 the Customer Programme Board had agreed to scale back on some of the delivery proposal to focus on delivery of 6 of the 13 projects to 'get the basics right', and provide additional funding for programme and project resources. This scaling back was seen as necessary to ensure that getting the basics right could continue in parallel with Brexit preparations and Organisation Design which presented work pressures.

6.2 The Board were advised that there had been a focus on customer journey mapping and where we need to be improving. Self-serve transactions had been reduced from 90 to 20 minutes. Accessibility improvements were being made to the website and changes to web content so we're providing a better search functionality.

6.3 We're also increasing standards and have run a number of workshops around tone of voice to improve written and oral communication skills.
NOTED: A lot has been learnt from the workshops with mixed reviews on effectiveness. There will however be a review on how we can improve that for induction and training for the business.

6.4 Customer service week (7th - 11th October 2019) was discussed and the Board were asked for suggestions on how they could engage with this activity. Suggestions were given and a 'Board – back to the floor' was suggested for the 10th October. Board Members were asked to provide details of their availability directly to Amanda Paton.

6.5 It was felt that there needs to be more evidence provided on performance measures to show progress and consider rerunning some of the benchmarks and that some integrated performance reporting was needed.
ACTION: Amanda Paton was asked that the data that is shared with the Executive Team on indicators and risks also be shared periodically with the Board.

7. Approval of Fishing byelaws – Paper 19-09-B14
Peter Gough, Principal Advisor Fisheries.

7.1 The Executive Director of Evidence, Planning and Permitting gave introductions and advised that this was an update to where we are on rod and net fishing byelaws for Salmon and Sea Trout in Wales, including the 3 cross-border catchments.

7.2 Principal Advisor Fisheries; Peter Gough gave an update on measures and the plan of action for protection of Salmon and Sea Trout. He also spoke about the key principles for our fisheries and showed graphs outlining the decline for Salmon and Sea Trout to outline why we are taking action.

7.3 The Board were then advised of the Fishing byelaws which had been approved.
- All Wales - Emergency byelaws (rod and net) implemented for 2019 all rivers and net fisheries – expires 31st December 2019

- All Wales - New byelaws (rod and net) – excludes the 3 cross-border rivers – approved by Minister in July 2019 following local inquiry - implementation for 10 years from 1st January 2020.

7.4 The proposed cross-border byelaws were then discussed, as was the Inspectors report which was published on the 16th July 2019. Peter Gough also gave some background on the constraints to fishing stocks and the progress that is being made. He spoke about the Fish Habitat Restoration Plans and that 4 were completed, 1 in progress   with an aim to complete 10 more this business year.

7.5 It was felt that NRW had some learning points to consider from the feedback received from the public and stakeholders on this topic. The message that was being received is that NRW is not communicating or listening and is not acting on critical matters.
NOTED: We are already responding to the learning points and attend 9 local fishery groups and have a Wales Fisheries Forum with key NGOs represented. The focus now was to meet with these groups in October so that they could contribute to the 'Plan of action'.

7.6 The Board asked questions and gave their feedback. There was a real sense that we need a more strategic approach to stakeholder engagement moving forward across all of NRW activities.

7.7 Questions were asked around what can be done if anything around the increase in water temperature and if we can make it clearer that it isn't just agriculture that pollutes the rivers.
NOTED: Programme of cooling rivers initiative is showing some good results elsewhere, as is introducing trees along the river where they've been removed.

The Board **NOTED** following:

- the implementation of new rod and net fishing byelaws within Wales to come into force on 1st January 2020
- NRWs imminent application (following Board approval in July 2018) to the Minister for confirmation of The Cross-Border Rivers Rod and Line (Salmon and Sea Trout) (Wales) Byelaws 2019
- the proposed simultaneous and complementary action by the Environment Agency to apply for matching byelaws in the English Dee and Wye catchments
- the recent decision of the Environment Agency to implement Emergency Byelaws in the English River Severn catchment

DECISION – APPROVED - The Board have considered and approved the NRW proposal to make and implement new Emergency Byelaws for rod fishing for salmon in the River Severn within Wales (the River Severn Rod and Line (Salmon) (Wales) Emergency Byelaws 2019).

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8.   Corporate Performance Dashboard 2019/20 – Paper 19-09-B15

8.1   The Chief Executive provided an update on our performance on the first quarter of this financial year. It was agreed at the last Board that we would not just focus on Red and Red/Amber measures, but that it was also important to highlight where we're performing well.

8.2   For Quarter One there are currently 26 measures; 16 Green, 6 Amber, 1 Red/Amber and 3 Red. Some of the areas discussed were Land and Water Management seeing an Amber measure for creating new woodland which had improved due to summer planting and ongoing ground preparation which has brought our restock programme back on track. Developing Area Statements is Green, and many Board members have been involved in these discussions. The implementing of River Basin Management Plans is currently Red, but the Executive Team have agreed they want to see a clear pathway to green by next ET meeting.

ACTION: Board to have a deep dive on the implementing of River Basin Management Plans at the January 2020 Board meeting – SECRETARIAT TO NOTE

8.3   Reducing risk is currently at 1 Green, 1 Amber, 2 Red.
NOTED: Flood Risk Management Capital programme (Red) will remain Red while projects are delayed. Incident response is red as there is work needed to be undertaken with the IT solution, but it was noted that there needs to be a clear pathway to green on this.

8.4   The Board where then provided an update on Healthier lives which has 4 Green measures and Develop NRW which has 2 Green and 1 Amber.

8.5   It was felt that we need to be clear about who can change a target, and that we need more consistency of definitions and some real clarity.

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9.   Marine and Marine Energy – Paper 19-09-B16
Mary Lewis, Marine and Coastal Policy and Planning Team Leader and Rhian Jardine, Head of DPS and Marine Services.

9.1   Head of DPAS and Marine Services, Rhian Jardine gave an introduction to the update paper on the strategic context for NRWs marine and coastal policy work which complemented the site visit to St Justinian's, and the Stakeholder presentation Board Members had been involved in on the previous day.

9.2   Marine and Coastal Policy and Planning Team Leader**,** Mary Lewis gave a presentation illustrating the multiple overlapping uses and activities of Welsh seas

and how the Welsh National Marine Plan will, once adopted provide a strategic planning framework for our seas which will be a key opportunity to support and enable sustainable development in the right place. The challenge for NRW will be understanding and applying the policy requirement for proportionate advice and decision making.

9.3   The presentation also showed the extent of the marine protected sites and the importance of them to support resilience of the marine environment as a whole. The presentation closed with the opportunity that the marine provides for renewable energy and our role as advisor and decision maker and the importance of us engaging with Welsh Government across all the work areas, on a clear investment strategy in marine, especially in relation to delivery of the decarbonisation and ecosystem resilience agendas.
NOTED: The breadth of NRW's work in the Marine environment and the challenges and opportunities it presents.

9.4   The issues raised during the presentation were discussed further especially those around the marine protected area network and ecosystem resilience**.**

9.5   The Chair asked to revisit a Marine topic at the March 2020 Board meeting
ACTION: Secretariat to note that the Chair has requested a Marine topic at the March 2020 Board meeting - SECRETARIAT

Close of meeting

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10   The Chair welcomed questions and observations from the Public:

10.1   Questions were received on the land bank of the Welsh Government Woodland Estate, the plan for restocking and the Nolan principles.

19-11-B00 Public Action Log

Board Meetings									
Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
Public	19/09/2019	3	3.7	Gareth O'Shea, Executive Director of Operations South	**ACTION**: Board to be provided with regular update on Brexit preparedness – Executive Director of Operations South	Gareth O'Shea, Executive Director of Operations South	16/10/2019	Completed	Board provided with updates every month during either Board update call or Board meeting
Public	19/09/2019	4	4.6	Ceri Davies, Executive Director of Evidence, Policy and Permitting	**ACTION:** Sue Williams to come up with series of propositions on how the Board might involve young children in their Board meetings.	Sue Williams, Lead Specialist Advisor, Children, Education, Lifelong Learning and Skills		Ongoing	
Public	19/09/2019	5	5.4	Ceri Davies, Executive Director of Evidence, Policy and Permitting	**ACTION:** Executive Team to look at the level of understanding and accessibility for landing the SoNaRR information with the public.	Executive Team		Ongoing	Executive team are addressing this and work will continue until the report is completed.
Public	19/09/2019	6	6.5	Ceri Davies, Executive Director of Evidence, Policy and Permitting	**ACTION:** Amanda Paton was asked that the data that is shared with the Executive Team on indicators and risks also be shared periodically with the Board.	Amanda Paton, Specialist, Transformation of Customer Services.	20/09/2019	Completed	Information will be shared with the Board periodically
Public	19/09/2019	8	8.2	Clare Pillman, Chief Executive	**ACTION:** Board to have a deep dive on the implementing of River Basin Management Plans at the January 2020 Board meeting.	Secretariat	20/09/2019	Completed	Noted on the Board forward look for January 2020

Public	19/09/2019	9	9.5	Ceri Davies, Executive Director of Evidence, Policy and Permitting	**ACTION:** Secretariat to note that the Chair has requested a Marine topic at the March 2020 Board meeting	Secretariat	20/09/2019	Completed	Noted on the Board forward look for March 2020

Board Paper

Paper Title:	The Second State of Natural Resources Report (SoNaRR2) – Approval of the Interim Report
Paper Reference:	**Paper 19-11-B11**
Paper Sponsored By:	Ceri Davies, Executive Director of Evidence, Policy and Permitting
Paper Presented By:	Michael Evans, Head of knowledge and Evidence

Purpose of Paper:	**Approval of content of Interim Report**
Recommendations:	The board is asked to approve the draft content – accepting there is still work to do on the layout and design of the web pages.

Impact:	**Looking at the <u>long term</u>:** SoNaRR is an evidence report and informs the Welsh Government's Natural Resources Policy (NRP) **Taking an <u>integrated</u> approach:** SoNaRR is an assessment of the sustainable management of natural resources (SMNR) and so must present evidence in an integrated way **Involving a <u>diversity</u> of the population:** SoNaRR is an all Wales report, incorporating priorities for the population of Wales **Working in a <u>collaborative</u> way:** The plan is to collaborate with relevant stakeholders at all stages in the process **<u>Preventing</u> issues from occurring:** Giving early sight of plans and allowing time for consideration

Issue

1. Consider the draft content of the Interim Report.

2. Take into account discussions around the content of the report, including the meeting on 23rd October.

3. Approve the draft content – accepting there is still work to do on the layout and design of the web pages

Background

4. The second SoNaRR is due to be published in December 2020. The purpose of SoNaRR is to provide the evidence base and assessment of the extent to which SMNR is being achieved and our assessment of biodiversity. The report identifies challenges and opportunities affecting the state of natural resources and information gaps. It reports on successes in the management of Wales' Natural Resources in order to inform Welsh Government's Natural Resources Policy.

5. The Interim Report (termed the draft report in the legislation and statutory guidance) must be provided to Welsh Government in December 2019. The purpose of the Interim Report is to give early warning to Welsh Government of any changes from the previous SoNaRR in relation to what the evidence is telling us about challenges and opportunities in sustainably managing Wales' Natural Resources, any new evidence gaps and give an indication of the look and feel of the next SoNaRR.

    What the Welsh Government Statutory Guidance says:

    "A Draft report is due 12 months prior to each full report to start to inform the Natural Resource Policy. It will:
    - Describe what is emerging as changes in terms of what the evidence is telling us since the last SoNaRR.
    - Describe newly identified evidence gaps and any update to previously identified evidence gaps; how filling the gaps is being prioritised and include any work being initiated to address them.
    - Include an update on the look and feel of the next report"

Assessment

6. The NRW Board discussed the content of the Interim Report at the September Board meeting and in more detail at a skype session on 23rd October.

7. Those not able to attend on the 23rd October have been invited to comment.

8. Changes have been made to the Draft Interim Report as a result of this consultation.

9. Work around the tone of voice and design of the report on NRW's website is ongoing. A mock-up of how the report might look will be included in the presentation to the Board on 21st November.

Recommendations

10. The Board is asked to approve the content of the Draft Interim Report as set out in Annex 1

Key Risks

11. The main risk is not meeting the Statutory timescale for providing the Interim Report to Welsh Government. The Board will need to be able to agree the content of the Interim Report at the November Board meeting so that it can to be published by the end of

December 2019. The Skype meeting on 23rd October provided information to the Board to allow them to carry out this role.

Next steps

12. If the Board is content, we will work with the Communications team on the final design, translation and formatting to ensure it is written and presented in an accessible way.

13. The Interim report will be published on the NRW website by 31st December 2019

14. We will continue to engage with our stakeholders in 2020. The Interim report will help guide how they can contribute to SoNaRR2, particularly around the assessments of SMNR and the filling of evidence gaps.

Financial Implications

15. Baseline costs for developing SoNaRR2 and the Interim Report are within SoNaRR and NRW team budgets.

Equality impact assessment (EqIA)

16. An EqIA is not required. The governance of SoNaRR is not a process that impacts on individuals or groups

Index of Annex

Annex 1 The Draft Interim Report for approval

The Second State of Natural Resources Report (SoNaRR2) Interim (Draft) report required December 2019

Executive Summary (to be expanded)

This interim State of Natural Resources Report (SoNaRR) sets out the context in which SoNaRR2 is being prepared. It briefly covers the method for the assessment and details the evidence requirements. This report is published a year ahead of the full report. It aims to engage people in a debate about the challenges we face in building a more sustainable Wales and, in doing so, assist with the drafting of the full State of Natural Resource Report in 2020.

Our intention is to use the best available evidence in our assessments. The confidence we have in the assessments and a description of the quality assurance processes will be included in SoNaRR2. This will help provide a line of sight between the conclusions drawn, the data / evidence and the methodology used.

1. Introduction

The first SoNaRR detailed the many challenges we face in moving towards the sustainable management of natural resources. These challenges range from those caused by indirect drivers of change, such as economic development and technological change, to challenges caused by direct pressures such as the impact of pollution or land use and management.

We face two large and interconnected challenges to the achievement of sustainable management of natural resources. At the time of writing SoNaRR1, the largest challenge by far was climate change. The scale of this issue has since been confirmed by evidence assembled by the United Nations' Intergovernmental Panel on Climate Change (IPCC). The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) has added a second threat, of equal magnitude, the loss of biodiversity. Alongside the evidence on these two global environmental challenges, the United Nations (UN) has set out how we can tackle them.

According to the UN, these challenges **can** be solved by 'conserving, effectively managing and sustainably using terrestrial landscapes' and 'improving the sustainability of economic and financial systems.' (source IPBES). The IPCC report states that tackling the climate emergency will require changes to all major economic sectors, including heavy industry, energy, waste, land use, agriculture, infrastructure, transport and buildings. The UN Global Environment Outlook gives food, energy and transport systems, urban planning and chemical production as primary examples of systems of production and consumption that need innovative, effective and integrated policies.

This Interim SoNaRR is focussed on these two challenges. It first explains the method used in SoNaRR then looks at the challenges of the climate and nature emergencies and finally looks at solutions to these problems.

The challenges of climate change and biodiversity loss are closely interlinked. Climate change has been identified as a primary driver of biodiversity loss. Other drivers that contribute to the loss of biodiversity also contribute to climate change. The conversion of overseas forests to agriculture emits carbon dioxide. In the same way, damage to peatlands in Wales also emits carbon dioxide. The resulting pressure of climate change on ecosystems impacts on the services the ecosystems provide and thereby on wellbeing. These interlinked issues are described in the following graphic, taken from the 2019 IPBES report "Global Assessment Report on Biodiversity and Ecosystem Services"

Societal Implications of Climate Change and Loss of Biodiversity

While each of these issues is an environmental issue, they are also

Development issues affecting poverty, food and energy security and human health

Economic issues Climate change incurs significant economic costs. Biodiversity usually has no market price but has economic and social value

Security issues these issues can lead to local conflict

Equity/ethical issues industrialized countries have largely caused the problems - developing countries and poor people are most vulnerable

Moral issues we humans have no right to destroy the environment

These issues are both inter-and intra-generational and in each case the problem gets more serious over time

Source: IPBES report (2019)

It is clear that the issues we face in moving towards the sustainable management of natural resources need to be looked at strategically, on a whole system basis. This must involve social, economic and cultural elements.

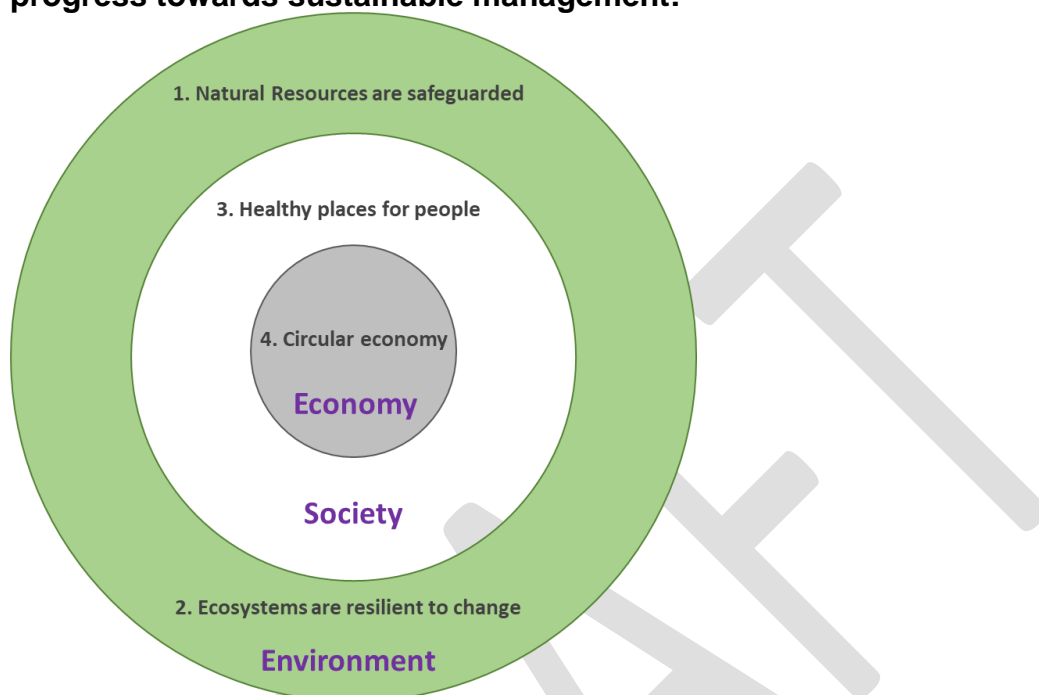## 2.   Assessing the Sustainable Management of Natural Resources

Following the Environment (Wales) Act, SoNaRR is assessing Wales' progress towards sustainable development.   It focusses on the management of the environment. Part 1 of the Environment (Wales) Act sets out the legislative framework to ensure natural resources and ecosystems are resilient and able to provide benefits (ecosystem services) now, and for the future, through the "sustainable management of natural resources". The legislation is based on international best practice of the ecosystem approach which draws on the 12 principles established by the United Nations Convention on Biological Diversity. [1]

To achieve sustainable management of the environment we need to look at the connections to society and the economy. Diagram 1 shows these three interlinked, changing systems. Society is shown to exist within the limits of the environment and

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[1] http://www.legislation.gov.uk/anaw/2016/3/section/3/enacted

the economy is shown a sub system of society. As the economist Herman E. Daly observed, "The economy is a wholly owned subsidiary of the environment, not the reverse." The 4 measures we are using to show progress towards sustainable management are also shown on the diagram.

Diagram 1: The 3 interlinked changing systems and the 4 measures of progress towards sustainable management:

These 4 measures, used to chart Wales' progress towards sustainable management of natural resources, cover the following elements:

1.   *Natural resources are safeguarded and enhanced:*
Tackling overexploitation to ensure that stocks of renewable natural resources are safeguarded and enhanced to meet the needs of current and future generations. Stocks of non-renewable natural resources are used in a sustainable manner and, where depletion is unavoidable, that substitutes are put in place to meet future needs.

2.   *Ecosystems are resilient to expected and unforeseen change:*
Building ecosystem resilience to safeguard and enhance supporting ecosystem services and tackling the impacts of habitat change, climate change, pollution, invasive alien species and other identified pressures will protect the supply of *supporting ecosystem services.*

3.   *Wales has healthy places for people, protected from environmental risks:*
Environmental management and regulation protects people from risks, such as air, water and noise pollution, flooding etc.   *Regulating* and *cultural ecosystem services* are managed to increase wellbeing and provide a healthy environment for all.

4.   *Contributing to a circular economy with more efficient use of natural resources:*

Reducing the environmental impact of production and consumption and our environmental footprint within Wales and internationally, while optimising benefits of *provisioning ecosystem services*.

While looking at separate elements of SMNR, these 4 measures cover every angle of sustainable management: natural resources, ecosystem resilience and ecosystem services. These measures of SMNR are set within the United Nations DPSIR method. This is a widely used framework for considering the factors driving environmental change, their impact and potential solutions. The framework is illustrated in the diagram below:
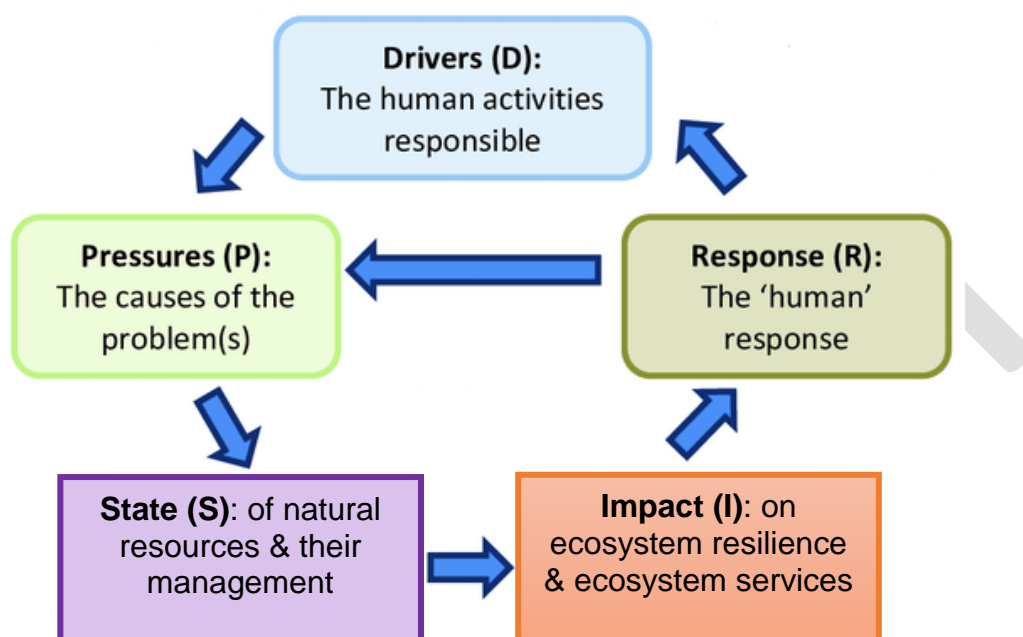
In SoNaRR all components of the DPSIR framework are used in the following way:

- The *Drivers* and *Pressures* on natural resources are documented
- The current *State* of natural resources under these pressures is assessed together with their current management
- The *Impact* of the state of natural resources on ecosystem resilience and ecosystem services is assessed
- A range of *Responses* to make the management of natural resources more sustainable is set out

See *SoNaRR Method* in section 4 below, for more detail on the assessment method.

The aim of SoNaRR is to enable adaptive governance and progress towards the Welsh Well-being Goals:

- A globally responsible Wales
- A prosperous Wales
- A resilient Wales
- A healthier Wales

- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language

Using this method in SoNaRR1 resulted in the identification of the following opportunities to move to more sustainable management of natural resources and maintain and enhance the resilience of ecosystems and optimise the benefits for well-being:

- Increased green infrastructure in and around urban areas, (including urban trees and sustainable drainage)
- Increased woodland cover and more existing woodlands brought into appropriate management to deliver multiple benefits
- Coastal zone management and managed realignment
- Working within whole catchments to manage nutrients, and maintain, enhance and restore floodplains and hydrological systems
- Better soil management for carbon storage, water quality and continued productivity
- Better utilisation of our uplands (mountains, moorlands and heaths) to deliver multiple benefits
- Integrated management of marine ecosystems through a plan-led system that facilitates better understanding of the benefits of marine natural resources and optimises their use

In addition, [SoNaRR1 stated that] global climate change poses risks to the whole range of Wales' natural resources and ecosystems. Adapting to climate change is, therefore, a key priority if current levels of ecosystem services are to be maintained or enhanced. All of the above actions provide opportunities for adaptation.

Also evident [SoNaRR1 stated]….is that many of the opportunities for better management of ecosystems occur in locations distant from where the problems originate. This highlights the need to take a targeted approach to management and to integrate delivery at the appropriate scale (a key principle of sustainable management).

3.   The strategic challenges for SMNR

This interim report looks at the two main pressures of climate change and biodiversity loss. It is the starting point for the assessment, policy and delivery cycle of SoNaRR2 and reflects the new evidence and assessments completed since SoNaRR1. These are explained in more detail in the next two sections.

3.1.   The Climate Emergency

With greenhouse gas emissions at levels unprecedented in at least the last 800,000 years, the IPCC warned that the world must reach global net-zero greenhouse gas emissions by 2050 to avoid the consequences of warming above 1.5 degrees C. The IPCC report emphasized that a 2-degree world would result in much more severe impacts across all ecosystems and sectors and that limiting warming to 1.5 C was still

possible. This will reduce risks to biodiversity, ecosystems, food systems, water and human wellbeing.

The publication of the IPCC report on limiting warming to 1.5 degrees led to a step change in both public perception of climate change and the urgency of response to climate change across government and civil society. Campaigns such as the *School Strike for Climate* and *Extinction Rebellion* have recognised the links between the climate crisis and biodiversity loss resulting in some Governments and Councils declaring a Climate and Environment Emergency.

The Welsh Government has declared a Climate Emergency. Minister for Energy, Environment and Rural Affairs, Lesley Griffiths, said she hoped the declaration would trigger 'a wave of action at home and internationally, from our own communities, businesses and organisations to parliaments and governments around the world.' NRW supported the declaration by setting out a 10-point programme of priority actions to help the public sector decarbonise.

In response to the IPCC report the UK Committee on Climate Change (CCC) reviewed the UK decarbonisation targets and proposed the UK target for Green House Gases be changed from an 80% reduction by 2050 to net zero emissions by 2050. In order to deliver this revised target, the Committee on Climate Change said:
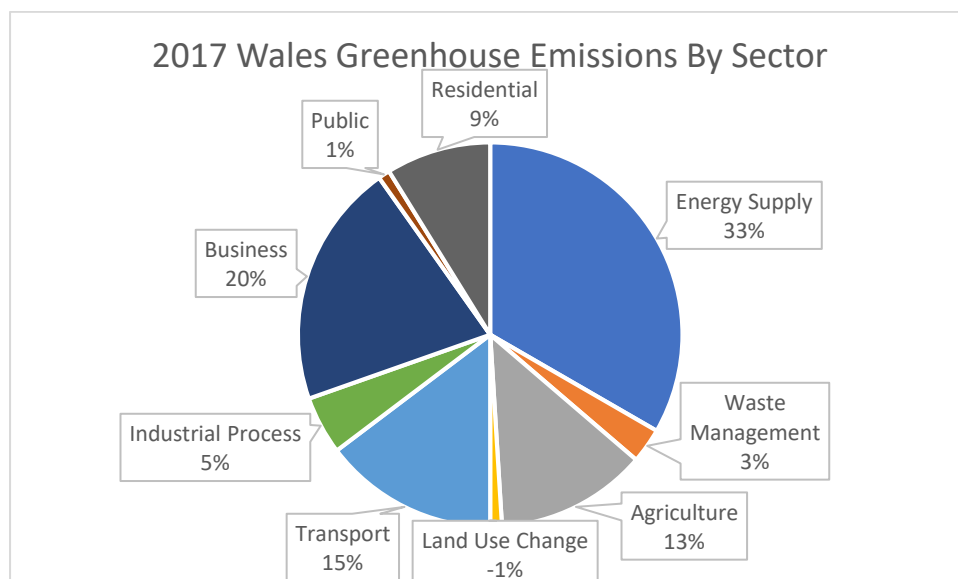
- almost all heating of buildings must be low carbon
- a fifth of UK agricultural land must shift to uses which support emissions reduction, such as tree planting, biomass production and peatland restoration
- we need a 20% reduction in the consumption of lamb, beef and dairy
- industrial resource efficiency must improve, with longer lasting products using less resources, alongside increased reuse and recycling
- supply of low carbon electricity must quadruple

https://www.theccc.org.uk/wp-content/uploads/2019/05/UK-Net-Zero-Advisory-Group-Chair-Report.pdf

Welsh Government has set ambitious targets for decarbonising our energy system. The first priority is to reduce emissions from fossil generation in order to meet the legally binding emissions targets set for 2030, 2040 and 2050. Welsh Ministers have also set targets to generate enough electricity from renewable sources to meet 70% of Wales' electricity needs by 2030; to have at least a gigawatt of Welsh owned generation by 2030 and for all new energy developments to have at least an element of local ownership from 2020. The equivalent of 50% of Wales' electricity consumption was met from renewable sources in 2018.

Greenhouse gas emissions in Wales have fallen by a quarter since 1990, driven in large part by efficiencies in energy generation, natural gas replacing coal, chemical industry abatement, waste reduction and changes in manufacturing output. The Greenhouse Gas emissions by sector are shown below:

(Note: graphic to be designed)

2017 Wales Greenhouse Emissions By Sector

- Residential 9%
- Public 1%
- Business 20%
- Industrial Process 5%
- Transport 15%
- Land Use Change -1%
- Agriculture 13%
- Waste Management 3%
- Energy Supply 33%

Source: National Atmospheric Emissions Inventory

The third annual Well-being of Wales (2019) report provides the following picture for the two sectors in Wales emitting the largest amount of greenhouse gases:

Energy:
- Since 2005, total electricity demand has reduced by 18 per cent.
- Around 22 per cent of electricity generated in Wales is from renewable sources. The amount of renewable electricity generated is the equivalent of 48 per cent of electricity consumed in Wales, a five-percentage point increase compared to 2016.
- At the end of 2017 the installed capacity for renewable energy was 3,683 megawatts. This is 10 per cent higher than the previous year and more than 3 times higher than in 2012.
- New survey data on the energy efficiency of Welsh homes was collected in 2017-18 for the first time since 2008.
  – Energy efficiency is rated on a scale from A to G, with A being the most efficient.
  – There is evidence that homes in Wales are becoming more energy efficient. In 2017-18, the average energy efficiency rating for a home in Wales was band D. This has improved from band E when this data was last collected some ten years ago. New survey data on the energy efficiency of Welsh homes was collected in 2017-18 for the first time since 2008.
  – Despite the improvements in average energy efficiency, only 47 per cent of homes in Wales were considered to have adequate energy performance.

Transport:
- As in most other parts of the UK, private road transport remains the dominant mode of travel and accounts for the overwhelming majority of commuting journeys in Wales.
- In 2017, 81 per cent of commuters in Wales used a car as their usual method of travel, a small decrease since a peak of 84 per cent in 2013.
- While the registration of ultra-low emissions vehicles is increasing, this is from a low base and, as a proportion of all vehicles registered in Wales, it is the lowest of any UK country or region.

- The proportions of people walking or cycling to work, traveling by rail and using buses have remained relatively stable over the past 15 years.
- Over time, reduced car use, stable commuting times and increased use of low carbon vehicles could contribute to a reduction in emissions.

All points above on transport and energy are from: *Well-being of Wales 2018-19*, Statistics for Wales, Welsh Government https://gov.wales/well-being-wales-2019

Wales is required by the Environment (Wales) Act 2016 to reduce carbon emissions by at least 80% by 2050. Following the advice from the UK Committee on Climate Change (CCC) the Welsh Government have accepted the recommendation that Wales should achieve 95% emission reduction by 2050. This is a slightly longer term decrease in emissions than Scotland could achieve and reflects the greater proportion of hard to tackle agricultural and industrial emissions in Wales.

Prosperity for All: A Low Carbon Wales sets out the Welsh Government roadmap for meeting decarbonisation targets in Wales. The current plan covers the period up to 2021. The next iteration will set a carbon budget for 2021-2026 the achievement of which will require significant leadership and collaboration across sectors and society if Wales is to achieve the 2050 target. [2]

3.2. The Nature Emergency

Pressures on the environment are driving global biodiversity declines at rates that are unprecedented in human history. The rate of species extinctions is accelerating. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) estimate that around 1 million animal and plant species across the globe are now threatened with extinction, many within decades, more than ever before in human history. Globally, the average abundance of native species in most major land-based habitats has fallen by at least 20%, mostly since 1900 (IPBES, 2019).

The IPBES assessment makes clear that nature plays an essential role in providing food, energy, medicines and genetic resources for people's well-being and that the biosphere upon which a good quality of life relies is being altered and eroded to an unparalleled degree. Projections for 'Business as Usual' and most other scenarios show that the negative impact on biodiversity, ecosystems functions and many of nature's beneficial contributions to people will continue to 2050 and beyond.

This picture is also reflected in the 2019 State of Nature (SoN) report which shows how human impacts are driving sweeping changes in wildlife across the UK, including Wales. https://nbn.org.uk/stateofnature2019/

The nature and climate emergencies are linked. Changes in climate are driving species to move location three times faster than predicted by modelling.
• Arctic-alpine species within montane habitats will have no-where to go and could be lost entirely from Wales.

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[2] https://gov.wales/prosperity-all-low-carbon-wales

- Where coastal habitats cannot migrate inland, sea-level rise and increased erosion rates could lead to widespread loss. Ecosystem services provided by these habitats, such as flood defence and carbon sequestration will also be lost.
- The number and range of invasive non-native species is likely to increase with the changing climate.

Across Great Britain:

- Of the 8,431 species in Great Britain assessed by the IUCN Regional Red List, almost 1 in 7 are at risk of being completely lost.
- Many species have yet to be assessed.
- 32 plants, 33 fungi and lichens, seven vertebrates and 61 invertebrates are known to have gone extinct.
- 40% of native vertebrate species are at risk of disappearing completely
- Analysis of the status of UK priority species shows that, since 1970, the abundance of priority species has declined by 60%, and their distribution has declined by 27%. Declines in farmland birds have been more severe than those for any other habitat, with a decline of 54% in the Farmland Bird Indicator since 1970 (State of Nature, 2019)

## Species extinction risk assessment (UK)

Assessed
8,431

Threatened
1,188 (14%)
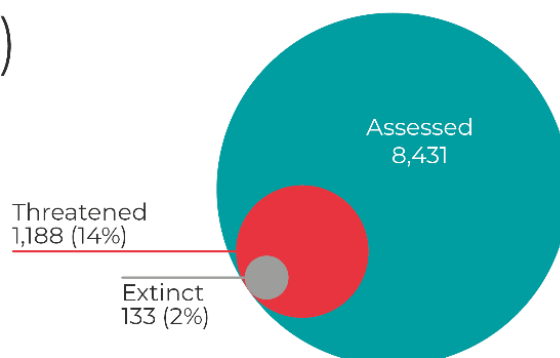
Extinct
133 (2%)

Source: State of Nature Report 2019

In Wales, 1 in 6 species are at risk of extinction. Since rigorous scientific monitoring began in the 1970s, of the 3,902 species assessed in Wales, 73 have been lost, with birds like turtle doves and corn buntings now gone from Wales' skies. A further 666 species are threatened with extinction.
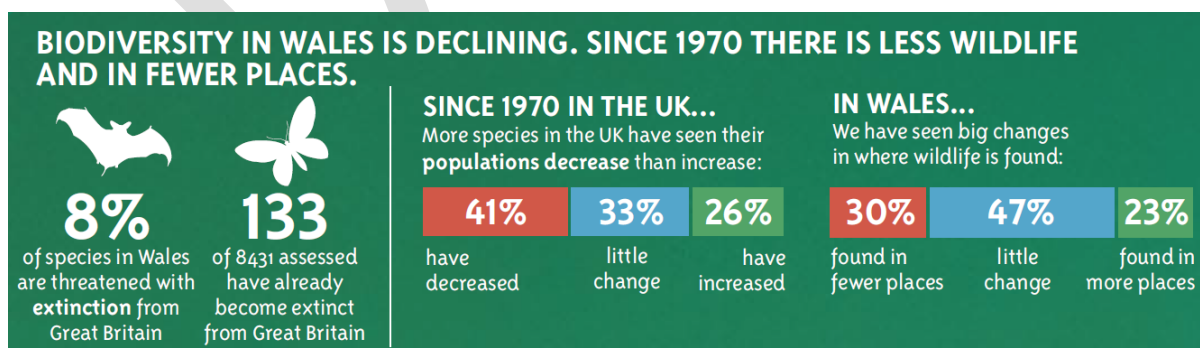
Species extinction risk assessment (Wales)

Assessed
3,902

Threatened
666 (17%)

Extinct
73 (2%)
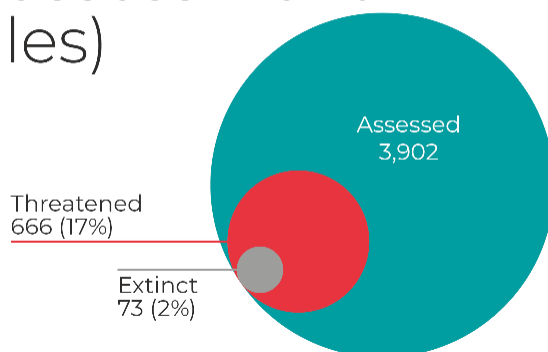
Source: State of Nature Report 2019 - A Summary for Wales

For the terrestrial and freshwater species in the GB assessments found in Wales, 202 plants (10%), 97 fungi and lichens (8%), 86 vertebrates (36%) and 138 invertebrates (5%) are classified as being at risk of extinction. Availability of species extinction risk assessments for within Wales only is more limited. However, the table below demonstrates the extent of species threatened with extinction.

Group	Number assessed	Threatened with extinction	Number of species extinct
Vascular plants	1467	18%	38
Lichens	1316	18%	22
Bryophytes	850	18%	6
Rust fungi	225	20%	7
Mammals	44	32%	0

BIODIVERSITY IN WALES IS DECLINING. SINCE 1970 THERE IS LESS WILDLIFE AND IN FEWER PLACES.

8%
of species in Wales are threatened with **extinction** from Great Britain

133
of 8431 assessed have already become extinct from Great Britain

SINCE 1970 IN THE UK...
More species in the UK have seen their **populations decrease** than increase:

41% have decreased
33% little change
26% have increased

IN WALES...
We have seen big changes in where wildlife is found:

30% found in fewer places
47% little change
23% found in more places

An indicator of species abundance in Wales is not available due to limited data. However, the occupancy indicator for 2977 terrestrial and freshwater species in Wales showed a 10% decline in average distribution between 1970 and 2015. Given that species decline before being lost for a site, this indicates much more significant species abundance declines.
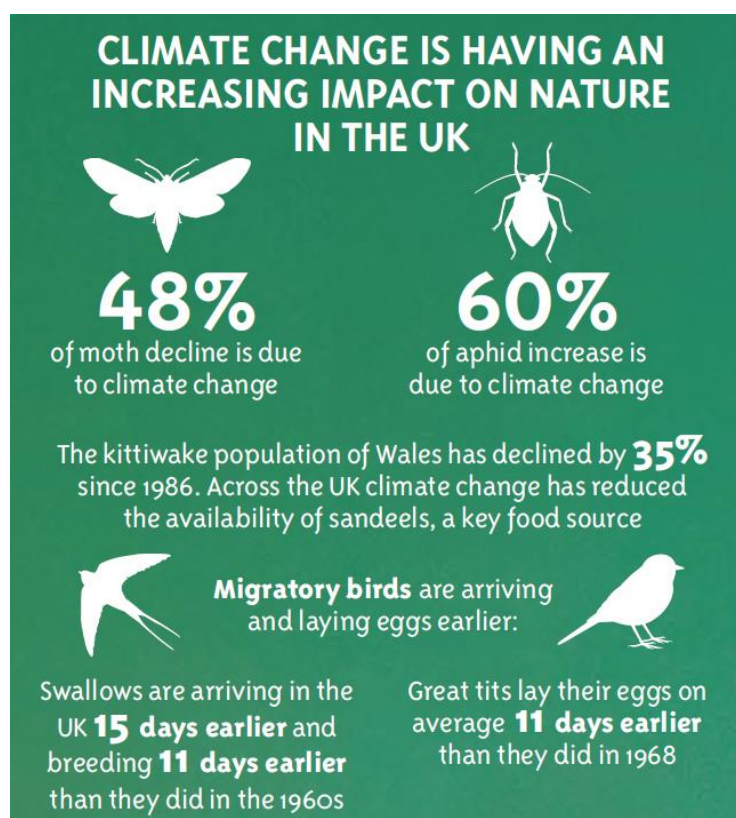
The assessment of the conservation status of all terrestrial and marine species and habitats listed in the Habitats Directive is required every six years. The fourth Article 17 UK Habitats Directive Report (2019) found that at the UK level:

For species
- 35% of species had a favourable conservation status
- 26% of species had unfavourable-inadequate conservation status
- 17% of species had unfavourable-bad conservation status

For habitats
- 8% of habitats had a favourable conservation status
- 10% of habitats had unfavourable-inadequate conservation status
- 81% of habitats had unfavourable-bad conservation status

Further analysis of the Article 17 reporting at the Wales level will be included in SoNaRR2. https://jncc.gov.uk/our-work/article-17-habitats-directive-report-2019/

Overall UK Conservation Status and Trend in 2019 (2013 – 2018 data): Habitats and Species

OVERALL CONSERVATION STATUS AND TREND	SPECIES	SPECIES TOTALS	HABITATS	HABITAT TOTALS
Favourable-improving	11		2	
Favourable-stable	19	33	4	6
Favourable-deteriorating	0		0	
Favourable-unknown	3		0	
Inadequate-improving	1		2	
Inadequate-stable	7	24	5	8
Inadequate-deteriorating	9		0	
Inadequate-unknown	7		1	
Bad-improving	3		13	
Bad-stable	3	16	26	62
Bad-deteriorating	7		18	
Bad-unknown	3		5	
Unknown	20	20	1	1
Total	93	93	77	77

Invasive non-native species

There are 3,208 non-native species in Great Britain, 2,005 of which are classified as established (reproducing in the wild). Of the 193 that are considered to be exerting a negative impact on native biodiversity in GB (46 freshwater species, 39 marine species and 108 terrestrial species) the majority (187) of these species are established.

Over the period 1960 to 2018, invasive non-native species have become more prevalent in the countryside. Since 1960, the number of these species established in or along 10% or more of Great Britain's land area or coastline has increased in the freshwater, terrestrial and marine (coastal) environments, thereby increasing the likely pressure on native biodiversity (UK Biodiversity Indicators 2019).

The graph below shows the number of invasive non-native species established in or along 10% or more of Great Britain's land area or coastline, 1960 to 2018:
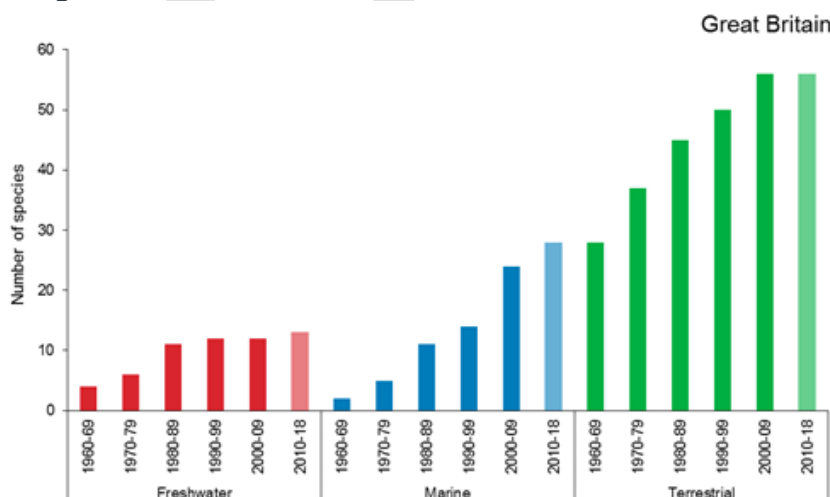
Room for Hope

Although the State of Nature report claims the figures are mainly "cause for alarm", there is "room for cautious hope". Woodland cover has almost quadrupled across Wales, from 4% in the early 1900s to 15% today. Polecats are also making a "slow recovery" from a low point in the 1930s.

The report also highlights a range of conservation initiatives aiming to help nature restoration, for example the Celtic Rainforests Wales EU LIFE project aims to protect and enhance the ancient Western Atlantic Oakwoods of Wales.

The report goes on to highlight efforts by conservation organisations and individuals that have saved various species from extinction. For example, the bittern and the large blue butterfly were brought back from the brink of extinction in Wales.

Drivers of Change

As the UN IPBES report points out, the global decline in biodiversity can be reversed by addressing the drivers of change. The IPBES identifies the direct drivers of change in biodiversity with the largest global impact as:
- changes in land and sea use
- direct exploitation of organisms
- climate change
- pollution
- invasion of alien species

Reflecting the IPBES assessment of drivers of negative change, the State of Nature report cites the key pressures affecting biodiversity loss across the UK and Wales as:
- agricultural management
- climate change
- urbanisation
- pollution
- hydrological change
- invasive non-native species (INNS)
- woodland management

The IPBES report makes it clear that, at a global scale, land-use change has had the largest relative negative impact on nature since 1970. This is followed by the direct exploitation, in particular overexploitation, of animals, plants and other organisms - mainly via harvesting, logging, hunting and fishing in terrestrial and freshwater ecosystems. In marine ecosystems, direct exploitation of organisms (mainly fishing) has had the largest relative impact, followed by land/sea-use change.

Climate change is a direct driver that is increasingly exacerbating the impact of other drivers of change on nature and human well-being. The warming, frequency and intensity of extreme weather events, and the fires, floods and droughts that they can bring, have contributed to widespread impacts in many aspects of biodiversity. These impacts include changes in species distributions, phenology, population dynamics, community structure and ecosystem function.

Many types of pollution are increasing and have negative impacts on nature. Although global trends are mixed, air, water and soil pollution have continued to increase in some areas. Marine plastic pollution in particular has increased tenfold since 1980, affecting at least 267 species, including 86 per cent of marine turtles, 44 per cent of seabirds and 43 per cent of marine mammals. Greenhouse gas emissions, untreated urban and rural waste, pollutants from industrial, mining and agricultural activities, oil spills and toxic dumping have had strong negative effects on soil, freshwater and marine water quality and the global atmosphere.

Cumulative records of invasive alien species have increased by 40 per cent since 1980, associated with increased trade and human population dynamics and trends. Nearly one fifth of the Earth's surface is at risk of plant and animal invasions, impacting native species, ecosystem functions and nature's contributions to people, as well as economies and human health. The rate of introduction of new invasive alien species seems higher than ever before and with no signs of slowing.

In the past 50 years, the world human population has doubled, the global economy has grown nearly 4-fold and global trade has grown 10-fold, together driving up the demands for energy and materials. A variety of economic, political and social factors, including global trade and the spatial decoupling of production from consumption, have shifted the economic and environmental gains and losses of production and consumption, contributing to new economic opportunities, but also impacts on nature and its contributions to people.

Countries at different levels of development have experienced different levels of deterioration of nature for any given gain in economic growth. Economic incentives generally have favoured expanding economic activity, and often environmental harm, over conservation or restoration. Incorporating the consideration of the multiple values of ecosystem functions and of nature's contribution to people into economic incentives has, in the economy, been shown to permit better ecological, economic and social outcomes.

Local, national, regional and global governance have improved outcomes in this way by supporting policies, innovation and the elimination of environmentally harmful subsidies, introducing incentives in line with the value of nature's contribution to people, increasing sustainable land/sea-use management and enforcing regulations, among other measures. Harmful economic incentives and policies associated with unsustainable practices of fisheries, aquaculture, agriculture (including fertilizer and pesticide use), livestock, forestry, mining and energy (including fossil fuels and biofuels) are often associated with land/sea-use change and overexploitation of natural resources, as well as inefficient production and waste management.

These drivers result from an array of underlying causes – the indirect drivers of change – which are in turn underpinned by societal values and behaviours that include production and consumption patterns, human population dynamics and trends, trade, technological innovations and local through global governance. It is clear therefore that to tackle biodiversity loss, just as in the case of the climate crisis, we need to look across our interlinked social, economic and environmental systems.

4. Strategic solutions

4.1. The case for strategic solutions

The challenge of the climate and nature emergencies cannot be tackled in isolation. They need an integrated response capable of shifting social, economic and environmental systems in a more sustainable direction. The IPBES assessment emphasises that 'transformative changes' are needed for the restoration and sustainable use of nature:

> 'Goals for conserving and sustainably using nature and achieving sustainability cannot be met by current trajectories, and goals for 2030 and beyond may only be achieved through transformative changes across economic, social, political and technological factors'.

The IPBES assessment highlights the 'transformative changes in production and consumption of energy, food, feed, fibre and water, sustainable use, equitable sharing of the benefits arising from use and nature-friendly climate adaptation and mitigation, will better support the achievement of future societal and environmental objectives.'

The assessment shows that transformations towards sustainability are more likely when efforts are directed at the following key leverage points:
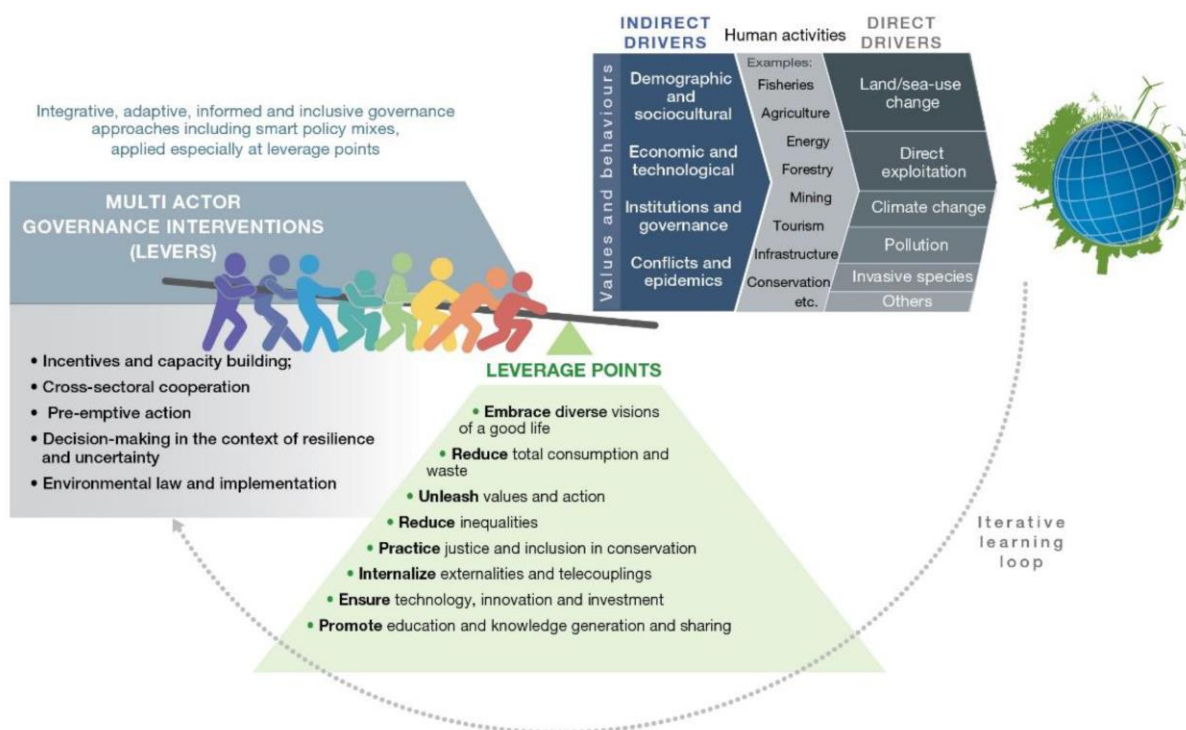
Source: IPBES Summary for Policy Makers
'*Transformative change is facilitated by innovative governance approaches that incorporate existing approaches such as integrative, inclusive, informed and adaptive governance.*'
https://www.ipbes.net/sites/default/files/downloads/spm_unedited_advance_for_posting_htn.pdf

IPBES flags the importance of raising awareness about consumption, protecting local environments, promoting local economies, restoring degraded areas to strengthen ecological networks, having well-connected protected areas, watershed protection, incentives/sanctions to reduce pollution and eliminating others which damage biodiversity. They identify five main interventions for generating transformative change:
- Incentives and capacity building
- Cross-sectoral cooperation
- Pre-emptive action
- Decision-making in the context of resilience and uncertainty
- Environmental law and implementation

An example of an integrated and transformative approach to these global challenges has emerged in the USA in the form of the Green New Deal. This agenda has been picked up in Europe, looking at the transformation of our systems of production, consumption and social organisation. The Stern Review took an integrated approach to the impact of climate change. This led to an appreciation of the systemic impacts. The UK Treasury has launched The Dasgupta Review into the Economics of Biodiversity, which could lead to a similar change in the way the loss of biodiversity is thought about. The review will:

- assess the economic benefits of biodiversity globally
- assess the economic costs and risks of biodiversity loss
- identify a range of actions that can simultaneously enhance biodiversity and deliver economic prosperity

The Adaptive Delivery Framework in Wales

In response to this need, Wales has completely overhauled its legislative framework around the environment and sustainable development. The Wellbeing of Future Generations Act and Environment (Wales) Act have been drawn up to reflect the United Nations approach. This is linked into the approach of other legislation such as the Planning and Heritage Acts.

The adaptive delivery framework for SMNR in sections 8, 9 and 11 of the Environment (Wales) Act sets out a delivery framework for the sustainable management of natural resources in the national and local context:

• The State of Natural Resources Report (SoNaRR), tracks the progress being made towards achieving the sustainable management of natural resources, and serves as an essential evidence base to underpin the Welsh Government Natural Resources Policy.

• The Welsh Government Natural Resource Policy sets out the Welsh Ministers national priorities, risks and opportunities for the sustainable management of natural resources and their general and specific policies for contributing towards achieving SMNR taking into account the evidence base in SoNaRR.
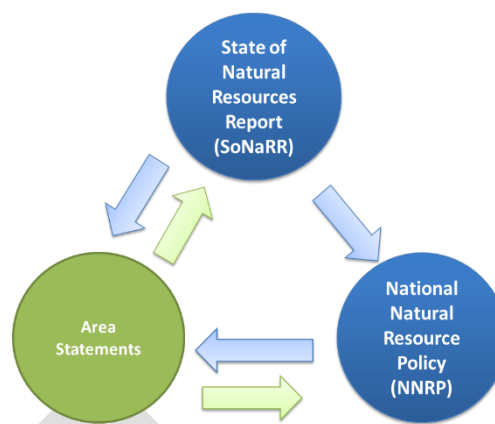
• Area Statements, produced by NRW, facilitate the implementation of the Natural Resources Policy, including the national priorities, in the local context; working across public service delivery, NRW and with wider stakeholders.

SMNR Adaptive Delivery Framework

Underpinned by the new legislative framework, Wales has a strategic opportunity to align and integrate the key delivery system. The National Development Framework, The Wales National Marine Plan and Land Use and Farming help enable this shift.

Integrated Approaches

An integrated approach to sustainable management recognises that biodiversity is essential to our natural resources. It underpins the structure and functioning of our ecosystems and has wider economic, social and cultural significance. Action on biodiversity is embedded in the delivery of the sustainable management of natural resources, ensuring that biodiversity is an essential element to contribute to the resilience of ecosystems. The Natural Resources Policy sets out the requirement for resilient ecological networks as a priority for action, and therefore will be taken forward through area statements.

Wales can implement the transformative change which the UN is calling for by working within this adaptive delivery framework. As context for the type of solutions Wales could explore, we set out below two overarching agendas, responding to the climate and ecological crises. The Circular economy and Green Infrastructure cover the integration of the environment into decision making around economic and social needs. These two agendas offer a strategic framework covering all the action needed to join up our linked social, economic and environmental systems and address the socio-economic drivers of environmental change.

4.2.   Circular Economy – Greening the Economy

A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life. (ref: WRAP)
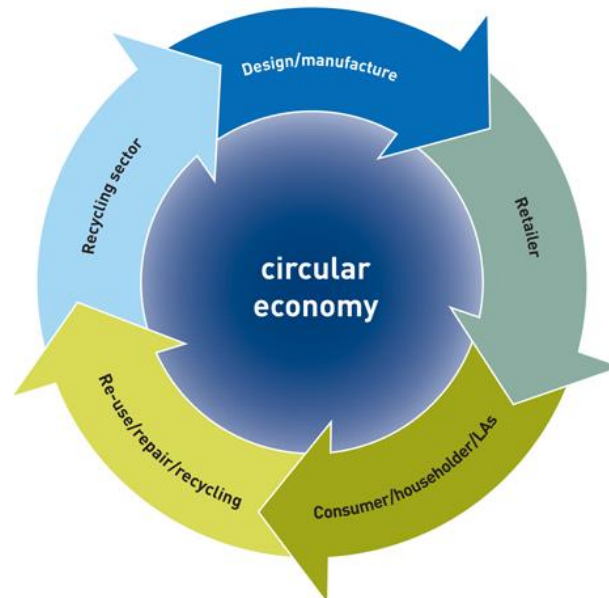
As well as creating new opportunities for growth, a more circular economy will:
- reduce waste.
- drive greater resource productivity.
- deliver a more competitive economy.
- address emerging resource security/scarcity issues in the future.
- help reduce the environmental impacts of our production and consumption both in Wales and abroad.

Reducing and re-using waste is one way to reduce our consumption of resources. According to 2015 estimates, if everyone on the planet consumed the same as the Welsh average, we would need 2.5 planets to provide the necessary resources and absorb the waste.

Wales' ecological footprint, at 10.05 million global hectares, is roughly five times the size of Wales. (*WG Wellbeing Report)*

As a result of SoNaRR1 and the first Natural Resources Policy, action is being taken to promote renewable energy, energy efficiency and to reduce waste.

4.3.   Green Infrastructure – Greening Use of Land and Sea

Green Infrastructure has been defined in Planning Policy Wales as the network of natural and semi-natural features, green spaces, rivers and lakes that intersperse and connect places. The provision of Green Infrastructure can make a significant contribution to the sustainable management of natural resources. It helps to maintain and enhance biodiversity and the resilience of ecosystems in terms of the diversity between and within ecosystems. It contributes to the extent, condition and connectivity of ecosystems and their ability to adapt.

Green Infrastructure can also provide a wide range of benefits that directly affect people. Such as:

- Mitigating the impacts of climate change. For example, green infrastructure can help to reduce the heat island effect in Cities, reduce the risk of drought and flooding, and improve both water and air quality.

- Improving Health and well-being. For example, having easy access to green spaces can result in an increase in physical activity. Proximity to green space has been shown to have a positive impact on reducing stress levels and improving overall psychological health. The increase in people in the environment means more surveillance and can lead to a decrease in anti-social activity.

- Contributing to Economic growth and investment. Investment in green infrastructure can result in an area becoming a more attractive place to live in, which in turn can result in more investment and job creation in the area, as well as an increase in land and property values.

Urban Green Infrastructure

The Natural Resources Policy has been driving major new opportunities to address the underutilised potential of rural and urban Green Infrastructure to provide a range of services via Planning Policy Wales, the National Development Framework and proposed Green Infrastructure Assessments.

Planning Policy Wales (PPW) sets out that development should not cause any significant loss of habitats or populations of species, locally or nationally, and must provide a net benefit for biodiversity. This will require maintaining existing green infrastructure assets, as well as investing in the development and maintenance of new green infrastructure alongside development.
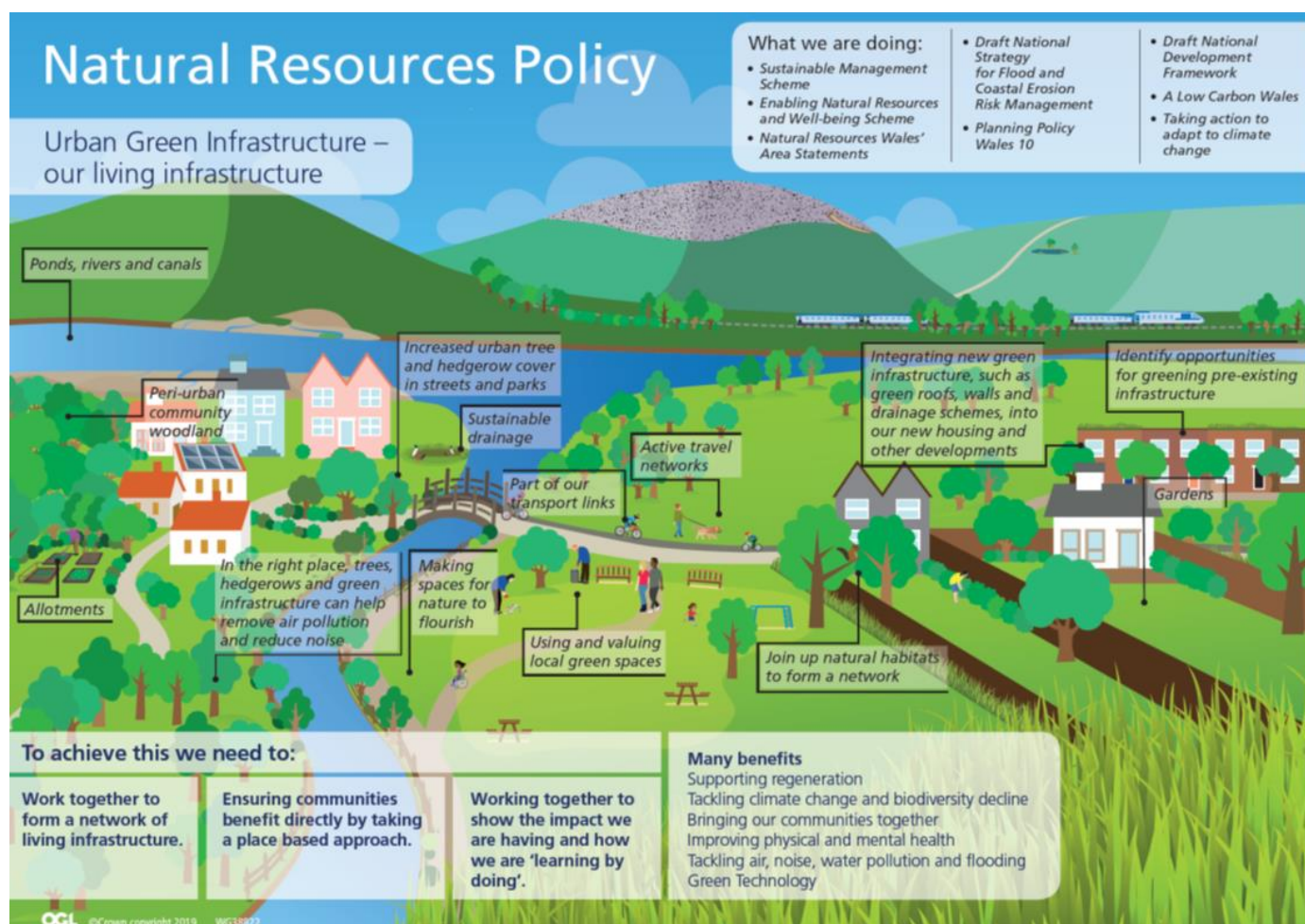
Rural Green Infrastructure

The statistics below show the importance of rural green infrastructure in delivering benefits nationally:

The IPCC advised that a change in land use was needed, with safeguarding of peatlands, more agro-forestry, protection of forests and cutting of meat consumption.

According to the IPBES, nature-based solutions and other natural climate solutions which encourage conservation, ecosystem restoration and improved land management are estimated to provide 37% of the cost-effective climate mitigation measures globally by 2030.

The UK Committee on Climate Change (CCC) predicted that the largest emissions savings from land use would need to come from increased forest cover, jumping from 13 to 19% of the UK land by 2050. A 5% increase in woodland cover would be necessary to meet the WG decarbonisation ambition. New woodland cover on less productive farm land and planting on margins could contribute towards this target.

Upland and lowland deep peat soils represent the largest terrestrial store of carbon in Wales (CCRA17 Evidence Report). Only 30% of the Welsh peatland resource is estimated to be in good condition. [Link back to Climate Emergency]

By using our green infrastructure across Wales we can deliver mitigation and adaptation measures to address climate change and enhance the delivery of ecosystem services.
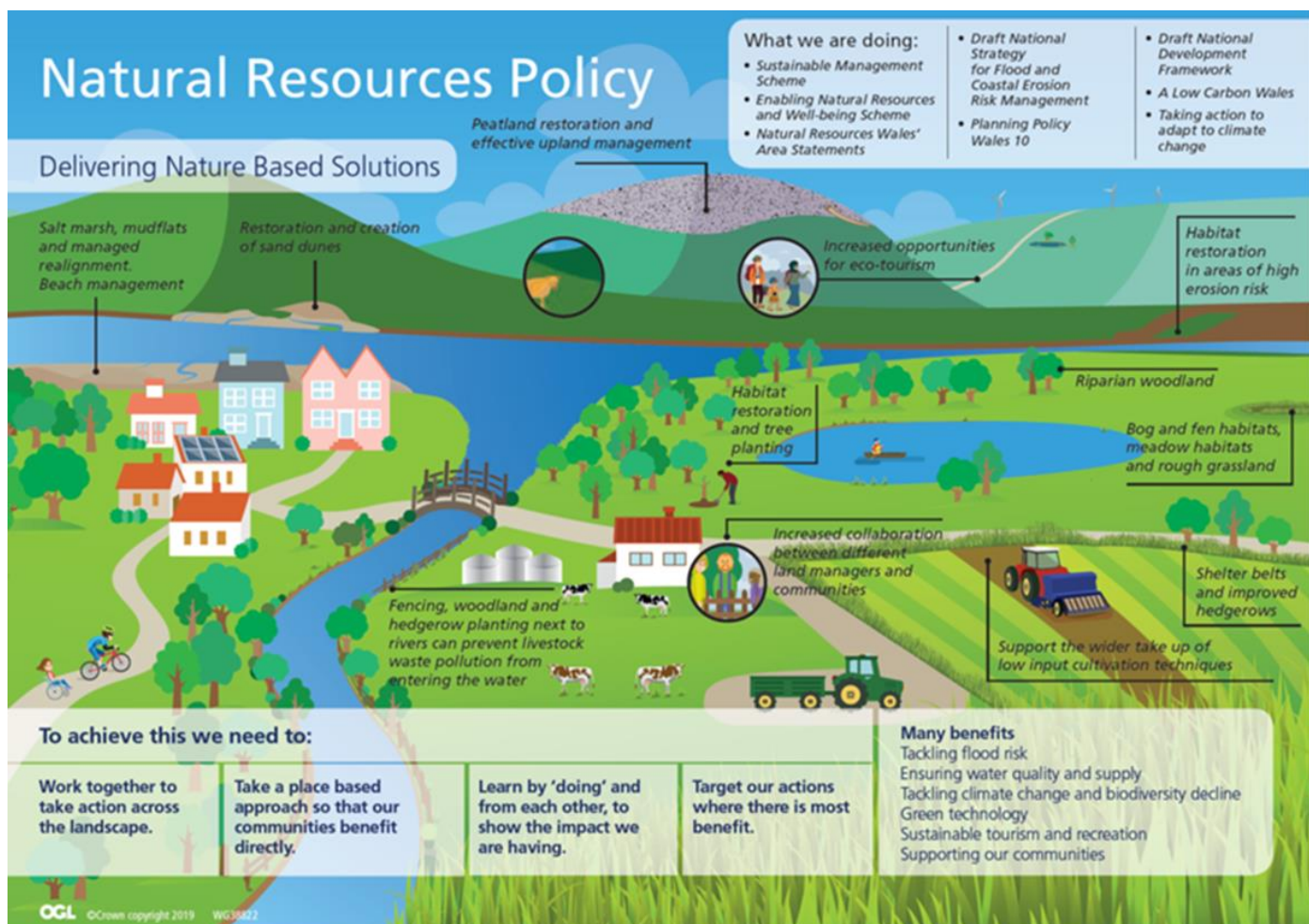
Land Use and Management opportunities:
• Upland and lowland deep peat soils represent the largest terrestrial store of carbon in Wales (CCRA17 Evidence Report). Only 30% of the Welsh peatland resource is estimated to be in good condition.
• Semi-natural peatlands cover approximately 66,000ha and if restored emissions reductions of approximately 70 kt CO_2-eq yr-1 would be achieved
• If all Welsh Peatland were brought into sustainable management it would secure a further 230 kilotonnes of carbon dioxide equivalent (kt CO_2-eq yr-1) of emission reductions.

The Welsh Government *Sustainable Farming and Our Land* report outlines how a new agri-environment scheme offers opportunities to influence the management of land use. It includes a clear direction on land use change priorities at national, area and

local levels. Alongside a more streamlined regulatory and change support framework, it could help support delivery of SMNR.

The present Sustainable Farming scheme proposals outlined in the recent Welsh Government consultation builds upon the Natural Resources Policy and the wider policy framework of the Environment Act and Wellbeing of Future Generations Act (WBFG).

Using the wellbeing goals in the WBFG Act, the consultation outlines a policy framework based around the UN Principles of Sustainable Land Management, which in effect are the principles of SMNR applied specifically to agriculture. This is defined as "the use of land resources, including soils, water, animals and plants, for the production of goods to meet changing human needs, while simultaneously ensuring the long-term potential of these resources and the maintenance of their environmental benefits."

The Welsh Sustainable Farming scheme proposals reflect wider thinking within a European policy context where reform of the Common Agricultural Policy is looking to address climate change and biodiversity loss as part of its objectives:

If the UK leaves the European Union, the Common Agricultural Policy (CAP) – including the Basic Payment Scheme (BPS) – will come to an end in Wales. The Welsh Government proposes to base future support for farmers to enable them to pursue an objective of Sustainable Land Management, alongside a new, streamlined regulatory framework for agriculture in Wales. Sustainable Land Management is an internationally recognised concept, reflecting the use of land for production, while ensuring long-term productive potential and maintenance of key environmental

services. It will support the delivery of SMNR. It reflects the duties provided by the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016

5.   What has changed – how we are planning to deliver SoNaRR2

5.1.   Our vision for a state of natural resources report

In 2015 we said that SoNaRR would **set the scene** by describing the trends and condition of natural resources in Wales and the pressures on them in order to help us to better understand our dependence on ecosystems and the services and benefits they provide. We wanted SoNaRR to illustrate the condition and trends spatially at a known level of confidence.

SoNaRR should be used to **Look ahead** by identifying the opportunities and improve understanding of the challenges, including gaps in evidence, for sustainable natural resource management. It should be used to **Prompt change** by clearly stating what the priority issues are for natural resources in Wales and providing decision-makers with timely information that they can use to learn from successes and failures.

We want the report to provide a seamless link between local and national data that truly informs and guides how everyone in Wales cares for our natural resources. It should be open, accessible, easily understood and relevant for everyone to allow them to make their contribution to the sustainable management of natural resources in Wales.

SoNaRR is a catalyst for change, informing the programme for Government, the Natural Resource Policy (NRP), and progress against the national wellbeing goals. It informs Area Statements, which will provide the operational interpretation of the NRP. Area Statements will translate the high level strategic priorities while taking account of local need, opportunities and pressures, leading to clearly identifiable local actions. It will be used by the Public Service Boards. SoNaRR is produced by collaboration and co-production and using the best available existing evidence.

We want SoNaRR to provide a common baseline of evidence to be used throughout Wales to inform decisions made by a range of stakeholders across society such as: businesses, social groups, charities and communities. It will help society understand how their actions impact upon the natural resources of Wales and the benefits that they provide. Individuals should be able to identify and prioritise the opportunities where they can make a real difference to shape the future for Wales.

NRW as an organisation is working on a vision through to 2050. We are investing in resources and planning external collaborations to ensure the work we do to develop policy and operational interventions in order to deliver SMNR use scenarios. We are working with the Welsh Government to make use of the scenarios work they have commissioned for land use.

The first SoNaRR was published in September 2016 on Natural Resources Wales' website. At the time we said "*Developing this first SoNaRR has been a learning experience. We haven't had any templates to follow and it is new for us all. One of the challenges has been to work out not only what the evidence gaps may be, but also how we need to work with others to collaborate in the gathering, analysis and presentation of evidence.*"

The first report was presented as the beginning of a dialogue on how we assess and evaluate the extent to which we are achieving the sustainable management of natural resources in Wales. For the second SoNaRR (SoNaRR2) we have spent time evaluating how the first report was produced in order to learn and improve. Working with a range of stakeholders and partners, we have agreed a practical method based on the latest practice from the United Nations and being pursued at European and UK levels of analysis.

5.2. The SMNR Method: SoNaRR [link to measures of SMNR]

Step 1: Introduction to the Ecosystem (or crosscutting theme)

Set out in brief the context, the known opportunities and existing threats to SMNR, challenges to ecosystem resilience and supply of ecosystem services.
Briefly define the broad ecosystem (or crosscutting theme), its environmental conditions, land use, known opportunities and existing threats to SMNR.
What are the social, environmental or economic opportunities being sought?
• What are the known environmental pressures?
• What are the challenges to ecosystem resilience?
• What are the opportunities to maintain or increase wellbeing benefits?
• Interactions with other ecosystems (or crosscutting themes)

Step 2: State and Trends of natural resources and current management

State and condition of the ecosystem (or crosscutting theme) and trends, together with information on management of natural resources relevant to SMNR:
• baseline position of natural resources and ecosystems
• existing management: plans and land/sea use activities already in place - successes and challenges

Step 3: Resilience: What does the state of natural resources and their management mean for the resilience of the ecosystem?

Understanding the impact of the extent and condition of natural resources on ecosystem resilience
• an assessment of ecosystem resilience – using the attributes from the Act
• need to identify both those ecosystems which are under pressure and those with spare capacity to contribute further to well-being goals through ecosystem service provision (eg provision of urban wellbeing benefits)

Step 4: Ecosystem Services: What does the state of natural resources and their management mean for the supply of ecosystem services to people?

- the state and condition of natural resources in relation to the benefits derived from them
- an assessment of the contribution to the wellbeing goals needs to identify both those ecosystems which are under pressure and those with spare capacity to contribute further to well-being goals

Step 5: Options for more sustainable management

Identification and weighing up of opportunities:
- consider the scale of benefits to ecosystem resilience in relation to the effort required
- looking at the impact on ecosystem services of different options
- risk register: assessing costs and benefits of different options for action
- opportunity mapping of possible land management changes
- scenarios and horizon scanning
- valuation and cost, benefit analysis
- stakeholder input to help with prioritisation

6.   Evidence Gaps

The first SoNaRR identified a large number of potential evidence gaps. The development of the method [link to method] for assessing the extent to which Sustainable Management of Natural Resources (SMNR) is being achieved has helped us focus on identifying the evidence that is needed. This has informed the way we will be prioritising the evidence needs for assessing SMNR.

6.1.   Identifying the evidence that is needed for assessing SMNR

The Environment Act states that the sustainable management of natural resources requires Wales to 'maintain and enhance the resilience of ecosystems and the benefits they provide'. This means looking at the benefits we receive, in order to optimise the contribution to the wellbeing goals. To do that we need to be able to quantify things. Management theorist Peter Drucker said "you can't manage what you can't measure'' and to manage natural resources sustainably, we need to be able to measure them.

The Office of National Statistics (ONS) has developed a series of Natural Capital Accounts. We have identified relevant metrics from these accounts that could be used either as a series of indicators or be compiled to inform a choice of indicators to use in a Natural Resource Inventory to inform SoNaRR. The table [here] gives examples of these metrics. The accounts would form the middle of The Information Pyramid shown in Figure XX.

The Information Pyramid

Indicators

Natural Resource Account/Inventory

Data Inventory – basic environmental & socio-economic statistics
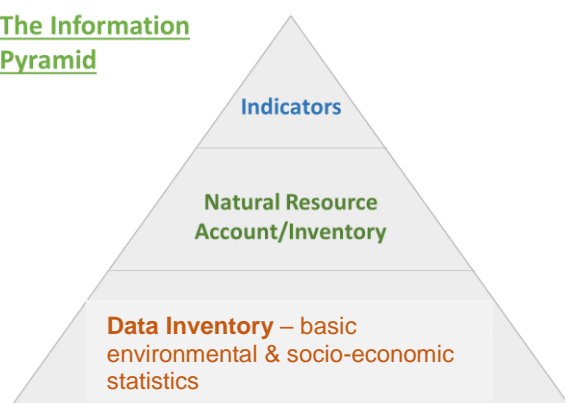
The Information Pyramid shows the flow of information from basic data to a set of accounts to set up around the 4 measures of SMNR and then to a set of headline indicators.

For the SMNR assessment in SoNaRR, a data inventory will inform the ecosystem and cross-cutting theme assessments. These will be used to identify a set of accounts and any suitable indicators or measures. The proposed format for the accounts is shown in the table in [here].

The Natural Resource Inventory could use information from a range of sources such as the ONS, UK National Ecosystem Accounts, Natural England's Logic Chain project, Environment and Rural Affairs Monitoring and Modelling Platform (ERAMMP) etc. **The current contents are based on the ONS accounts.**

Natural resource accounting and inventories are a key part of the UN Environment Programme's approach, they state:
'Environmental-economic accounting provides a conceptual framework for integrating statistics on the environment and the economy, and highlights the relationships between them.   They consider the impacts of the economy on the environment and the contribution of the environment to the economy. The accounts can contribute to the production of sets of indicators and descriptive statistics that can be used to "inform a wide range of policies, including, but not limited to, green economy/ green growth, natural resource management and sustainable development'.

Organising environmental and economic information into a similar accounting framework allows national accounts to take account of the way the economy uses, and often has a negative impact on, the environment. The system of integrated environmental and economic accounts (SEEA) was developed to bring environmental and economic information together within a common framework.

In line with Welsh Government policy, the NRW's approach to natural resource accounting takes a fuller view of value to capture more of the social benefits we gain from natural resources.   This approach to compiling inventories and not simply accounts, is in contrast to more conventional natural capital accounting methods. While less tangible, these social values, which would be missed by purely monetary approaches to capturing value, are none the less central to meeting our wellbeing goals.

To assist with this, the Area Statements process will gather new evidence from stakeholders about the challenges, risks and opportunities for sustainable management of natural resources within a place-based context. At the time of writing, engagement for the first iteration of Area Statements is ongoing, and the conclusions and actions emerging from this process are being drawn together. These conclusions will be presented as an online resource, and work to capture the feedback and key learnings from that process will be collated. There is a piece of work to be done to

frame the ongoing learning that we expect from the activity springing from the area statements process, ensuring that this supports our measures of SMNR, and more still to establish mechanisms to capture and disseminate that learning across Wales. We propose to have a section in SoNaRR2 that draws upon this.

6.2. Update on gaps identified in SoNaRR1

For SoNaRR, evidence needs are the evidence that we need for the assessment of SMNR that isn't currently available. We have taken the evidence gaps identified in SoNaRR1 and confirmed whether they are needed for the assessment of SMNR going forward. The improved method and understanding of how we are assessing SMNR has meant that some of the previously identified needs aren't needed anymore. In some cases, work is planned or has started to address them:

- We wanted to know whether arable systems in Wales are maintaining soil carbon levels. Soil carbon level data from the Glastir Monitoring and Evaluation Programme (GMEP) will help with this.
- We had limited knowledge regarding the viability of likely adaptations in farming systems due to climate change. This has been partly filled from work undertaken by Welsh Government Soil Mapping Team - Climate change impacts on cropping.
- The Spatial distribution of opportunities for natural solutions for flood attenuation and water purification is being addressed by using the SCCAN (Natural Resource Planning Support System in Welsh) maps and Area Statement local engagement.
- The Management regimes for improved grasslands that support and optimise productivity and minimise negative impacts on other systems have been identified through a literature review conducted within the Environment and Rural Affairs Monitoring and Modelling Platform (ERAMMP).
- We wanted to know about Forestry management systems that encourage diversity and can contribute to restoring, maintaining and enhancing the resilience of woodland ecosystems. Forest Research guidance is now available.
- Ground-truthing of existing wetland opportunity maps and wider catchment storage capability is being addressed by using the SCCAN maps and Area Statement local engagement.
- Spatial opportunities for wetlands to increase habitat connectivity and help manage them is also being addressed by using the SCCAN maps and Area Statement local engagement
- We have new records on the extent of *Sabellaria spinulosa* in the marine environment
- The National Forest Inventory Condition report, due for publication in February 2020, will provide new data on extent and condition of woodlands, including coniferous forests
- We can use the Welsh Government's modelled data to help our understanding of how the built environment affects nitrogen oxide (NOx) concentrations

Whilst considering where we are with the evidence needs identified in SoNaRR1, NRW's specialists, in consultation with others, have considered what else is likely to be needed to assess SMNR and listed them as newly identified needs.

The evidence needs currently identified are here [note to the board: this list is work in progress and not currently available]

These evidence needs have been prioritised by asking a series of questions split over five categories:

A. *Ensuring it is a critical need* aims to determine whether similar evidence is already in existence, whether it is appropriate for use in assessing SMNR (e.g. relevant proxies) and whether it is robust enough to base decisions on. It also questions the spatial and temporal resolution of evidence in existence and the resolution we need to be able to make an assessment. This question acts as a filter to ensure only critical needs are prioritised.

B. *Assessing if the need is achievable* relates to the timeframe of work required to fulfil this need – short term (by May 2020 for use in SoNaRR2), medium term (by May 2025 for use in SoNaRR3) or long term (after May 2025 for use in future SoNaRRs.

C. *Addressing specific evidence needs we know about in relation to the assessment of SMNR (contribution to a strategic evidence programme)* considers the SMNR measures and wellbeing goals the evidence need relates to.

D. *Added value – Collect once, use for other purposes* considers which other projects the evidence could be used for (e.g. Area Statements, corporate reporting, other statutory duties) and which indirect and direct drivers it relates to

E. *What are the knock-on effects if we don't prioritise as a need? (WIDER IMPACT)* determines the risks of not meeting the evidence need in relation to quality of evidence and the assessment that can be made, wellbeing, economy and NRW's reputation. It also considers how substantial this risk is.

The results of these five sets of questions have been considered together through group discussions to determine the overall prioritisation of the evidence needs to highlight the most important needs for the assessment of SMNR and the timeframes they could be available in. Affordability has not been considered as part of the method for prioritisation. Affordability will affect the implementation of actions to address the needs and is yet to be considered.

We recognise that it is likely that some of these evidence gaps have already been filled but we are not aware of this work. We want to work together with others on the prioritisation of them, to confirm what information is actually already available and to fill the evidence gaps.

7.   Look and feel of SoNaRR2

SoNaRR1 was a series of pdf documents. For SoNaRR2 we are planning a web-based report. It will be presented and written in an accessible and engaging way.

19-11-B11-A1 Annex 1 SoNaRR2 Interim Report
To be published as a series of web pages. There is still work to do by a Content editor and to design the interim report.

SoNaRR2 will mainly focus on new evidence that has become available, either as a result of more detailed thinking about how to measure SMNR or, in a few cases, as a result of updated data, available within sufficient time, since the publication of SoNaRR1 in 2016.

SoNaRR2 will be presented at three different levels

- **Level 1:** High level messages, headlines, conclusions and statements based on the review and analysis undertaken. Infographics and visual tools will help present key messages.

- **Level 2:** Describes the narrative around the analysis of particular datasets or evidence base that leads to that conclusion. It will be clearly set out around the 5 step method for assessing the sustainable management of natural resources that we have agreed with Welsh Government.

The confidence we have in the assessments and a description of the quality assurance processes will be included. This will help provide a line of sight between the conclusions drawn, the data / evidence and the methodology used.

Level 2 will be structured around Eight Ecosystems and Seven Themes

Ecosystems – Marine, Coastal Margins, Freshwater, Semi-natural Grasslands, Mountains moorlands and heaths, Woodlands, Enclosed Farmland, Urban

Themes – Air Quality, Water Quality, Land use and soils, Resource Efficiency, Climate Change, Invasive non Native Species, Biodiversity

- **Level 3:** Enables access to specific data sources, relevant primary literature, or evidence synthesis reports such as rapid or systematic reviews, and any assumptions that sit beneath that. This will allow more specialist or technical customers to explore the data sitting behind the SoNaRR.

  This will be provided via the SMNR Information Portal, which will display maps and reports built from our data. The portal will provide a view on the evidence created and used in the creation of SoNaRR2. Initially the maps and reports will be available as standalone information sources but, in time, these will be linked so that they can be viewed together and filtered according to a set of themes.

Web pages will bring the assessments together in order to measure progress with the 4 measures of SMNR: [link back to the measures]

SoNaRR2 will conclude with Suggestions towards SMNR and the Future Outlook for SMNR in Wales

19-11-B11-A1 Annex 1 SoNaRR2 Interim Report

To be published as a series of web pages. There is still work to do by a Content editor and to design the interim report.

A Draft Natural Resource Account for Wales. **The current contents are at an early stage, based on the Office of National Statistics UK Natural Capital Accounts, which themselves are not yet complete. There are shown here as an example of the framework we are using to measure progress towards SMNR. Much work will need to be done to bring together all the required measures.**

Broad ecosystems	2. Ecosystems are resilient to expected and unforeseen change							
	1. Stocks of Natural Resources are safeguarded & enhanced				3. Healthy places for people, protected from environmental risks		4. A Circular economy with more efficient use of natural resources	
	1a Extent	1b Condition	2a Connectivity	2b Diversity	3a Regulating Services – benefits obtained from the regulation of natural processes	3b Cultural Services – psychological & emotional benefits gained by human contact with ecosystems	4a Resource use efficiency	4b Provisioning Services – goods obtained directly from ecosystems
Focus of account	*Covering: quantity of habitats, species, crops etc*	*Covering: quality of habitats, species, crops etc*	*Covering: Spatial configuration in relation to other elements*	*Covering: Number of species, habitats & different resources*	*Covering: climate control, carbon stores, soil fertility, pollination, water flow regulation*	*Covering: spiritual, aesthetic, tourism, educational, recreational*	*Covering: Recycling, waste, pollution, efficiency of use of natural resources*	*Covering: Food, timber, fuel, fish, raw materials for agriculture & aquaculture, mineral extraction*
Mountains, moorland &				Specialist bird populations (ONS Accounts)	Carbon sequestration (ONS Accounts) Air pollution removal (ONS Accounts)	Access from urban area (ONS accounts) Visits to and time spent in MMH (ONS Accounts)		Wind power provision (ONS Accounts)
Semi-Natural Grassland		Hectares of semi-natural grassland SSSIs in unfavourable Condition (ONS) Carbon & water content of soils (ONS) Ratio of vegetation to bare soil (ONS)		Plant richness score (ONS) Species richness (ONS)	Carbon sequestered (ONS) Air pollution removal (ONS) Purification of water supplies (ONS) Storm and erosion protection (ONS)	Access and proximity to urban areas (ONS)		Biomass supply (ONS) Water supply (ONS) Energy (ONS)

Enclosed Farmland		Nitrogen soil balance (ONS) Phosphorus soil Balance (ONS) Farmland bird index (ONS) Hectares of Protected Areas (ONS) Number of organic Farms (ONS)			Pollution removed (ONS)	Time spent at habitat, educational visits visits (ONS)		Crops and grazed Biomass (ONS) Water abstraction (ONS)
Woodland					Air Pollution removed (ONS)			
Urban	Future Urban Extent methodology (ONS Urban accounts)	Condition of sites of special scientific interest (SSSI) within built-up areas (ONS Urban accounts) 13% of public parks or gardens in Great Britain's urban areas were awarded a Green Flag (ONS Urban accounts)		Urban Bird Species (ONS Urban accounts) Number of mammal recorded (ONS Urban accounts)	Carbon sequestrated by urban woodland (ONS Urban accounts) Noise mitigation by urban vegetation (ONS Urban accounts) Removal of air pollution by urban green and blue space (ONS Urban accounts) Cooling by urban green and blue spaces (ONS Urban accounts)	Recreation in nature in the urban environment (ONS Urban accounts) Visits to urban green and blue spaces (ONS Urban accounts)		Food from gardens & allotments (ONS Urban accounts)
Freshwater	Extent measured by UK Land Cover map or Countryside Survey (ONS)	Volume of water (ONS) Soil Quality (ONS)			Carbon sequestration (ONS)	Access to freshwaters could be measured in terms of the population with access to wetlands and open waters within certain kilometres of their homes. (ONS)		Fish extraction (ONS)
Coastal Margins				Breeding Bird Survey (ONS) Wetland Bird Survey (WeBS)				
Marine								

19-11-B11-A1 Annex 1 SoNaRR2 Interim Report
To be published as a series of web pages. There is still work to do by a Content editor and to design the interim report.

Board Paper

Paper Title:	Response to the Climate Emergency declaration: an update
Paper Reference:	Paper 19-11-B12
Paper Sponsored By:	Ceri Davies, Executive Director of EPP
Paper Presented By:	Clive Walmsley, Lead Specialist Advisor: Climate Change & Decarbonisation

Purpose of Paper:	Update

Issue

1. On the 29 April the Welsh Government declared a 'Climate Emergency' in Wales https://gov.wales/welsh-government-makes-climate-emergency-declaration with the intention of prompting 'a wave of action at home and internationally'. At the May Board meeting, it was agreed that NRW would welcome and support the declaration by Welsh Government, including pledging to deliver actions in support of it. On 5 June the Chair sent a letter to the Minister setting out some of the initial priorities. A list of ten priority decarbonisation actions were developed and presented to the First Minister and Minister in Ty Cambria on 20 June. These priorities built upon the existing work of the Carbon Positive Project to evaluate potential mitigation options within NRW. At the July Board meeting the 'Top 10' were endorsed and it was suggested that other possible priorities that fell outside of the Top 10 should be included in revised costed proposals.

Assessment

2. Since the July Board meeting the following generic steps have been progressed:
   - The scoping of potential actions in response to the Climate Emergency declaration and their feasibility has been completed following meetings with colleagues from across the business to gather evidence and advice. The 'Top 10' has been updated with the addition of a further 5 priorities. There remains a need for further preparatory work on many of the actions, particularly in terms of determining the scale of action, which is dependent upon resourcing decisions, but the scope of the work is clear.
   - Staff and financial resources for each of the priorities has been estimated and collated to form part of the Unfunded Pressures bid to WG submitted in July. Discussions regarding this submission and priorities are on-going.
   - The Carbon Positive (CP) team have almost completed development of the Carbon Positive Action Plan to act as a key management tool for coordinating and

monitoring progress with decarbonisation action across NRW. Work to check the accuracy of data and ensure it is up to date is nearing completion.

- The NRM Business Board governance structures and sub-groups have been agreed and internal consultation is taking place in relation to the establishment of the Climate Change and Decarbonisation Change Programme and Board.

- As part of the OD process two additional staff have been recruited to the Carbon Positive team so that there are 4 team members currently.

3.   In addition the following progress has been made amongst the 'Top 10' priorities:

- *Peatland restoration*: This is a critical priority given peatland emissions are around 2.5 times greater than all other NRW emissions. In principle agreement has been reached with WG to fund a £4m programme of restoration over the next 4 years starting in 2020/21. In advance of that an Action Programme setting out priority sites and work required is currently under development with a Project Steering group to be established shortly.

- *Woodland creation*: In terms of compensatory planting for windfarm developments on the WGWE, project approval was given in June 2019 for £10m over 10 years to plant a minimum of 350ha of woodland. To date there is 15ha of land very close to sale completion and 35ha under negotiation. Two sites have been scoped and discounted and two sites are currently in the internal Land and Property Consultation as per the acquisition process. The search for suitable land for the project is ongoing. With our current resource commitments, expansion of the WGWE by freehold acquisition will be a relatively small proportion of the overall ambition for woodland creation in Wales. We have also allocated £1m over two years for acquisition of land for high public benefit woodland creation. It should be emphasised that this planting is not additional and further discussions in relation to how to encourage others to plant woodland and further woodland planting are planned.

- *Renewable Energy for Self-Supply:* Six sites have been identified for the installation of solar photovoltaic systems this financial year. CP team are working to get the six sites ready for installation. This involves commissioning preparatory work for planning applications including design and access statements, survey work and outline designs.

- *Electric Vehicle Infrastructure*: CP team have established a project group and are currently defining the scope of the project with input from Facilities, Fleet and Projects Delivery colleagues. A User Stakeholder group has been established and a suitable procurement framework has been identified. Together with Welsh Government, the Welsh Government Energy Service and the WLGA, we have agreed a mechanism to coordinate deployment of EV infrastructure on a Wales wide basis.

- *Low carbon heat and energy efficiency:* A specification for exploring the scope and potential for these measures across the whole NRW built Estate is currently in preparation. The proposed scoping exercise is a prerequisite to any significant delivery of this priority.

- *Procurement*: The adoption of the carbon planning and monitoring tools for all civil engineering contracts is under discussion with Projects delivery with a process for their adoption yet to be agreed.

- *Support & advice for Welsh public-sector*: A series of workshops have been held, and others are in planning, to stimulate and assist decarbonisation action in local authorities and PSBs across Wales. To date collaborative working across PSBs on climate change has been agreed within North Wales (6 LAs/4 PSBs), Gwent (5 LAs/PSBs) and Dyfed (3 LAs/PSBs). A series of workshops across these areas are currently being developed with local Ops teams to progress collaborative working on public sector decarbonisation based on the Carbon Positive approach.

- *Embedding consideration of carbon in NRW's work with customers and stakeholders*: A meeting has been arranged with WG to understand the role of planning and regulatory regimes in decarbonisation and agreement on NRW's part in providing advice on decarbonisation within those systems. In preparation discussions with Industry Regulation staff have explored the potential for planning, permitting and advice elements of work with industry to address decarbonisation.

- *Behaviour change and staff engagement*: A series of briefings for all staff have been held on NRW`s response to climate change emergency including a session on 20 September to coincide with the worldwide climate strikes arranged as a call for action on the Climate Emergency.

- *Evaluate & communicate current impacts:* Limited progress to date but climate change input to the SoNaRR2 report is under development.

4. The additional five priorities identified for consideration within the decarbonisation programme are:
   - *Woodland Management for carbon*. Building on previous research to assess the carbon footprint of the Forest Estate further consideration should be given to research to determine the carbon and cost benefits of reviewing woodland management approaches, timber and bioenergy production and use strategies, e.g. Timber Marketing Plan etc.
   - *Soil conservation and habitat creation and management for non-peatland/woodland areas of the Estate*. This would especially be focused upon habitats on organo-mineral soils and carbon rich inter-tidal/sub-tidal habitats e.g. saltmarsh, sea-grass meadows, kelp forests.
   - *Active and Sustainable Travel Planning.* Develop Plan following analysis of staff survey data, discussions with providers and Visitor Centres to inform staff engagement.
   - *Building consideration of carbon footprinting and management into grant-funding process and the review of SLAs and Reservoir Operating Agreements*. It is recognised that a significant percentage of NRW resources are spent through agreements where certain standards in relation to carbon footprinting and/or management could be required.
   - *Decarbonising large vehicles and plant*. The use of biodiesel, fuel efficiency and trialling and roll out of electric plant where feasiable are recognised as crucial to addressing the remainder of the fleet.

Emerging issues

5. Over the last 3 months, within CP team, there has been a significant focus on team recruitment and internal work planning. Along side this, there has been extensive preparatory work for a series of contracts across a number of the priorities. This has involved engaging a range of internal teams to support project development. A number of barriers have emerged within some teams in terms of either inadequate staff resource, lack of appropriate skills/competencies or potentially simply a failure to recognise the work as a priority. This has necessitated greater reliance on the CP team to deliver work. Given the clear endorsement of the Board and ET for this work area, there is a need to further embed well defined packages of decarbonisation work across the organisation through early engagement in the Annual Plans process and further discussions with LT/MT/TL where there seems to be a particular issue recognising that there are competing priorities. It is recognised that the teamNRW workshop on the Climate Emergency provides a key opportunity to further engage staff on decarbonisation.

Next steps

6. The following steps are planned for the near future:
    *   The Carbon Positive team will be procuring consultancy support and running a mini-competition to install self-supply PV schemes at six selected offices/sites this financial year.
    *   The team will complete work with Assets team to define the scope of the EV infrastructure project and seek input from the User Stakeholder Group (of staff who use or manage fleet vehicles regularly) to refine the proposals, before developing a procurement specification for this major infrastructure project. We will also commission a third party to assess the project scope and deliverability of the work.
    *   Officers will meet with WG to further discuss the development of an initial Climate Emergency work programme, including discussions around resourcing and working though difficult legal and technical barriers to delivery such as the legality of selling to grid and our role in considering decarbonisation in regulatory and planning systems.
    *   The Chair and officers attended a UK-wide Net Zero summit on 17 October to discuss inter-agency collaboration around this agenda, with further follow up meetings planned to develop understanding around finance, evidence and communication messages ahead of UNFCCC COP26 in Glasgow next year.
    *   Preparation of terms of reference for the Decarbonisation Change Programme Board and the process of establishment of the Change Programme will commence soon together with Climate Change and Decarbonisation Programme as part of Annual Plan process.
    *   The NRW response to the Climate Emergency will have a prominent role in the #Team NRW day on 19 November. A workshop session at the event will provide an opportunity to further inform staff of the decarbonisation and climate change work ongoing and explore their potential role going forward in terms of delivery internally and as ambassadors for change externally.

Key Risks

7. Decarbonisation action both internally and externally needs to be undertaken within the framework of SMNR otherwise there is a significant risk that actions can result in significant biodiversity loss and ecosystem damage. However, many actions have the potential to deliver multiple benefits including for biodiversity. This risk can be mitigated by locating the right measures in the right place.

Financial Implications

8. Both on the ground delivery and coordination of an expanded programme of decarbonisation will require additional financial and staff resources. These resource requirements were set out in the Unfunded Pressures bid submitted to WG in July.

Equality impact assessment (EqIA)

9. The recommendations in this paper are not considered to have any equality or diversity implications.

Board Paper

Paper Title:	Performance Report 2019/20 - Quarter Two
Paper Reference:	19-11-B13
Paper Sponsored By:	Clare Pillman
Paper Presented By:	Executive Team

Purpose of Paper:	Scrutiny / Decision
Recommendation:	The Board is requested to scrutinise NRW performance for the second quarter of 2019/20 and specifically consider progress against each measure on the Performance Dashboard and the actions NRW is taking

Impact:	**Preventing issues from occurring:** Effective performance management is a key tool in understanding the work of NRW. It allows us to take preventative steps if performance and delivery is not where it should be.

Issue

1. This year's second round of corporate performance reporting, for 1July 2019 to 30 September 2019, has now been completed, and gives our position half way through the year. The annexed performance report has been prepared for Board scrutiny.

Background

2. The corporate performance report is one of the Board's principal ways of scrutinising our delivery.

3. The performance report (Annex 1) was developed as part of the process to prepare the 2019/20 Business Plan with the Board, the Executive Team and the Finance, Planning & Performance Committee of the Board. It consists of:

- A **dashboard** providing an overview of performance against the 2019/20 measures set out by Well-being Objective
- A **table** reflecting the link between our measures, our ten Business Plan priorities and our Well-being Objectives
- Details for each dashboard measure on:
  - why the activity related to each measure is important;
  - whether we are meeting targets or not;
  - what we are doing to meet targets if we are off track.

4. This is the second report against our current Business Plan: it is the second year of reporting related to our Corporate Plan to 2022.

Assessment

5.   Our performance to the end of the second quarter of 19/20 is summarised below:

	Quarter 1 (1 April – 30 June 2019)	To Quarter 2 (1 April 2019 to 30 Sept 2019)
'Green'	16	12
'Amber/Green'	0	0
'Amber'	6	9
'Red/Amber'	1	1
'Red'	3	4
On hold	0	0
Total	**26**	**26**

6.   The Board is requested to scrutinise the performance report for the second quarter of 2019/20. Since the end of Quarter 1, the following improvements have occurred:

- Progress of SoNaRR 2 has shifted from amber to green
- Delivering an effective and efficient incident response has shifted from red to amber

However several areas have worsened over the quarter:

From Amber to Red
- Allocation of grant funding

From Green to Red
- Plant health

From Green to Amber
- Fisheries
- Tackling impact of industrial waste sites
- Joint working agreement with Sports Wales and Public Health Wales
- Organisational Development

Explanation for these changes and 'pathways to green' are given later in this paper. We have applied the RAG rating criteria rigorously for the sake of transparency: several of these shifts are due to in-year delays which should be rectified by year end. The report also flags where there may be an upcoming issue later in the year.

7.   We have not updated information on the embedding of SMNR (Sustainable Management of Natural Resources) and the application of its principles in this report. This is because significant change over a three month period is unlikely. It will be reintroduced in our Quarter 3 reports as this will inform our annual report which needs to include reporting on progress against the Environment (Wales) Act 2016 (including the Section 6 Biodiversity duty) and the Well-Being of Future Generations (Wales) Act 2015.

8. Following the implementation of our Organisational Design, we are continuing to experience staff 'churn', with new teams and new staff in place, building expertise in those new teams and ongoing internal and external recruitment. This has had an impact on many of our measures and across the whole organisation as new teams and their work become established: however, there will be clear benefits once these new structures are fully populated and staff upskilled.

9. For next year, we are reviewing our approach to measures at this dashboard level as we develop our new Business Plan – this is likely to result in fewer higher level measures with much of the detail to be found in our current reports recorded at the level of our Business Boards covering the services we provide – flood risk management, natural resource management, evidence and regulation for example. This is currently under discussion and will be presented as part of the business planning process for 2020/21 in a separate paper, as part of a Board workshop.

10. Below we have outlined all of the measures, to give a balanced overview of NRW's current performance: this is set out by Well-being Objective. This year we have set very ambitious targets. As a result of the impact of our organisational restructuring and uncertainties around Brexit we do not anticipate all our targets being met and all measures having a green status by year end.

Champion the Welsh Environment and the sustainable use of Wales' natural resources

11. **Green - Working with others to develop a shared 2050 vision for Wales' natural environment**

    Currently this measure is on target. Following successful discussions with our Board and various staff groups, as well as interest from the Future Generations Commissioner's Office, and discussion with Welsh Government, this area of work is gaining momentum. A detailed project plan, outlining the key phases and approach for this piece of work as well as the resource requirements is about to be developed and we will involve a wide range of our colleagues in a workshop at our #Team NRW staff event in November.

12. **Green - Working with others to develop our Area Statements**

    We have made good progress with Area Statements, holding engagement events over the summer, including with Dŵr Cymru Welsh Water, Wales Environment Link and Wales Land Management Forum. We have agreed the design and content of digital Area Statements ensuring that they fulfil the requirements of both the Environment (Wales) Act 2015 and our digital accessibility responsibilities. Our next steps are to run engagement events in each of our six places in October, and complete scoping reports for Strategic Environmental Assessments for each Area Statement.

13. **Green – Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency**

    This work has been moving apace on several fronts, with our potential priority actions endorsed by the Board in July. This includes six sites identified for installation of

photovoltaic cells this year. Together with Welsh Government, the Welsh Government Energy Service and the Welsh Local Government Association, we are establishing a mechanism to coordinate the deployment of Electric Vehicle infrastructure on a Wales national and regional basis. A draft carbon positive action plan will be available, and a series of workshops have been held, with more planned, to stimulate and assist decarbonisation action in Local Authorities and Public Services Boards across Wales. Extensive work has been undertaken with Welsh Government to establish the case for a national peatland action programme. Our EU LIFE for Welsh Raised Bogs project has now entered its main delivery phase following completion of a complex national procurement exercise for the groundworks elements of the project.

14. **Green - Progressing the second State of Natural Resources Report.**

This measure has shifted from amber to green. We have worked with stakeholders and identified draft key challenges and opportunities for managing Wales' natural resources sustainably, as part of our content development for SoNaRR2.   We have also agreed a method for prioritising evidence needs for assessing SMNR and we are working with stakeholders to identify opportunities for filling any gaps.   Release of the interim report by the end of December 2019 is now on track.

15. **Red - Allocation of grant funding to support the sustainable management of natural resources.**

This measure has moved from amber to red. The shared outcome request mechanism has been piloted: however, implementation has been delayed beyond one month to ensure lessons can be learned from the pilots and incorporated into the revised mechanism. It is difficult to estimate how much work is required until we get the feedback back from the pilots. The expected implementation date is now 30th November 2019.

We continue to progress our Strategic Allocated Funding approach, and plan that a full list of outcomes, partners and proposed funds will be endorsed by our Natural Resource Management Business Board in December 2019, subject to due diligence checks.

We are in the process of recruiting a programme manager, plus financial accountants to develop the due diligence and financial process. Discussions are ongoing to understand how to manage the money between budget years. As part of our pathway to green, we are also urgently looking across NRW to reallocate additional staff with the right skills to help ensure this critical piece of work is delivered by the end of the year.

Ensure land and water use in Wales is managed sustainably and in an integrated way

16. **Green - Improve Wales' future land management.**

We continue to advise and support Welsh Government in this area: this helped achieve for example, the timely launch for Welsh Government's Sustainable Farming and our Land' consultation. We have ensured that the Area Statement process links to

this work and we have developed our formal response to the consultation for the end of October.   This has been progressed against a rapidly changing landscape due to Brexit issues.

Proactive work to support the implementation of new Water Regulations continues. The Wales Land Management Forum sub group on agricultural pollution is making good progress: however, the introduction of the proposed water regulations has diverted effort and affected sector confidence and some impetus has been lost. Because of this, we have reviewed this project, put in additional effort and are confident the work will be back on track by the end of Quarter 3.

The Climate change elements of this measure are covered in the earlier measure on our response to the Climate Change Emergency and hence will be removed from this and subsequent reports.

17. **Amber – Creating new woodland and replanting felled sites.**

Significant progress has been made on the many elements that make up this measure.

Our restocking programme is composed of two elements:- our core restocking replacing trees harvested for timber, and our restocking replacing trees felled due to larch disease *Phytophthora ramorum.* We have plans and resources in place to achieve the 1,800 ha target made up of both these elements by the end of the year. We do not normally expect progress during the summer, because most planting takes place in the Autumn and Winter, but this year, about 30 ha have also been planted over the Summer.

Our land bank measure is currently amber at 5.3% and will remain so to the end of the year, leading to the measure being rated amber overall. Our overall target is to restrict the land bank to less than 4% by 2022/23: our restocking programme is the pathway to green to achieve this.

We have developed a new long term programme for woodland creation, which will acquire land to form part of the WGWE (Welsh Government Woodland Estate). We have allocated £1M to this programme over two years, and we are currently searching for the first sites for acquisition. We are also looking to further simplify the governance process for acquisition so that we can respond more efficiently to opportunities and developing models for woodland creation on the WGWE using a wider range of types of 'ownership' and funding arrangements such as leasehold and management agreements.

Our programme for compensatory planting as part of our energy delivery programme is progressing well. We have £10m funding over 10 years aiming for a minimum of 350 ha acquired and planted to replace lost woodland. We are expecting to change contracts on a first parcel of land (15 ha) and have made an offer for a second site (34 ha).

In addition to this work, we have a suite of tree planting opportunities through working with others. This includes our Centenary Trees project, launched by the Minister at the Royal Welsh Agricultural Show and with the Plant! programme enabling us to meet our targets this year. We continue to support to Welsh Government in delivering the Glastir woodlands programme and as WG develop their post Brexit land management scheme. This will help ensure that woodland creation and restoration opportunities are key elements of any new scheme, and we are working with WG to support a new national forest in Wales.

18. **Red – Implement River Basin Management Plans**.

Overall our target for implementing River Basin Management Plans is red due to slower than anticipated progress with Water Framework Directive work. We are making progress this work. We are unlikely to reach green by year end, however.

Our investigations programme (into waterbodies that are failing to reach good overall status) relies upon a diverse network of colleagues collaborating across Directorates along with 3rd parties such as Dŵr Cymru and the Coal Authority. As part of our pathway to green, we have been reprioritising our investigations programme to enhance delivery in the second half of the year and will assess whether there is scope to contract out some of this work.

To address the amber status of local measures and work towards green status, we successfully secured funding from Welsh Government to support 7 additional staff across NRW's operational Environment Teams until the end of March 2020. Our new officers are focussing on tackling the local measures for target water bodies. We have reviewed all of the actions, and in light of the challenges we face, we can no longer say with confidence that all actions that are still required will be made operational by March 2020. We are reviewing this as part of our wider approach.

'Opportunity Catchments' represent those water bodies best placed to deliver multiple benefits for the environment and well-being of communities. Both the Area Statements and the cycle 3 River Basin Management Plans will include Opportunity Catchments as priorities. We intend this will lead to targeted partnership collaboration via the new NRW grant funding programme so that the right organisations, communities and land owners are able to be supported in tackling persistent water and land management issues at a catchment scale.

As new teams become established in NRW following Organisational Design, we are working to ensure this work is prioritised with a clear pathway to green, including extension of our current fixed term appointments and prioritisation of WFD work.

We propose to present a 'deep dive' into RBMP work at the January Board meeting.

19. **Red/Amber – Ensure continued safe and responsible reservoir management.**

This measure continues to be red/amber. Compliance has increased to 87% from 82% last quarter, with 94% of safety measures completed within statutory timescales. Some overdue work will need to be held back until spring to avoid higher risk working

conditions in the winter: the inspecting engineer is aware of this. We have also successfully removed one disused reservoir with another to be removed very soon.

We expect to reach 90% compliance at the end of Quarter 3 and 95% at year end. As reported previously we will not achieve full compliance until 2022, when the substantial work at Llyn Tegid is complete. We have explored whether any work can be brought forward, but this is not possible due to the long lead in times for the required work. Our Flood Risk Management Advisory Group are closely monitoring this work.

Improve the resilience and quality of our ecosystems

20. **Amber – Implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity.**

We are reporting this measure as amber. While we are on target with the protected sites annual programme and National Nature Reserves project delivery work, we have experienced delays associated with the biodiversity / ecosystem resilience and biosecurity measures. To progress this work and bring it back to green status, we have developed the NRW Biodiversity audit, we are in the process of recruiting a biosecurity officer and have undertaken a Vital Nature Programme development and implementation workshop internally to develop our work programme. This area is developing rapidly: we will be developing and using the Vital Nature work to inform our service and place plans, our Business Plan for 2020/21 and we will be developing new measures to reflect our priority areas.

21. **Red – Monitoring and addressing tree and plant health.**

Our performance here has shifted from green to red. There are several reasons for this.

Issuing Statutory Plant Health Notices (SPHN) within 60 days of disease confirmation has slipped from 100% in Quarter 1 to 85% in Quarter 2. This is because we made an active decision to divert resources from *P. ramorum* to survey and enforce statutory action to eradicate Oak Processionary Moth, with three interceptions occurring in this second quarter.

We have not yet had the opportunity to analyse the results of inspections. While all required inspections have been carried out up to 31st March 2019, staff who would usually undertake the analysis were diverted to issuing Statutory Plant Health Notices over the last quarter to minimise impact.

However, we have a pathway back to green by year end. SPHN activity decreases in Quarter 3, as the number of findings reduces in autumn and winter. This will give us the opportunity to analyse the compliance surveys (over 100 sites) and report on compliance. We will inspect sites with a 31st August 2019 compliance date during the last quarter of this year, we plan to be back on track by the end of the year.

22. **Amber - Manage and implement our programmes for sustainable fisheries**

This measure is made up of many components with a great deal of progress across virtually all of its elements. This topic was the subject of a detailed presentation at the last Board meeting. There has been progress above expected targets for the development of fish passes and habitats, as well as extensive work on by-law proposals and cross border control measures. This measure has been rated as amber, as in this quarter, two Fisheries Habitat Restoration Plans have been commissioned, but not yet delivered. We expect this to be completed by year end.

Reduce the risk to people and communities from environmental hazards like flooding and pollution

23. **Amber – Deliver an effective and efficient incident management response.**

This measure has moved from red to amber. There has been significant improvement in measure of our response to 'high category' incidents within 4 hours, and we continue to work with ICT colleagues to improve our recording system. We have maintained our high performance on incident assessment within one hour due to the introduction of our triage system.

The incident closure within 30 days measure has not yet improved. However, we are making a concerted effort to improve performance here. This includes training, support, additional scrutiny of data used in reports, reminders before thresholds are reached and working directly with 'poor' performers.

Due to the 30 day window for incident closure, we are only able to report on July and August figures for Quarter 2. From Quarter 3 onwards we will report for 3 months, one month in arrears i.e. Quarter 3 will report activity in September, October and November 2019, while Quarter 4 will report December 2019, January and February 2020.

Incident management will be the subject of a deep dive at the Board meeting.

24. **Amber - Maintain NRW flood risk management assets in high risk locations in target operating condition.**

Our current performance is amber - at 97.7% against a target of 99% and very similar to our Quarter 1 performance. This is a rolling measure as there is a continuous inspection programme and assets may only come to light as failing following inspection. Some 'fixes' are routine maintenance (e.g. minor structure maintenance, grass cutting) and have been carried out. Our historic routine maintenance has been squeezed due to budget restrictions, and so we are now seeing failures that typically require more substantive (capital) work.

We are exploring all options to keep performance at the very high levels we target (99% means 34 failures out of the 3,400 assets). We plan to do an internal deep dive review to assess this, to present to the Flood Risk Advisory Committee in January 2020 and make recommendations on how we manage our asset performance in future.

25. **Amber - Tackle the impact of industry and waste sites.**

This measure has moved from green to amber; this is due to recruitment and training of new staff. Of the 12 Category 2 events at industrial installations, 2 are still to be finalised, and are both at the same site. Actions that have been proposed will be finalised by new staff.

At present there are two sites requiring long term resolutions. Both have improvement plans that will tackle the major issues and will take considerable time and investment to resolve. The number of high fire risk sites with plans is currently 32/34. One of these sites was operating illegally and has been abandoned, so it is not possible to agree a plan currently and the site will remain non-compliant until it is cleared. The second site has made changes to waste storage and is awaiting review to decide if it is still considered high risk. Once new staff are in post and trained, we are planning for this measure to return to green.

26. **Red – Deliver our flood risk management capital programme.**

As explained in the Quarter 1 report, this measure will continue as red for the rest of the year, due to three construction projects expected to be completed in 2019/20 experiencing delays. These are Cadoxton Outfall (Barry), Crynant (Neath) and Parc yr Onnen (Aberystwyth).

We are in a year of developing and designing future projects after several years that have seen large schemes completed such as those at Pontardulais, St Asaph and the first phases of Roath. In 2020/21 our plan is that we will achieve protection for over 1,000 properties as current and new schemes are completed.

We recognise that the number of properties with increased levels of protection is one indicator of performance. We are investigating other viable indicators of overall performance and will look to discuss this at the Flood Risk Management Advisory Group.

Help people live healthier and more fulfilled lives

27. **Green – Tackle the impact of Air pollution**

This measure continues to be green. There were no significant breaches of air quality permit conditions during Quarter 2.

We have completed a project assessing ammonia emissions from pig, poultry and dairy farming in Wales which will now be used as the basis of informing future policy decisions about regulating these sectors. The results are being analysed and this analysis will be fed back to the Wales Land Management Forum. Policy teams will engage with Welsh Government in relation to these outputs.

Welsh Government will be consulting on a Clean Air Plan for Wales in Autumn 2019 and we have been providing information with regards our role in regulating industry

and how potential changes could have an impact on improving air quality. We will comment on the consultation and will seek to help WG deliver the plan and any requirements that are placed on us.

28. **Green - Deliver the Wales Coast and National Trails Programme**

This is a well defined, established programme. All Wales Coast Path main budget grants have been offered and National Trails funding accepted by Local Authority partners. We have launched and promoted a new Wales Coast Path app and developed a set of family orientated walks to complement the app itself.

Work on surveying and reporting the condition of the Wales Coast Path and National Trails has been delayed due to staff absences in the first quarter of the year. However, we have developed a single way of working which replaces five different methodologies used in different areas. Work will begin in the third quarter and we are currently rescheduling work and working with our partners to commit additional time to the surveys. We expect the surveys and reports to be completed by the end of the year.

29. **Amber – Develop our joint working agreement with Public Health Wales and Sports Wales.**

The Wales Physical Activity Partnership (WPAP) continues to make very good progress in 2019/20. It has four priority areas: Communications; Physical Activity Observatory; Educational Settings; and a Healthy and Active Fund. The WPAP visioning work is now completed, following a workshop in September 2019, which gave an opportunity to reflect on the first 18 months of the partnership and share lessons learned, learn more about upcoming changes in policy context (for example the Healthy Weight: Healthy Wales Strategy and action plan due to be published in October 2019) and to increase the pace of delivery within the four priority areas.

This measure is currently amber as one of these four priority areas needs finalising. The Educational setting logic model will be completed in November. The partners will work together during October and November 2019 with clear priorities of what we will be delivering together, and this measure will be green for Quarter 3.

30. **Green – Prepare a Green Infrastructure steer and programme**

Information has been gathered on the work on going within NRW to help ensure the delivery of Green Infrastructure in Wales. Public Services Boards have, for example, identified Green Infrastructure as a key objective for supporting delivery of multiple benefits supporting well being in Wales.

A draft initial position statement on Green Infrastructure has been developed. This will inform discussion on scope of a Green Infrastructure strategy and composition of a Green Infrastructure Programme Board.

We will be working with the National Lottery Heritage Fund to explore the potential for securing investment in opportunities for Local Authorities and Public Services Boards to access grant funding for delivery of Green Infrastructure in Wales.

Promote successful and responsible business using natural resources without damaging them

31. **Green – Bring sustainably managed timber to market**

In parallel with offering timber to market, we dispatched (i.e. timber leaving the Welsh Government Woodland Estate) 136,000 m^3 timber in the quarter, with a cumulative volume of 325,000 m^3 by the end of Quarter 2.

We are now experiencing a downturn in the market resulting in reduced prices across many (but not all) products. The volatility seems to be due to uncertainty of the economic position, and the current market impacts of high volumes of timber entering the international market from central Europe, Scandinavia, Canada and America – this is clearly outside our control.

We have just received the final audit report for retaining our independent forest certification to UK Woodland Assurance Standard (UKWAS). The initial findings were very positive with one Major Corrective Action Request (CAR), 8 Minor CARS and 3 new observations. The Major CAR has now been closed out.

32. **Green – Deliver our renewable energy programme.**

Our Renewable Energy Programme is helping Wales meet Welsh Government's decarbonisation and Green Growth agendas and contributes to the delivery of Welsh Government's renewable energy targets.

The target of 344MW in the first three quarters of the year has been carried over from previous financial years and consists of onshore wind power generated at Cefn Croes (58.5MW), Pen y Cymoedd (228MW) and Brechfa Forest (57.4MW). The end of year target will be reached when Clocaenog (96MW) becomes operational later in the year.

The small-scale hydroelectric output of 1.5MW is made up of 19 schemes which have become operational to date. Unfortunately, this year's small scale hydro target of an additional 200KW will not be met due to slippage in developer construction timelines, which is outside NRW control. However, this is on a very small scale compared to our wind work and we anticipate achieving 441.5 MW (442 MW with rounding, by year end.

33. **Green - Deliver our tackling waste crime action plan.**

A proposed action plan was presented to our Regulation Business Board in September, where it was approved: it has also been subsequently approved by Welsh Government for our delivery.

We are now implementing our action plan in the second half of the year.

Develop NRW into an excellent organisation delivering first class customer service

34. **Amber – Continue to progress organisation development.**

We launched our overall revised structure for NRW on 1st July 2019.

We are rating ourselves amber as the Organisation Design Change Programme concluded on the 4th October 2019. This was four days later than planned and as a consequence pushed back events such as staff lessons learnt sessions, but we are confident the programme will close early in November 2019.

All new team structures have been established. We continue to run with over 200 vacancies and our recruitment efforts continue to enable us to attract people from outside NRW. Although our internal recruitment process has now finished, we continue to consider staff in the redeployment and redundancy pool for posts to minimise the number of staff at risk of redundancy.

We have provided a #Working for NRW training course for all managers to ensure we are all working safely in NRW and recognise our responsibilities for good governance and compliance. This will be rolled out to all staff over the coming months.

35. **Amber - Implement the recommendations for governance of our timber sales.**

We have reported this measure as amber as we continue to renegotiate some of our standing sales timber contracts – we are hoping to conclude these by 9th December. The new estimated quantity Terms and Conditions were implemented for the first time in September. High level training has been given to over 50 members of staff, with more contract management training being delivered as part of a Contract Management project. Work continues with the implementation of phases 3 and 4 of the system changes being made to the Timber Marketing Plan.

36. **Green – Customer Satisfaction (with their NRW interactions)**

Delivery is currently on track against the milestones and targets outlined in the report, and our work was the subject of a presentation to the Board at the last meeting. The Customer Dashboard has undergone further development during Quarter 2 to include key web performance metrics and 'right first time' and 'increased satisfaction' outcome measures.

Delivery of the remaining projects is a priority for the programme. We are addressing this in three ways: firstly by ensuring that we are clear and have identified responsibility and ownership of the work and delivery of the projects that are in early initiation stages or have not started at this point; secondly, by ensuring that interdependencies between the projects and other areas of the business are known and joint programmes of work are being developed and prioritised, ensuring that the customer elements and principles are being included; and thirdly through the provision of additional Fixed Term resources for the business to allow the work to begin (programme analysis, engagement, project management, customer testing etc).

We will continue to promote, support and challenge ourselves internally to increase customer involvement at the earliest point of service, product and process design, to ensure that all of our work is being based on current user led evidenced needs. We will be doing more in conjunction with the continuous improvement team, through induction and departmental development days to embed this way of working and thinking across the organisation.

37. There are several measures the Board have expressed interest in which we will work to reflect fully into our performance measures next year. These include measures on Equality, Diversity and Inclusion and Welsh Language, and on Well-being, Health and Safety. As an update for the Board:
    - Our Annual Equality report will be published for April 2020, which will include details for all protected characteristics. We are progressing our Strategic Equality Plan, for 2020-2024, which will be in place by April 2020.   We are working with other Welsh Government funded organisations to develop shared objectives for this plan.
    - Our Welsh language report will be published in September 2020 for 2019/20, and we will soon be running a skills gap analysis for Welsh language speakers across our new teams.
    - Our Well-being Health and Safety strategy will be published by the end of March 2020, and we continually monitor a wide range of Well-being Health and Safety information including lost time incidents and accidents, together with those referred to Riddor.

38. 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.

Recommendation

39. The Board is requested to scrutinise and agree the performance report for quarter two, prior to its submission to Welsh Government.

Key Risks

40. 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.

Next steps

41. The performance report will be submitted to the Minister of Environment, Energy and Rural Affairs and it will be published on the Natural Resources Wales website.

Financial Implications

42. 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 the finance and performance papers are therefore closely linked.

Equality impact assessment (EqIA)

43. The relevant equality impact assessment covers our Well-being Statement, Business Plan 2019/20 and Corporate plan up to 2022, and was updated in March 2019.

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44. Annex 1 – Quarter 2 Dashboard

2019/20 Business Plan Dashboard

This is a high level summary of our Business Plan Dashboard measures for 2019/20, and is updated on a quarterly basis. The detail behind the measures is also available. Measures relate to NRW activity, and are listed against the Well-being Objective they contribute to most. However, one activity can contribute to several Well-being Objectives at the same time.

Champion the Welsh environment & the sustainable use of natural resources (SMNR)

	Units	2017/18	2018/19	2019/20			
				Q1	Q2	Q3	Q4
Working with others to develop a shared 2050 vision for Wales' natural environment	milestones		On hold	Green	Green		
Working with others to develop our Area Statements	milestones	Green	Green	Green	Green		
Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency	mixed	Green	Green	Green	Green		
Progressing the second State of Natural Resources Report	mixed			Amber	Green		
Allocation of grant funding to support the sustainable management of natural resources	milestones	Green	Green	Amber	Red		

Ensure land and water use in Wales is managed sustainably and in an integrated way

	Units	2017/18	2018/19	2019/20			
				Q1	Q2	Q3	Q4
Improve Wales' future land management	milestones			Green	Green		
Creating new woodland and replanting felled sites	hectares	Amber	Red	Amber	Amber		
Implement river basin management plans	mixed		Red / Amber	Red	Red		
Ensure continued safe and responsible reservoir management	%		Red / Amber 74%	Red / Amber 82	Red / Amber 87		

Improve resilience and quality of ecosystems

	Units	2017/18	2018/19	2019/20			
				Q1	Q2	Q3	Q4
Implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity	milestones	Green	Amber	Amber	Amber		
Monitor and address tree and plant health issues	mixed		Red	Green	Red		
Manage and implement our programmes for sustainable fisheries programme including measures to promote the recovery of (salmonid) populations through our river and habitat restoration plans	mixed			Green	Amber		

Reduce the risk to people & communities from environmental hazards like flooding & pollution

	Units	2017/18	2018/19	2019/20			
				Q1	**Q2**	Q3	Q4
Deliver an effective and efficient incident management response	mixed		Red / Amber	Red	Amber		
Maintain NRW flood risk management assets in high risk locations in target operating condition	%	Amber 97.5	Amber 97.7	Amber 97.8	Amber 97.7		
Tackle the impact of industry and waste sites	mixed	Green	Red	Green	Amber		
Deliver our flood risk management capital programme	properties #	Green 749	Green 591	Red 0	Red 92		

Help people live healthier and more fulfilled lives

	Units	2017/18	2018/19	2019/20			
				Q1	**Q2**	Q3	Q4
Tackle the impact of air pollution	mixed		Green	Green	Green		
Deliver the Wales Coast Path and National Trails programmes	milestones	Green	Green	Green	Green		
Develop our joint working agreement with Public Health Wales and Sports Wales	milestones		Amber	Green	Amber		
Prepare a green infrastructure steer and programme	milestones			Green	Green		

Promote successful and responsible business, using natural resources without damaging them

	Units	2017/18	2018/19	2019/20			
				Q1	**Q2**	Q3	Q4
Bring sustainably managed timber to market	1,000 M3	Green 744	Amber 796	Green 88	Green 268		
Deliver our renewable energy programme	MW	Green	Green 346	Green 346	Green 346		
Deliver our tackling waste crime action plan	milestones		Amber	Green	Green		

Develop NRW into an excellent organisation delivering first class customer service

	Units	2017/18	2018/19	2019/20			
				Q1	**Q2**	Q3	Q4
Continue to progress organisation development	milestones	Amber	Amber	Green	Amber		
Implement the recommendations for governance of our timber sales	milestones		Amber	Amber	Amber		
Customer Satisfaction (with their NRW interactions)	milestones	Amber	Green	Green	Green		

The RAG (Red/Amber/Green) rating of measures, and how this works for each measure is reflected on each page behind the dashboard. E.g., green, reflects a target/milestone met, red, reflects a target/milestone not being met.

Link to priorities in 2019/20 Business Plan*

Champion the Welsh environment & the sustainable use of natural resources (SMNR)

	1	2	3	4	5	6	7	8	9	10
Working with others to develop a shared 2050 vision for Wales' natural environment			✔							
Working with others to develop our Area Statements		✔								
Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency										✔
Progressing the second State of Natural Resources Report			✔							
Allocation of grant funding to support the sustainable management of natural resources										

Ensure land and water use in Wales is managed sustainably and in an integrated way

	1	2	3	4	5	6	7	8	9	10
Improve Wales' future land management				✔						
Creating new woodland and replanting felled sites							✔			
Implement river basin management plans						✔				
Ensure continued safe and responsible reservoir management							✔			

Improve resilience and quality of ecosystems

	1	2	3	4	5	6	7	8	9	10
Implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity								✔		
Monitor and address tree and plant health issues										
Manage and implement our programmes for sustainable fisheries programme including measures to promote the recovery of (salmonid) populations through our river and habitat restoration plans								✔		

Reduce the risk to people & communities from environmental hazards like flooding & pollution

	1	2	3	4	5	6	7	8	9	10
Deliver an effective and efficient incident management response				✔						
Maintain NRW flood risk management assets in high risk locations in target operating condition										
Tackle the impact of industry and waste sites									✔	
Deliver our flood risk management capital programme										

Help people live healthier and more fulfilled lives

	1	2	3	4	5	6	7	8	9	10
Tackle the impact of air pollution					✔					
Deliver the Wales Coast Path and National Trails programmes					✔					
Develop our joint working agreement with Public Health Wales and Sports Wales					✔					
Prepare a green infrastructure steer and programme					✔					

Promote successful and responsible business, using natural resources without damaging them

	1	2	3	4	5	6	7	8	9	10
Bring sustainably managed timber to market							✔			
Deliver our renewable energy programme										✔
Deliver our tackling waste crime action plan									✔	

Develop NRW into an excellent organisation delivering first class customer service

	1	2	3	4	5	6	7	8	9	10
Continue to progress organisation development	✔									
Implement the recommendations for governance of our timber sales	✔									
Customer Satisfaction (with their NRW interactions)	✔									

*1. Developing NRW, 2. Delivering Area Statements, 3. State of Natural Resources Report, 4. Responding to the UK leaving the European Union, 5. Improving health and wellbeing, 6. Sustainable Management of Water, 7. Future management of land we manage and collaborate on with others, 8. Reversing the decline in biodiversity, 9. Tackle illegal waste activity, 10. Facilitate the uptake of renewable energy and decarbonisation

Contents

2019/20 Business Plan dashboard measures and targets detail

Well-being objective – Champion the Welsh environment & the sustainable use of natural resources (SMNR)

Measure – Working with others to develop a shared 2050 vision for Wales' natural environment

Why is the activity related to this measure important?

Although we have long term operational plans, and short and medium term strategic plans (our business plan and corporate plan), we have identified that we do not have a shared long term vision for the natural environment articulated in a single document and from which we can derive our long term strategy/plan. This vision needs to be shared and co-produced with other stakeholders, it needs to be flexible and needs to link clearly with Welsh Government's Natural Resources Policy. It will set out the 'where we want to get to' and will help define what achievement of our Well-being Objectives will look like in the long term.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Working to develop a shared 2050 vision	milestones	Green	Green		
Continued scoping of scale and options for this work	milestone	x			
NRW Board workshop held	milestone		x		
Development of detailed project plan	milestone		x	x	
Taking forward with stakeholders	milestone				x

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Prys Davies

Are we meeting the target/s?

Currently this measure is on target. We undertook a series of mini workshops with internal staff to further develop ideas asking questions covering the "why", "how", "what" and "who" in the development of the vision. This pulled in a wide range of ideas as well as enthusiasm.

In the second quarter of this year, we held a workshop with our Board to discuss our approach to delivering this measure and subsequently presented high-level proposals to the Board in September, which were agreed.

What are we doing next?

Following successful discussions with our Board and various staff groups, as well as interest from the Future Generations Commissioner's Office, and discussion with Welsh Government, this area of work is gaining momentum. A detailed project plan, outlining the key phases and approach for this piece of work as well as the resource requirements is about to be developed and we will involve a wide range of our colleagues in a workshop at our #Team NRW staff event in November.

Well-being objective – Champion the Welsh environment & the sustainable use of natural resources (SMNR)

Measure – Working with others to develop our Area Statements

Why is the activity related to this measure important?

Area Statements (AS) are a statutory product within the Environment (Wales) Act 2015. They will help to facilitate the implementation of the Natural Resource Policy priorities at an appropriate spatial scale. They will provide an evidence base and a series of other products and tools, developed in collaboration with stakeholders, to help embed sustainable management into our plans and processes, as well as seeking to tackle the environmental challenges that we face in Wales.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Working with others to develop our Area Statements	milestones	Green	Green		
We will deliver, in collaboration with stakeholders, seven Area Statements covering Wales' land and inshore marine area setting out the initial challenges and opportunities for sustainable management of natural resources in those places.	milestone				By March 2020
In relation to the key challenges/themes emerging in each place, we are building a common understanding with stakeholders of the issues and the factors that are likely to effect change, and the opportunities for joint working, as part of our "Theory of Change"	milestone		Summer 2019 (RP4)		
We can define what success looks like. We have a series of potential options for interventions and are building our collaborative responses with stakeholders. This will inform the next phase of our work.	milestone			Autumn 2019 (RP5)	

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Martyn P Evans

Are we meeting the target/s?

Good progress has been made in preparing Area Statements across all 6 Places and Marine, with extensive support from staff in our Evidence Policy and Permitting Directorate and Corporate Services. All measures are reported green in quarter two.

- Through the summer, engagement events were held across each Place and Marine, with positive feedback and input from those who attended.
- National Engagement events have been held with Wales Environment Link (WEL), Dwr Cymru Welsh Water (DCWW) and Wales Land Management Forum (WLMF).
- First Critical Friends group held with positive feedback on the NRW approach to applying the ecosystem approach in the preparation of Area Statements.
- Following feedback from internal audit, each Place has refreshed project plans to enable them to focus on the activities and resources needed to complete the first iteration of their area statement by 31st March 2020. We have moved to fortnightly meetings of the Area Statements programme board with Head of Service and Business Lead proactively managing risks and issues.
- Wales Audit Office audit of Area Statements to consider compliance with Well-being of Future Generations (Wales) Act 2015 completed and initial feedback provided.

- Agreed design and content of the digital Area Statements ensuring that they fulfil the requirements of the Environment (Wales) Act 2015 and our digital accessibility responsibilities.

What are we doing next?

- Engagement events are planned in each Place to run in October.
- National Engagement ongoing through existing forums, for example meeting with Land Managers scheduled for 4 October. We will start planning for a national cross sector, All Wales event in December 2019.
- Refreshing intranet content to provide clear narrative on the role and purpose of Area statements. Finalise the steps to take for preparing the content for the Digital Area Statements, working with the Communications Team.
- Completing scoping reports for Strategic Environmental Assessment (SEA) for each AS.

Well-being objective – Champion the Welsh environment & the sustainable use of natural resources (SMNR)

Measure – Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency

Why is the activity related to this measure important?

- Our Carbon Positive Enabling Plan sets out a strategic ambition for decarbonisation of NRW; helping us meet our commitments to take positive action on climate change and optimising multiple benefits. We are developing our first Carbon Positive Action Plan setting out specific actions to deliver on this.

- The Carbon Positive Project has been showcased as a leading example of decarbonisation in Wales' public sector; maximising the dissemination of our experience through knowledge sharing with WG, PSBs and other public-sector bodies in support of the transition to a carbon neutral public sector by 2030.

- Delivery of the Carbon Positive Action Plan is a key element of NRW's work in support of WG's climate emergency declaration in April 2019.

- Environment Act requirement: the achievement of an overall 80% reduction in greenhouse gas emissions by 2050 and contribute to delivery of aims set out in the first Low Carbon Delivery Plan.

- Well-being of Future Generations Act sets seven Well-being Goals that include a prosperous Wales based on a low carbon society.

- NRW Environmental Policy commitment: Mitigate the impact of climate change by minimising the greenhouse gas emissions from all our operations and activities. ISO14001 certification requirement: To enhance environmental performance.

Support delivery of call for action in relation to Climate Emergency declaration

- On the 29 April the Welsh Government declared a 'Climate Emergency' in Wales, with the intention of prompting 'a wave of action'. In response a significant role for NRW has been identified that will require a programme of assessment of the potential actions and their feasibility covering a wide range of decarbonisation measures including in relation to land management and use of the NRW Estate

- The NRW Board met in July and agreed our priorities as a response to the declaration of a climate emergency in Wales.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency	Mixed	Green	Green		
Deliver decarbonisation projects (EV infrastructure & self-supply renewables)	No. of projects	In progress	In Progress		(t=2)

Complete first Carbon Positive Action Plan	Yes/No	In progress	On target	(t =Y)	
Complete the scoping of potential NRW actions in response to the Climate Emergency declaration and their feasibility	milestone	Endorsed following Board discussion 11 July 2019 Complete-			
In liaison with WG complete the development of an initial climate emergency work programme for Wales, including resourcing	milestone	In progress	In Progress		Complete by Mar 2020
Establish an NRW Decarbonisation Programme Board, forward work programme and mechanism for managing implementation	milestone	In progress	In Progress	Establish decarbonisation programme board and draft forward work programme	Finalise decarbonisation forward work programme and establish monitoring framework aligned with Area Statements and PSB`s
NRW carbon footprint (for occupied buildings and business travel)	tCO$_2$e	708 (t<810)	1402 (t<1,620)	(t<2,430)	(t<3,240)

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Rhian Jardine

Are we meeting the target/s?

- The Carbon Positive **enabling plan has been endorsed** by the NRM business board on 22 May 2019.
- A **paper** Identifying potential priority actions for NRW in response to the 'Climate Emergency' declaration was presented to and **endorsed by the NRW Board on 11 July**. The scoping of potential NRW actions in response to the Climate Emergency declaration and their feasibility has been completed.
- **Deliver decarbonisation projects (Electric Vehicles infrastructure & self-supply renewables)**
- The Carbon Positive team have set up, and are project managing, a project to deliver the Electric Vehicle(EV) charging infrastructure roll out. A project board is meeting fortnightly and is currently setting out the scope of the project. Procurement have identified a suitable framework to use and are being kept informed of progress.
- Together with Welsh Government, the Welsh Government Energy Service and the Welsh Local Government Association we have established a mechanism to coordinate deployment of EV infrastructure on a Wales national and regional basis.
- Renewable Energy for Self-Supply: Six sites have been identified for the installation of solar photovoltaic (SV) systems this financial year. Carbon Positive are working to get the six sites ready for installation. This involves commissioning preparatory work for planning applications including design and access statements, survey work and outline designs. This work is due to be procured through a framework in October.
- **Complete first Carbon Positive Action Plan -** A member of the Carbon Positive team has been allocated to work on the Action Plan to be published in draft before the end of October 2019. They are currently working to verify, and to ensure the data is up to date.
- **Complete the scoping of potential NRW actions in response to the Climate Emergency declaration and their feasibility.** Resource requirements for delivery of the top 10 priority actions, and also some elements of other priorities in the longer list of actions, have been assessed and costed for resource needs. The Top 10 priorities were presented to the First Minister and the Minister for Environment, Energy and Rural Affairs. This work informed the unfunded pressures Grant in Aid (GIA) baseline proposal submitted to Welsh Government in July. Discussions on resourcing are on-going along with refinement of the actions in discussion with other parts of NRW where necessary.
- **In liaison with WG complete the development of an initial climate emergency work programme for Wales, including resourcing.** Conversations are ongoing with the Welsh Government to align our programme with the emerging Welsh Government decarbonisation portfolio board and internal meetings have been arranged to discuss NRW's resource requirements.

- **Establish an NRW Decarbonisation Programme Board, forward work programme and mechanism for managing implementation.** Draft governance structures for the Natural Resource Management group have been prepared and internal consultation is taking place in relation to the establishment of an NRW Decarbonisation Programme Board.
- **Externally, a series of workshops have been held, and are planned, to stimulate and assist decarbonisation action in local authorities and Public Services Boards (PSBs) across Wales**. To date collaborative working across PSBs on climate change has been agreed within North Wales (6 LAs/4 PSBs), Gwent (5 LAs/PSBs) and Dyfed (3 LAs/PSBs). A series of workshops across these areas are currently being planned to progress collaborative working on public sector decarbonisation based on the Carbon Positive approach.
- **Internally, a series of all staff briefings have been held on NRW`s response to climate change emergency** including a session on 20 September to coincide with the worldwide climate strikes arranged as a call for action **on the climate emergency.**
- **Extensive work has been undertaken with Welsh Government to establish the case for a national peatland action programme.** This was undertaken during the last quarter of 2018/19 and the first 2 quarters of 2019/20 and culminated in an evidence briefing for Welsh Ministers and the subsequent request for NRW to develop an action programme.
- **New LIFE for Welsh Raised Bogs Project. Project fully commissioned and operational with procurement of project** equipment and necessary framework contracts, baseline monitoring and appointment of project staff.

What are we doing next?

- The Carbon Positive team will be procuring consultancy support to get PVs installed at the six selected sites. The team will also be working with procurement to run a mini competition to install the schemes.
- The Carbon Positive Team will work with fleet to define the scope of the EV infrastructure project. We will then present this to the User Stakeholder Group and seek input from the group on the proposals. The Stakeholder User Group is made up of NRW employees from across the business who use or manage fleet vehicles regularly.
- We will also commission a third party to asses if the project`s scope and ambition are deliverable before developing a procurement specification.
- Work on potential NRW actions in response to the Climate Emergency declaration and their feasibility is ongoing, a paper setting out progress will be provided to the NRW Board on 21 November. Meetings have been arranged with colleagues from across the business to gather evidence and advice. Officers met with WG on 8 October to discuss the development of an initial climate emergency work programme for Wales, including resourcing and agreed to work to align the NRW Decarbonisation Programme with the WG Portfolio Board. The Chair and officers will be attending a UK-wide Net Zero summit on 17 October to discuss inter-agency collaboration around this agenda.
- Preparation of draft terms of reference for an NRW Decarbonisation Programme Board and formal establishment of the programme board.
- The NRW response to the Climate and Environment Emergency will have a prominent role in the Team NRW day on 19 November. A workshop session at #team NRW event in November will provide an opportunity to further inform staff of the decarbonisation and climate change work ongoing and explore their potential role going forward in terms of delivery internally and as ambassadors for change externally.
- On wider decarbonisation measures we have established an Offshore Renewable Energy Programme Board recognising the importance given by the First Minister to the deployment of marine renewable energy. This will coordinate engagement with the Crown Estate`s Offshore wind leasing round 4 programme and emerging and innovative technology such as wave and tidal.
- To help implement the Wales National Marine Plan, to be adopted in October, and the 2019/20 Remit Letter requirement for a proportionate approach to marine advice and consenting, we have developed an approach to proportionality in our advice and consenting functions. This approach will be discussed with key stakeholders before finalisation.
- Welsh Government has commissioned NRW to develop a costed action programme for an initial phase of activity aimed at restoring priority peatland sites across Wales. This work will be undertaken by spring 2020. The proposal is that NRW receives additional Grant in Aid to undertake this work directly and through the activities of partners. NRW is setting up an internal task and finish sub-group of the Biodiversity and Resilient Ecosystems Board to both support this work and provide better coordination of NRW's activities relevant to peatlands in Wales.
- NRW's New LIFE for Welsh Raised Bogs project has now entered its main delivery phase following completion of a complex national procurement exercise for the groundworks elements of the project.

Well-being objective – Champion the Welsh environment & the sustainable use of natural resources (SMNR)

Measure – Progressing the Second State of Natural Resources Report

Why is the activity related to this measure important?

The Interim Report is our 'heads up' to Welsh Government of the key messages likely to be presented in SoNaRR2. It is important we involve our stakeholders in the identification of these key messages as SoNaRR sets out the evidence base that informs Welsh Government's next Natural Resources Policy. It identifies opportunities and challenges for all those with an influence in managing Wales' Natural Resources sustainably.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Progressing the Second State of Natural Resources Report	mixed	Amber	Green		
Interim SoNaRR2 submitted to Welsh Government	milestone			31 Dec	
Stakeholder involvement in assessments of SMNR and agreeing emerging key messages for the interim Report	narrative	X	X	X	X
Proposed SMNR Indicators	milestone			31 Dec	
Assessment of extent to which SMNR is achieved for 8 Broad Ecosystems and Themes complete	milestone				28 Feb

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Mike Evans and Steve Morgan

During Q2, we have undertaken assessment and engagement tasks with our stakeholders. Our timeline milestones have now been met, meaning that our assessment of progress is now green. We do still have vacancies to fill, but staff are repriortising their work to ensure the Interim report and milestones for SoNaRR2 are delivered on time.

We have identified draft key challenges and opportunities for managing Wales' Natural Resources in a sustainable way. These have been shared and discussed with staff and stakeholders as part of our work developing the content of SoNaRR2. They will be published within the Interim Report in December.

A method for prioritising evidence needs for assessing the sustainable management of natural resources (SMNR) has been agreed and we have been working with key stakeholders to identify opportunities for filling some of these evidence gaps. This will also be included in the Interim Report in December.

Staff have continued to work on the assessments required for SoNaRR2.

We have previously stated that we will include a list of proposed Indicators of SMNR as part of the Interim report at the end of December. However, we want to ensure the choice of indicators to be informed by the work that is currently being carried out to update our assessments across the eight broad ecosystems and cross-cutting themes for SoNaRR2. This will be the evidence that underpins the assessment of the extent to which SMNR is being achieved, which is required for SoNaRR2. As work has progressed and to allow time for this we have agreed with Welsh Government that the Indicators of SMNR will not be part of the Interim Report in December.

What are we doing next?

During Q3 we will be finalising the content of the Interim report and publishing it on our Website in December.

Staff will start to draft the content of the ecosystem and theme chapters, which will provide the main evidence for the assessment of SMNR in SoNaRR2, due to be published in December 2020.

We will work with Welsh Government and others to develop the SMNR indicators further. The indicators will need to tie in with the work our staff are doing around the SoNaRR2 chapters, so their development is likely to be iterative.

Well-being objective – Champion the Welsh environment & the sustainable use of natural resources (SMNR)

Measure – Allocation of grant funding to support the sustainable management of natural resources

Why is the activity related to this measure important?

Grant funding will facilitate NRW's purpose, the sustainable management of natural resources. Grant funding will be used to support delivery of NRW priorities and opportunities as set out in the Corporate Plan (including the Well-being Objectives), Business Plan, Area Statements, SoNaRR and functional plans and strategies. A Grant Funding Policy and Procedure has been developed that sets out the key principles, roles and responsibilities as well as the grant funding mechanisms available to NRW. These are: Shared Outcomes Request, Strategic Allocated Funding and Competitive Funding. The grant mechanism definitions document defines each mechanism in detail. All funding of partnerships offered by NRW must be administered in line with the Grant Funding Policy and Procedure to ensure compliant, proportionate, appropriate and consistent processes are followed with clear governance and risk management. The needs of the customer (both staff and partners) is explicitly considered in the development and implementation of all our grant funding mechanisms.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Allocation of grant funding to support the sustainable management of natural resources	milestones	Amber	Red		
Shared outcomes requests approach developed and implemented	milestone	N/A	x		
Strategic allocated funding approach developed and implemented	milestone			x	
Competitive funding approach developed	milestone				x
2018/19 funding round review complete	milestone				x

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Rob Bell

Are we meeting the target/s?

There's been significant progress since last quarter in developing the grant processes. The shared outcome request mechanism has been piloted and has demonstrated the scale of the cross-directorate transformation that requires buy-in, commitment and resource from across all relevant directorates.   The mechanism has been developed during quarter two as planned, implementation has been delayed beyond one month to ensure lessons can be learnt from the

pilots. The expected implementation date is 30th November 2019. We have reprioritised work plans and deployed two additional staff to work on the preparation of the guidance and training/ communication material. We are in the process of recruiting a programme manager, plus financial accountants to develop the due diligence and financial process. Discussions are ongoing to understand how to manage the money between budget years. As part of our pathway to green, we are also urgently looking across NRW to reallocate additional staff with the right skills to help ensure this critical piece is delivered by the end of the year.

Progress to date to meet the targets are listed below:

Shared Outcomes Request

- Developed and tested the process/documentation by running seven pilot projects.
- Held a workshop with key staff from across the organisation to share the process and gather feedback.
- Compiled lessons learnt document from pilots, workshop and WG feedback in preparation for full process documentation.
- Commissioned a full due diligence review for the mechanism.
- Made links with the financial ICT solution to ensure projects are linked.

Strategic Allocated Funding

- Mapped process for the strategic allocated funding mechanism through the Task and Finish Group.
- Identified products needed to facilitate the process.
- Held a workshop with key managers to identify corporate plan outcomes that should be funded via strategic allocated funding.
- Held a workshop with key staff from across the organisation to share the process and agree criteria for Strategic Allocated Funding and its link to the Corporate Plan outcomes and Area Statement Emerging Themes.
- Proformas completed by key staff from across the organisation to match outcomes with potential partners and to suggest possible funding formulas.
- Commissioned Evidence team to work with Task and Finish Group to develop methodology for Strategic Allocated Funding and funding formulas for identified partners to ensure the logic is fair and transparent.
- Commissioned a full due diligence review for the mechanism.

Competitive Funding

- Mapped process for the strategic allocated funding mechanism through the Task and Finish Group.
- Identified products needed to facilitate the process.

What are we doing next?

Additional resources have been deployed within our Evidence, Policy and Planning and our Enabling Services Directorates to ensure delivery against the targets by the end of the financial year:

- **Shared Outcomes Request:** revising the process and guidance to reflect the lessons learnt of the shared outcomes request pilot, including clarification of roles and responsibilities. We are commissioning external financial accountants to revise the due diligence and financial process to ensure alignment to the principles in the Grant Policy and the feedback from WG and pilots. Once this is completed we will finalise the checklist for partners. We will develop the communications material to support roll out to staff.
- **Strategic Allocated Funding:** endorsement of methodology at the October NRM Business Board. Further work commissioned from our Evidence team to develop funding formulas. A full list of outcomes, partners and proposed funds to be endorsed at the December NRM Business Board subject to due diligence checks.
- **Competitive Funding:** to develop all products in preparation ready for potential implementation by Place from the 1st April 2020.

- **Due diligence review:** completion of the due diligence review for all mechanisms and transparent guidance on what due diligence checks NRW undertakes, when and why.
- **Audit Reports:** Ensure recommendations of recent audits are fully embedded within all processes for all grant mechanisms.
- **ICT & DMS Transformation:** ensure lessons learnt are reflected in development of new ICT and DMS to provide clarity to staff on how work is flowing across each process and team.
- **MoAs:** a review and mapping of the MoA (Memoranda of Agreement) process to provide clarity on how they are used to release money to ensure alignment with the accountability principles established in the grant funding policy and procedure.
- **Clear roles and responsibilities:** training on roles and responsibilities within the process and the development of clear guidance on the intranet.
- **Communications:** clear internal/external communications around the strategy, processes and timelines to embed the shift in ways of working associated with the new policy and processes.
- Ensure alignment of grant mechanism with the priorities associated with our internal Place and Service Plans.

Well-being objective – Ensure land and water use in Wales is managed sustainably and in an integrated way

Measure – Improve Wales' future land management

Why is the activity related to this measure important?

Support Welsh Government on the development of the Future Land Management Scheme: the Welsh Government proposes as a replacement for the Common Agricultural Policy (CAP) post Brexit. Steering the Future Land Management programme to support the delivery of SMNR is critical to delivering our remit on privately owned and rented land in Wales.

Welsh Government propose to implement new regulations in relation to water: on 14 November 2018 the Cabinet Secretary for Energy, Planning and Rural Affairs issued a statement outlining a whole Wales approach to tackling agricultural pollution. This would include new regulations in 2020 and a combination of different changes all of which need to be supported by new ways of thinking. The main areas are: A robust regulatory regime; Developing a voluntary, farmer-led approach to nutrient management; Ensuring better advice and guidance is provided and can be taken up by farmers; Improving the range of investment opportunities; Identifying and promoting innovation.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Improve Wales' future land management	Milestones	Green	Green		
Support Welsh Government on the Development of Future Land Management Schemes	Milestones				
Continue technical support to Welsh Government in the development of the next consultation on taking forward the future land management schemes		Completed, (and now ongoing)	Support Ongoing		
NRW staff across place and function are briefed on WG consultation before the 9th July launch to aid work with policy and area statements		Completed	Consultation Delivered July 2019		
NRW responded to consultation			Response in Q3		
NRW staff and policy is embedded in the co-design process			Embedded		
Integration of regulation deficiencies and opportunities presented WG ERA policy leads via WG regulation board			Integration Ongoing		
Support implementation of New Water Regulations	Milestone		Green		
Work across NRW functions and with stakeholders to deliver measures in relation for sustainable benefit in implementing new regulations by 2020		See text	Proactive work continues		
Work with the Wales Land Management Forum sub-group on agricultural pollution	Milestone		Green		
Partnership funded programme on voluntary approaches completed				Project report delivered	

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Sian Williams

Are we meeting the target/s?

Support Welsh Government on the Development of Future Land Management Schemes:

- Q2 Further technical and evidence support has been provided to Welsh Government which helped the timely launch of their "Sustainable farming and our land" consultation. We continue to provide technical support and have held meetings with Welsh Government staff to discuss the report ahead of the closure of the consultation at the end of October.

- Q2 We have prepared a detailed Key Information Paper (KIP) to help support staff engagement, along with Board briefings and broader briefings ahead of the Royal Welsh Agricultural Show and other key events. We have continued to provide feedback to the Welsh Government team tasked with delivering the proposed scheme and have ensured the Area Statement process has been engaged so that the opportunity for engagement through these Statements is recognised and utilised in a future scheme.

- Q2 Workshops and Skype sessions have been developed and delivered (latter through September) to enable widespread but focused input from across NRW. Discussions with Welsh Government have ensured continuing feedback so that time and opportunities have not been lost with this rapidly changing landscape (due to changing Brexit issues). Our formal response will be developed during October. Engagement with stakeholders and partner organisations, including exchange of information and evidence, has also been carried out.

- Q2 We have continued our efforts on ensuring that WG proposals both for a post Brexit replacement for the Common Agricultural Policy and for proposed changes to Water Regulation that the principles of SMNR are a key feature that must be hard wired into these proposals. We have also encouraged discussions across the land management sector to ensure Area Statements are seen as a critical building block in developing a future land management scheme.

- Q2 Our efforts outlined in Q1 have continued apace. We have held regular meetings of NRW Policy, Regulation and Operations staff, supported by our Legal team, with WG staff to ensure a robust and joined up message from NRW. We have used our Regulatory Principles as the core building block in this work so that the opportunity to gain engagement and ownership from the sector is fully utilised.

Support implementation of New Water Regulations:

- Q2 The impact of the proposed regulations have been explored with colleagues internally. We have also had separate detailed discussion with sector groups and with WG colleagues on the proposed regulations. We have briefed senior staff internally on the likely implications for NRW going forward and explored the options NRW has in delivering the proposals. We chaired a sector meeting with Welsh Government and ADAS to discuss the proposals and have subsequently provided additional evidence to WG. We are now working up options to identify risk and costings of different delivery options which NRW will need to deploy to deliver the proposed regulations. We are also working with WG to ensure that the external expectation of what these regulations will deliver and speed with which any impact will be evident is properly communicated. Ongoing work through our Operations Directorate on visits to Dairy farms across Wales has continued and reports of the findings of the work have been gathered and shared with WG and the sector.

Work with the Wales Land Management Forum sub-group on agricultural pollution:

- Q2 The group is making good progress with well attended monthly meetings from which key actions are being discussed and positive outcomes delivered. However, the introduction of the proposed water regulations by Welsh Government has diverted effort and, to an extent, undermined sector confidence so that some of the impetus previously enjoyed has been lost. We have reviewed the project and put in additional effort and design to bring the work back on track and to re-invigorate the group. We are confident this will see our targets met in Quarter 3.

What are we doing next?

Support Welsh Government on the Development of Future Land Management Schemes:

- Q2: The Key Information Paper (KIP) on WG's "Sustainable Farming and Our Land" consultation has been prepared and shared with staff. Skype workshops are planned for September. Briefings have been prepared and delivered to senior management and the Board. We have also engaged with partners. We will respond in detail to WG by the deadline of October 30th and we continue to support WG as they review the consultation responses and move forward to the next stage of their work.

Support implementation of New Water Regulations:

- Q2: We continue to work closely with WG and have responded to their deadline in early September with additional evidence. With Operation and Regulation colleagues we are now preparing options and risks/costs of delivering compliance with the proposed regulations. We are also working with WG colleagues to look at the range of additional measures that will be needed to support the implementation of new water regulations so that water quality is improved.

Work with the Wales Land Management Forum sub-group on agricultural pollution:

- Q2: The proposed regulations have created a debate both within the sector and with NRW. The sector partners and NRW have all provided feedback to Welsh Government and attended workshops, chaired by NRW, to discuss the proposals. We are currently working with Welsh Government and sector partners to ensure the broad work and approaches promoted by the Wales Land Management Forum sub-group builds upon the proposed regulations so that they form an important and integral part of a future land management landscape.

Well-being objective – Ensure land and water use in Wales is managed sustainably and in an integrated way

Measure – Creating new woodland and replanting felled sites

Why is the activity related to this measure important?

- The activity is part of achieving the aims for woodland cover set out in the Welsh Government's Strategy for Woodlands and Trees (the Strategy). The importance is further strengthened by the Committee on Climate Change's (CCC) recommendations on the role of woodland creation in responding to the climate emergency. It supports delivery of the Climate Emergency Action Plan by creating and enabling the creation of more woodland cover.
- Better enabling landowners across Wales to choose to create woodland will result in the area of woodland in Wales increasing and an increase in the benefits that flow from woodland, such as storing carbon, giving space for wildlife to adapt to climate change, safeguarding clean water and managing flood risk, and supporting the rural economy.
- Maintaining the amount of woodland on the Welsh Government's Woodland Estate (WGWE) ensures that the publicly owned woodland of Wales continues to provide benefits as above.
- The measure tracks NRW's performance in its specific role in enabling woodland creation or maintaining the area of woodland on the WGWE. It does not measure directly progress on the targets for woodland creation in the Strategy or in the CCC's recommendations.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Creating new woodland and replanting felled sites	Hectares	Amber	Amber		
Restocking programme – Core	Hectares	218.6	218.6		1000
Restocking programme – *Phytophthora ramorum* coupes	Hectares	264.4	264.4		800
Develop a new long-term programme for woodland creation to form part of WGWE	Milestone		Approved programme		First tranche plans developed
Support, through joint funding, new woodland creation through working with others	Hectares		Over 40 ha supported (T=30)		(T=100)
Plan replacement woodland as a result of our Energy Delivery programme	Hectares	(T=15)	(T=35)	(T=50)	(T=60)
Restrict the Land-bank to <5% by June 2019, in line with overall target to restrict the Land-bank to <4% by 22/23	Hectares	5456 (5.3%)	5456 (5.3%)		Between 5% & 4%

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Richard Ninnes

Are we meeting the target/s?

Restocking / Land Bank

- Yes. We are on target on restocking. We delivered 26% of the target for 2019/20 and have plans and resources in place to achieve the 1,800 ha total target. The land-bank is over the 5% interim target but the restocking programme of 18,000 ha per year will bring this down at an adequate rate to reach the required <4% target by 2022/23.
- Note that we do not normally expect progress during the Summer, because most planting takes place in the Autumn and Winter. Work to try out Summer planting started on about 30 ha that will complete in October.

Develop a new long-term programme for woodland creation to form part of WGWE

- Yes, we have allocated £1M over 2 years and we are searching for the 1st sites for acquisition.

Woodland creation through working with others

Q2. Our woodland creation programme is developing to deliver a suite of tree planting opportunities over the coming years including working with others. Work to date includes:

- A suite of woodland projects designed as a remembrance to the establishment of Public Forest in 1919. This includes the Centenary Beacons project to plant trees with vibrant autumn colour in a number of communities, opening the Arboretum in Garwnant, developing a new visitor woodland on the Shotton site, along with a number of social and historic projects to commemorate the Public forest to be delivered over the next three years.
- Continued development of the PLANT! Project to plant a tree for every child in Wales.
- Continued technical service delivery to WG to support the Glastir Woodlands programme and a future land management funding scheme for Wales.
- By the end of Q2 we have an additional 43 ha of PLANT! Projects under contract and another 17 ha in the pipeline. The Minister also launched our Centenary Trees project at the Royal Welsh Agricultural Show.

Plan Replacement woodland as a result of our Energy Delivery programme

- Yes. We have established the project with £10M funding over 10 years aiming for 350ha in total acquired and planted. We are expecting to exchange contracts soon on the 1st land parcel and have made an offer for a 2nd site.

What are we doing next?

Restocking / Land Bank

- We will continue as planned. We have framework contracts in place for land preparation and have ordered trees to enable restocking in quarter 3. The bulk of re-stocking will happen in winter 2019/20.
- The back to green pathway for land bank is the restocking programme.

Develop a new long-term programme for woodland creation to form part of WGWE.

- We will continue as planned. We will:
  - o further develop the pipeline of potential acquisitions,
  - o further simplify the governance process to enable us to respond more efficiently to opportunities; and
  - o develop models for woodland creation on the WGWE using a wider range of types of "ownership" and funding arrangements such as leasehold or management agreements.

Woodland Creation / Working with others

- Q2 Applications from the latest expression of interest (EoI) window for Glastir Woodland will arrive in the Woodland Programme Team of NRW for verification from early November. This will see increased funding over previous rounds resulting in a likely increased number of planting proposals and a larger workload for our staff. We are ensuring skill and capacity are developed in time to maintain our previous standards.
- Support and advice will continue to be provided to WG as they develop their post Brexit land management support scheme. We are developing the evidence and working collaboratively with land managers to ensure woodland creation and restoration opportunities are key elements of any new scheme.
- Discussions with a range of stakeholders and partners are underway to find opportunities to see increased tree planting through the woodland creation projects we have established. This should ensure that there are a mix of schemes and approaches which will encourage participation.
- We are working to advise and work with WG on the opportunities for woodland creation and tree planning through a programme to support a new national forest in Wales. This includes opportunities to improve any incentive scheme and ensure our regulatory decisions and advisory services are informed by good evidence, assessment and guidance.

Plan Replacement woodland as a result of our Energy Delivery programme

- We will continue as planned, activities to acquire land to increase the size of the WGWE.

Well-being objective – Ensure land and water use in Wales is managed sustainably and in an integrated way

Measure – Implement river basin management plans

Why is the activity related to this measure important?

We are required to produce River Basin Management Plans (RBMP) under the Water Framework Directive on 6-year cycles. As part of this there are statutory consultations we must publish by specified timeframes. In the RBMPs published in 2015 we made national and local commitments to improve the quality of our waters. We undertake investigations to identify the reasons for not achieving good status which is one of the objectives under the Directive.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Implement river basin management plans	Y/N	Red	Red		
All local measures made operational	% local measures	**74%**	**72%**	Complete by Dec	
All national measures made operational	% national measures	**86%**	**86%**	Complete by Dec	
All WFD investigations to be completed	% investigations		**34%**	Complete by Dec	
Publish our Challenges and Choices statutory consultation		Published by June	Published by June		

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Sian Williams

Are we meeting the target/s?

- In Q3 and Q4 last year NRW undertook the task of WFD classification (e.g. Good, Moderate, Poor) for all water bodies in Wales. Investigations are delivered by a diverse network of colleagues collaborating across Operations and EPP Directorates along with 3rd parties such as Dŵr Cymru and the Coal Authority. This positive collaboration as a way of working, has required investment of staff time.
- Although there is operational work ongoing, it is not being focused through the WFD lens and we have prioritised resources on Area Statements and associated work. There are also some governance issues on collective tracking and reporting across places. We are not currently meeting the targets.
- To address the **amber status of local measures** we successfully secured funding from Welsh Government to support 7 additional staff across NRW operational Environment Teams till the end of March 2020. Our new officers will focus on ensuring local measures for target water bodies are all in train by Dec 2019. Recruitment is ongoing with currently 6 officers in post.
- The Operational Marine Service teams are working to prioritise and progress investigations with a plan in place, priority has been given to the development of the WISKI recording system which underpins the WFD investigations.
- In Wales physical modifications are the main reason waterbodies fail to achieve good WFD status. We have secured funding from Welsh Government to complete fully costed action plans for restoration of 7 priority rivers, although our skills gap in hydrogeomorphology remains a challenge. We are working to address the additional resource required in EPP and Operations**.**
- Challenges and Choices consultation was published on the 21st June. We were the first administration in the UK to publish this statutory document.
- We are continuing to work through the Wales Water and Land Management Forums and sub groups work programme to secure the longer-term changes required to support improved status.

What are we doing next?

- To address the red status in Q1/2 we have been reprioritising our investigations programme with the aim of enhancing delivery through the remaining two quarters.
- We will ensure that WFD priorities are reflected in Service Plans to align resources and ensure long term commitment to WFD. Our Water and Land Board will oversee the WFD programme.
- We will assess whether there is scope to contract out some of the investigations programme in order to improve compliance
- There is work underway to develop a clearer programme of delivery within the new operational teams including the work of the Marine Service, and to improve the tracking of data collection and feedback on delivery to enhance reporting.
- The next stage in planning for the third WFD cycle is that work has started to draft the measures for the cycle 3 RBMPs. We will include feedback from the current Challenges and Choices consultation after it closes where we expect new measures to be put forward for consideration. We are also working through our grant programme to ensure we can work proactively with others to support delivery of WFD priorities. Since Q4 last year we have been working on our approach to catchment management for the 3rd cycle of WFD with the 'Opportunity Catchment' selection framework. Driven by SMNR principles, WFD and Area Statement engagement, Opportunity Catchments represent water bodies best placed to deliver multiple benefits for the environment and well-being of communities. Our March 2020 Area Statements and the cycle 3 RBMPs will now both include Opportunity Catchments as priorities, ensuring co-ordination between NRW Place Plans and RBMPs at the national level. We hope this will lead to targeted partnership collaboration via the new NRW grant funding programme to support the right organisations, communities and land owners in tackling persistent water and land management issues at a catchment scale. This will become operational in the third cycle of WFD from 2021 but published next year as part of the Area Statements and consultation on the draft River Basin Management Plans.

Well-being objective – Ensure land and water use in Wales is managed sustainably and in an integrated way

Measure – Ensure continued safe and responsible reservoir management

Why is the activity related to this measure important?

The purpose of the Reservoirs Act 1975 is to protect people from the uncontrolled release of water from large, raised reservoirs. NRW needs to ensure that the reservoirs on our land that fall under the Act are constructed, supervised, inspected, maintained, altered and removed under the guidance of qualified civil engineers. NRW manage and maintain circa 40 reservoirs under the Act and is delivering a programme of work to ensure that all these reservoirs become compliant with the Act. The measure is the % of NRW reservoirs that are compliant with the Reservoirs Act, with a target of 100% as all of our reservoirs should be compliant with the statutory requirements. The two sub-measures aim to focus attention on core areas of work: 1) timebound statutory safety measures; and 2) record-keeping linked to monitoring, surveillance and other records management activities.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Ensure continued safe and responsible reservoir management	%	Red/Amber 82%	Red/Amber 87%	100%	100%
NRW reservoirs compliant with Reservoirs Act*	%	82%	87% (T=100%)	(T=100%)	(T=100%)
Measures in the interests of safety completed within the prescribed timescales	%	91%	94% (T=100%)	(T=100%)	(T=100%)
Records management carried out as directed by statutory inspection report	%	90%	95% (T=100%)	(T=100%)	(T=100%)

*Key: Green = On target (100%). Amber / Green = Nearly on target (>=95%). Amber = Nearly on target (>=90%). Red / Amber = Off target (>=70%). Red = Off target (<70% or more). * Overall measure position applies to first performance measure line only*

Leadership contact/s: Jeremy Parr and Lyndsey Rawlinson

Are we meeting the target/s?

We are not meeting our overall target of 100% compliance, but we are making good progress towards our end of year predicted position of 95% compliance. Current performance is 87%, up from 82% in last quarter. Our plans for improvement are progressing and being delivered to schedule, and the figures support this. Our Flood Risk Management Advisory Group are monitoring our reservoir work very carefully.

- 87% overall compliance reflects 5 out of 39 reservoirs are in breach (reduced from 7 last quarter)
- 94% compliance with 99 safety measures reflects 75 measures are now complete and a further 18 to be completed within statutory timescales (94% = 93/99).
- 6 of the 99 measures are overdue preventing "green" status. 4 of these will complete in Q3. Some work will be beyond this financial year. Work on the remaining measures is withheld until spring 2020 to avoid higher risk conditions during the winter; completion is expected Q2 2020. The Inspecting Engineer is aware of this.
- We have successfully removed one disused reservoir with another to be removed very soon; this is the ultimate step in achieving "safety".
- 2 reservoirs (5% of all reservoirs) are off-target for the records management sub-measure due to failing to visit at times of flood. This means this sub measure is amber. Steps have been taken to rectify this. These remain extant until the Supervising Engineers next statements, expected in Q3. No new surveillance breaches have been recorded.

What are we doing next?

- We expect overall compliance to be over 90% in Q3, and we expect to reach our predicted year end position of 95% compliance, as we continue to deliver our planned programme of improvement works.
- The remaining 5% of compliance work is planned to be delivered over a longer timescale than this financial year, due to its complex nature. At present, as reported previously, full compliance will not be reached until the major works at Llyn Tegid is complete, in 2022.

- We have explored whether any work can be bought forward, but this is not possible due to the long lead-in times for the required work.

In addition to the activities reported in Q1:

- We continue to explore options for discontinuance of our reservoirs, and plans are in place to discontinue another reservoir during Q1 2020-21. This helpfully reduces our compliance obligations.
- The new reservoir flood maps for newly designated reservoirs are expected to be completed from the start of the calendar year 2020. This will refine our reservoir risk register. It will also inform risk designations and we anticipate a further tranche of reservoirs coming into full regulation as high-risk reservoirs. We have pre-emptively put in place the inspection and maintenance regime for these, so as to help limit the compliance implications that will come with newly registered reservoirs.
- We are reviewing the status of two large flood storage areas currently registered as reservoirs to assess whether the Reservoirs Act applies.
- An internal audit of reservoir compliance is to be carried out during the next quarter.

Well-being objective – Improve resilience and quality of ecosystems
Measure – Implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity

Why is the activity related to this measure important?

Everyone's wellbeing - economic, social, cultural and environmental - depends on healthy and resilient ecosystems, which in turn depends on biodiversity. Unless we can halt and reverse this decline and build the resilience of ecosystems, our well-being and the well-being of future generations will suffer.

SoNaRR has identified that currently no ecosystem in Wales has been assessed as having good resilience and many will not be adaptable enough to be deal with pressures including climate change and the impact of invasive non-native species (INNS). Biodiversity continues to decline. The extent of some habitats has declined significantly and connectivity between habitats has reduced. Ecosystem condition, based on designated site features, is mixed, but 55% of species and 75% habitat features on Natura 2000 sites have been found to be in unfavourable condition. Protected sites on land, inland waters and the sea are key for delivering SMNR and an essential mechanism for maintaining biodiversity and building ecosystem resilience. We want our protected sites to function as core areas of a resilient ecological network, in which habitats and wildlife populations can thrive and expand, recolonising areas from which they have been lost, and contributing to ecosystem services well beyond the protected site boundaries.

A key aim of Vital nature is to deliver a step change in the way we work, to embed maintaining and enhancing biodiversity and building ecosystem resilience into all the functions of our organisation so they are considered at all stages of decision-making, planning and project delivery. The measures selected below are all linked and representative of a range of actions we are taking to help achieve ecosystems resilience in Wales.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Implement 'Vital nature'…	[units]	Amber	Amber		
Build ecosystem resilience by improving the conservation status of the features on protected sites. Annual work programme of site actions underway or complete	%	(T=20%)	Target = 30% Actual = 38%	(T=50%)	(T=80%)
All planned NNR projects directly delivering habitats or species management benefits have been implemented		19/20 NNR work programme fully funded for all priority work and all identified as either planned, underway or complete	Staff and funding in place to deliver all planned projects	All planned projects have been implemented	All planned projects have completed annual reporting
NRW biosecurity policy and biosecurity good-practice have been implemented across the NRW		Funding secured for a dedicated biosecurity officer	Task and finish group established	Biosecurity risk assessments completed at key NRW sites	Biosecurity priority actions underway at key NRW sites
Assess the extent to which biodiversity and ecosystem resilience is considered across all NRW functions, take steps to improve it and report our delivery		Develop objectives and methods for Section 6 staff survey	Undertake voluntary staff survey	Report on delivery of our Section 6 duties	Begin next steps for improvement
Staff across NRW have been engaged on and understand about building ecosystem resilience and how to apply this to their role		Ecosystems resilience engagement presentation trialled with South Central Wales Area Statement practitioners	Ecosystem resilience communication plan developed	Initial guidance including connectivity mapping disseminated to support Area Statement development	In-depth ecosystem resilience guidance completed and disseminated across NRW

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Martyn P Evans

Are we meeting the target/s? *(Explain what progress has been made, what affect has this had and why. Are our actions helping to deliver the outcomes we want?)*

Q2 summary

We are reporting at amber. While we are on target with the protected sites annual programme and National Nature Reserves project delivery work and we are working across our Operations, Enabling Services and Environment Policy and Planning teams on developing an integrated delivery programme for our Vital Nature commitments, we are reporting Amber overall because of delays associated with the biodiversity / ecosystems resilience and biosecurity measures.

Q2 activities to note are –

- NRW Environment Teams' 2019-20 plan of action to address conservation management issues affecting favourable condition of habitats, species and geology of designated sites has been agreed. For Q2 we are reporting 38% progress for actions being underway or complete.
- A framework has been agreed for developing the Ecosystem Resilience Communications Plan. We have also provided advice into the development of a future land management and sustainable farming scheme, Area Statements as they develop and several NRW Grant Shared Outcomes Request funding proposals.
- The new database for processing SSSI consents and assents is now live. This is a significant internal milestone for meeting the business plan objective: 'Transformed our ICT systems for Sites of Special Scientific Interest consents/assents"
- We have developed the NRW Biodiversity Audit as a voluntary staff survey. The work has paused due to staff changes and will resume as soon as recruitment has been completed.
- Progress on 153 conservation management projects across the 53 NNRs owned/managed by NRW is assessed as 134 being green, 15 as amber and 4 as red. Overall the measure is reported as green as the vast majority are on track. Staff have responded and adapted quickly to the additional in year money to maximise opportunities
- We have undertaken a Vital Nature Programme development and delivery Implementation workshop for our Operations, Enabling Services and Environment Policy and Planning Directorate mangers, team leaders and senior officers.
- Recruitment is underway for a biosecurity officer who will undertake Biosecurity risk assessments at key NRW sites.
- We have set up a stakeholder group to support understanding, collaboration and clarity on priorities for action
- We have allocated an additional £0.8m to biodiversity work for this FY, over programming to ensure send and tracking, reviewing and managing the allocations

What are we doing next? *(Including if we are not meeting target/s what are we doing about this. And if our actions are not working what are we doing to change things?)*

In Q3 we will be -

- Taking forward the Ecosystem Resilience Communications Plan supporting internal and external understanding of the requirements on us.
- Progressing the NRW Biodiversity Audit and reporting, completing the recruitment and if this is delayed we will develop alternative mechanisms.
- Formally establishing the biosecurity task and finish group and undertake biosecurity risk assessments at key NRW sites as soon as the biosecurity officer has been appointed.
- Develop and use the Vital Nature Programme to feed into and inform the service and place planning work for 2020/21. This work is developing rapidly and we will be developing new measures to reflect priority areas.
- Initiating the testing of the special sites database to ensure it is functionally fit for purpose for internal application later in Q4.
- Collaborate with partners and support priority actions through our grant programme and raise the profile and urgency of working to restore and enhance nature.

Well-being objective – Improve resilience and quality of ecosystems

Measure – Monitor and address tree and plant health issues
Why is the activity related to this measure important?

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 large scale economic, social and environmental impacts [1]. *P. ramorum* management is therefore necessary to sustainably manage natural resources in Wales and achieve the objectives set out in the Environment (Wales) Act, 2016 and the Wellbeing and Future Generations (Wales) Act, 2015

P. ramorum is regulated under EU emergency measures (2002/757/EC), and implemented in Wales by the Plant Health (Forestry) Order 2005 and the Plant Health (Wales) Order 2018 which lists *P. ramorum* as a Schedule 1 organism (a tree pest which shall not be introduced into, or spread within Wales). Such measures are achieved using statutory plant health notices (SPHNs) that require the destruction of infected trees by a specified date and/or restricting the movement of infected material.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Monitor and address tree and plant health issues	mixed	Green	Red		
Target for all Wales - Issue 95% of Statutory Plant Health Notices (SPHNs) within 60 days of disease confirmation* (Issued during the reporting period)	%	100 (10 Issued)	85% (42 Issued)		
Target WGWE –90% of Sites Compliance with SPHN on WGWE* (as of the end of the current reporting period)	%	1st report Q2	1st report now planned for Q3		

*Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Lowest reported target line position will be reflected as the overall measure position   *Quarter only position shown – not cumulative*

Leadership contact/s: Dominic Driver and Richard Ninnes

Are we meeting the target/s?

Issuing SPHNs

We are close to target but performance has slipped from 100% issued within 60 days of disease confirmation in Q1 to 85% for Q2.

So far in 2019/20 have carried out 5 aerial surveys followed by over 250 site inspections. This has resulted in the issuing of 42 SPHNs in Q2 (26 on Private sites and 16 on Welsh Government Woodland Estate (WGWE)).

The reason for the slippage was an active decision to divert resources to survey and enforce statutory action to eradicate Oak Processionary Moth, three interceptions occurred in quarter 2.

For background. we prioritise processing SPHNs that occur in the highest risk areas in line with Welsh Government's strategy for *P. ramorum*.

Compliance Investigations

We are behind our target to report on this in quarter 2. Therefore, we do not yet know the extent of compliance, while there is anecdotal evidence of compliance we have set this to red as we have not yet been able to analyse the results of inspections.

We have carried out the inspections required for all sites with a 31st March 2019 compliance date. Deciding whether the results provide assurance of compliance requires analysis by staff and we decided to divert staff resources to issuing SPHNs this quarter rather than analysing the results of the inspections.

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[1] https://beta.gov.wales/phytophthora-ramorum-disease-management-strategy

What are we doing next? *(Including if we are not meeting target/s what are we doing about this. And if our actions are not working what are we doing to change things?)*

Issuing SPHNs:

Back to green pathway:

- We have reviewed work priorities in order to focus Tree Health resources on issuing SPHNs. This means that we will no longer be directly involved in non-business critical activities such as the Observatree Project, seed inspections on behalf of Forestry Commission or advisory work such as the annual Tree Health Seminars. Both WG and the Forestry Commission have been advised of our position and are considering alternatives.
- In Q4 will review our processes to identify business process improvements.

These actions should get us back on target but the area remains high risk. The Head of Business for Land Stewardship will be working with relevant teams to develop a longer-term solution.

Compliance Checks:

Back to green pathway:

- In Q3, when SPHN activity will reduce thus freeing up staff capacity (the number of new findings goes down in the autumn and winter season because any diseases are less active at these times of year) we will analyse the results of the compliance surveys completed for all sites with a 31st March 2019 deadline for action - over 100 sites – and report on compliance for the next quarterly report.
- We will inspect sites with a 31st August 2019 compliance date during Q4.

Well-being objective – Improve resilience and quality of ecosystems

Measure – Manage and implement our programmes for sustainable fisheries programme including measures to promote the recovery of (salmonid) populations through our river and habitat restoration plans

Why is the activity related to this measure important?

Fisheries Habitat Restoration Plans (FHRP) help to provide the evidence that we need to direct 'key interventions' on our river catchments. These are prioritised and costed and so form the basis of prioritised work programmes that are focused on delivering sustainable fish populations in the 23 Principal Salmon Rivers and other important rivers of Wales. Importantly this evidence will further support the overall priorities for river restoration and specifically delivery of the programme and initiatives for Sustainable Fisheries in Wales. Key external partners (Afonydd Cymru and the rivers trusts) will also use this evidence to direct their own work and it will form the basis of their funding applications and future work programmes to help us deliver aspects of our programme with others. Over time, as more FHRP's are completed on principal rivers, they will continue to help us target our programme for Sustainable Fisheries. Overall output figures below for fish passage (river connectivity) and habitat schemes represent the Programme for Sustainable Fisheries Programme 19/20 and are largely built on current evidence from the existing FHRPs.

The targets below present the wider fisheries work we deliver. Funding comes from different sources for this work. The fisheries 'Alternative Mitigation' fund enables both direct delivery and collaborative partnership delivery of habitat remediation with key fisheries stakeholders on specific river catchments. This partnership work will use a new funding mechanism from July this year: Byelaw and catch control measures will to be implemented to ensure salmonid stocks are not over exploited in Wales. An essential part of implementing these conservation measures is targeted stakeholder engagement which will include coordinated activity in Q3. Additionally, we will ensure that health and wellbeing and socio-economic benefits arising from our fisheries are promoted. We will grow and improve understanding and support for the value of ecologically resilient and sustainable populations of fish. Going forward we will work this year to improve the opportunities to integrate the opportunities for sustainable fisheries and will deliver this through more integrated plans and programmes for our rivers.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Manage and implement our programmes for sustainable fisheries programme…	**mixed**	Green (A=3, T=3)	Green (A=25, T=12)		
Delivery of a suite of Fisheries Habitat Restoration Plans and integrate into a programme for sustainable fisheries	Plans delivered	(T=2)	0 (T=2)		
Delivery of 'key fish passage improvement interventions'	Schemes Delivered	0	6 SE (including Ely, Rhondda and Taff Fechan) 4 SW (Tywi sites identified in FHRP) Total 10 (T=5)	(T=5)	0
Delivery of 'Key Habitat Improvement Interventions' including adaptation to climate change	Schemes Delivered	0	4 SE (including Taff and Ebbw) 6 SW (including Doethie and Pysgotwr plus 'Adopt a Tributary' project) 2 Mid (upper catchment liming) Total 12 (T=3)	(T=4)	(T=1)
Continue to develop/deliver fisheries 'alternative mitigation schemes' in partnership with key external stakeholders.	Scheme	0	0	(T=4)	0
Actions to support sustainable salmonid populations					
Continue to implement "All Wales" conservation measures via new bylaw proposals.	Proposal	0	Ministerial confirmation of 'All Wales' rod and net byelaws received in July for implementation in January 2020 1 (T=1)	0	0
Implement Cross border & Severn in Wales catch control measures	Proposal	0	Emergency byelaws implemented in Severn catchment with effect from 28 September for 12 months 1 (T=1)	(T=1)	0
Stakeholder Engagement – the Wales Fisheries Forum and 8 Local Fisheries Groups	Event	0	0	(T=9)	0
Work with partners to promote access to sustainably managed fisheries	Scheme	A=1 (T=Project start up)	Project approved and underway.		(T=Finalise plans to launch improvements

			1 (T=Project approval)		to promotion of fisheries)
Work with the wider business in line with Vital Nature to integrate planning and action across other functional activity to support the sustainable management of the fisheries resource.	Plans				(T=Deliver integrated and prioritised River Restoration Plans)

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Martyn.P.Evans

Are we meeting the target/s?

- Actions in Q2 included final preparations for commissioning of further Fisheries Habitat Restoration Plans in Q3. This delay has led to our amber rating for this quarter.
- Work is ongoing on:
  - planned delivery of fish passage improvements and habitat improvements (both on target);
  - the grant funding award underpinning the annual programme for 'Alternative Mitigation' (AM). This has been finally secured through a grant allocation to 3 rivers trusts via Afonydd Cymru, finally enabled at the end of Q2. This delay will have implications for delivery of work plans for the AM catchments in 19/20 due to the strong seasonality of many of the planned measures.
- Work is ongoing on a partnership project (with VisitWales and the Angling Trust) to promote freshwater angling through better provision of information to anglers. This includes an improved VisitWales website and links to a new Angling Trust-hosted website with fisheries information.
- The Board approved new Emergency Byelaws for salmon rod fishing in the Severn in Wales. These were implemented on 28 September for a period of 12 months.

What are we doing next?

- Following confirmation of the new byelaw proposals by the Minister in July, for implementation in January 2020, we are now preparing to submit our application for confirmation of the cross-border (Wye and Dee) byelaws prior to the 2020 fishing seasons. The application will be made to WG for approval in Q3. There will be a simultaneous application to the DEFRA Minister by the Environment Agency to ensure integrated catchment outcomes.
- Following the Ministers' requirement, set out in her byelaws confirmation letter, we will accelerate our programme of Fisheries Habitat Restoration Plans by commissioning up to 10 further plans in 2019/20.
- We have maintained and will now accelerate our stakeholder engagement through interim and scheduled meetings of the Wales Fisheries Forum and all LFGs throughout Q3. This contributes significantly to the necessary work to produce an Action Plan for Salmon and Sea Trout in Wales. Importantly this will incorporate existing and planned cross-functional initiatives.

Well-being objective – Reduce the risk to people & communities from environmental hazards like flooding & pollution

Measure – Deliver an effective and efficient incident management response

Why is the activity related to this measure important?

Timely and effective response to reports of incidents helps us to mitigate and reduce the impact to communities and the environment of incidents that do occur. Complete and accurate records are used in the prosecution and enforcement actions resulting from incidents. Good record keeping and timely closedown of incident reports improves our evidence base, which is used to drive day job activities and influence ways of working.

Measure target/s	Units	2019/20			
		Q1*	>Q2*	>Q3*	>Q4*
Measure - Deliver an effective and efficient incident management response		Red	Amber		
Incident Assessment (within 1 hour)		98% T= 95%	96% T =95%	T =95%	T =95%
Response to 'High category' incidents (within 4 hours)		54% T= 95%	74% T =95%	T =95%	T =95%
Incident Closure (within 30 days)		61% T= 90%	65% T =90%	T =90%	T =90%

*Note: target and performance reflect quarter only performance, not year to date positions

E.g. Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall position for this measure

Leadership contact/s: Jeremy Parr and Lyndsey Rawlinson

Are we meeting the target/s?

- The measure is Amber overall, which is an improvement from the last quarter. We have maintained our high performance on the incident assessment within 1 hour measure, thanks to the introduction of triage (as reported in Q1). There are improvements for the sub-measure for incident closure (within 30 days) and our response to 'high category' incidents within 4 hours in the last quarter. We need to continue to take all steps (see below) to improve the performance in this sub-measure in particular.

- Due to the 30 day window for incident closure, we are only able to report on July and August figures for Quarter 2. From Quarter3 onwards we will report for 3 months, one month in areas i.e. Quarter 3 will report activity in September, October and November 2019, while Quarter 4 will report December 2019, January and February 2020.

What are we doing next?

- We recognise we need to continue to make all efforts to improve the performance as evidenced by the recorded data. We continue to be proactive in working with teams and management to push for and support improved performance.

- Measures taken include training, support, additional scrutiny of data used in reports, reminders before thresholds hit, working directly with 'poor performers' and through management tiers, requests for ICT systems improvements, doing 'manual updates' for teams if evidence is there but records not completed.

- We continue to do drill downs to seek assurance that we are responding to incidents in accordance with our levels of service. This is time consuming and cannot give complete assurance, so we are working with ICT colleagues to plan for the system improvements we seek, to better capture the data required to evidence we have responded to high category incidents within 4 hours. The delivery date for these improvements is still not certain, due to competing high priority demands in the ICT programme of works.

Well-being objective – Reduce the risk to people & communities from environmental hazards like flooding & pollution

Measure – Maintain NRW flood risk management assets in high risk locations in target operating condition

Why is the activity related to this measure important?

The impacts of flooding can be severe and varied. As well as the immediate risk to life, the health impacts of those affected can be serious and long lasting. The impacts to the economy of Wales can also be considerable and far reaching. NRW owns and maintains over 3900 flood risk assets in providing a set standard of protection to 73,000 properties in Wales. As well as reducing the risk to life and providing protection to property and vital infrastructure,

they also provide protection to a several nationally and internationally designated sites such as SSSIs, SACs and SPAs. It is vitally important that these assets are maintained and perform to their required condition.

Measure target/s	Units	2019/20			
		Q1	Q2	Q3	Q4
Measure - Maintain NRW flood risk management assets in high risk locations in target operating condition	%	Amber 97.8%	Amber 97.7%		

Key: Green = 99% and above at target condition. Amber = Between 95% and 99% at target condition.   Red = <95% at target condition

Leadership contact/s: Jeremy Parr and John Hogg

Are we meeting the target/s?

- The target is 99%. This means that at any one time we can have up to 35 assets of the 3,490 in high flood risk systems not meeting their target condition.
- Current performance is at 97.7% (amber), similar level to Q1 performance.
- At the start of 19/20, we needed to do 41 fixes to meet the target. Due to more failures as a result of inspections, and a comparable lower number of fixes in the period, at the end of this quarter we now need to do 44 fixes to meet the target. There is a programme of continuous asset inspections and failures are identified through these routine inspections. So, the position is dynamic, and the number of assets below target condition will fluctuate, with the fixes being delivered counteracted by the failures being identified.
- Progress in Q2 has been impacted by vacancy rates in flood teams, including in the teams that specify the work and arrange the contracts. Recruitment is taking place, but it will take some time to fill vacancies and train staff. It is difficult to outsource the technical specification work as it requires knowledge of our processes and requirements.

What are we doing next? *(Including if we are not meeting target/s what are we doing about this. And if our actions are not working what are we doing to change things?)*

- Performance continues to be amber and below the target, at similar levels to previous quarters. As reported in Q1, we commissioned and have now started a 'Deep Dive' review of the options to further improve our asset maintenance performance. This includes how we can improve the programme for repairs, and whether our targets are appropriate.
- We will report on this Deep Dive review at the January 2020 Flood Risk Management Advisory Group meeting, and make recommendations on how we manage our asset performance going forward.
- We continue to do the simple fixes, and plan the more complicated fixes in our capital programme.
- Utilising underspends to complete fixes has proved difficult, due to the current vacancy rates. There are currently ~40% vacancy rates in some Flood teams, recruitment to these posts are ongoing. This may take a few months to conclude. New recruits may also require ongoing training specific to FRM which will further impact on progress with completing the required fixes to improve these assets.

Well-being objective – Reduce the risk to people & communities from environmental hazards like flooding & pollution

Measure – Tackle the impact of industry and waste sites

Why is the activity related to this measure important?

Poor performance at permitted sites has the potential for impacts on the environment, communities, reputation of a sector and legitimate business. Poor performers are resource intensive in terms of our regulatory effort and are considered to pose a greater risk of incidents that can also consume a large amount of our resources.
COMAH (Control of Major Accident Hazards) sites present the biggest risk to delivery of SMNR; any major accidents at these sites will have catastrophic consequences for the wellbeing of people and the protection of the environment.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Tackle the impact of industry and waste sites	mixed	Green	Amber		
Permitted sites should not be persistent poor performers (i.e. categories D, E & F for more than three years) unless an agreed improvement plan is in place or an appropriate enforcement response is in progress. (Target <15% Q4 2019/20 reducing to 0% for 2020/21)	%	0.8%	0	(T<=15%)	(T<=15%)
Operational sites rated as poor performers (categories D, E & F) (measure only no target)	%	2.4%	3.7%		%
All category 1 and 2 compliance breaches have an appropriate regulatory response determined within 6 months.	%	*	93%		(T=100%)
All sites with issues requiring long-term resolution have agreed improvement plans which are signed off and kept under review by line management.	%	*	100%		(T=100%)
All high fire risk sites should have Fire Prevention and Mitigation plans in place.	%	68%	94%		(T=100%)
All COMAH sites are categorised for flood risk by end of Q4	%	N/A	N/A		(T=100%)

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Operational sites line not performance assessed in this measure. Lowest reported target line position will be reflected as overall measure position. These targets will be reviewed in future years when we have a better baseline

Leadership contact/s: Isobel Moore and Martin Cox

Are we meeting the target/s?

- We are currently on track to meet the targets. However, there is an ongoing risk to performance due to the current high level of vacancies in the regulatory teams. For example, of the 6 waste regulation officer posts across NE and NW Wales only 1 is filled, and that is a new officer under training. We are working across teams and across roles, and we are very actively pursuing both internal and external recruitment. We have had some recent success, but new staff will need extensive training in these specialised roles.
- There are currently 3 sites in the lowest performance band (F) – two landfill sites with significant long-term problems that are being addressed by enforcement action and required improvements; and a composting activity operated at one of these landfill sites.
- There were no category 1 non-compliance events recorded in the quarter. 18 category 2 events from earlier in the year at waste operations sites, have appropriate regulatory responses recorded in the CARS system. Of the 12 Category 2 events at industrial installations, 2 are still to be finalised. They are both at the same site, actions have been proposed but the site is currently being handed over and the new officer will finalise the response once appointed. All category 1 and 2 compliance breaches have an appropriate regulatory response determined within 6 months. We are expecting this target to be green by end Q4 (the next formal report Q3 is update only with no target)
- At present there are two sites with long-term issues, both have improvement plans to tackle the major problems that require significant time and investment to resolve. These plans have been agreed with our Head of Place.
- The number of high fire risk sites with plans is currently 32/34 (94%). One of these sites was operating illegally and has been abandoned, so it is not possible to agree a plan and the site will remain non-compliant until it is cleared. The second site has made some changes to waste storage and is awaiting a review to decide if it still meets the high risk criteria. This target is unlikely to improve beyond 97% for this year as one site has been abandoned.
- We have submitted information to the European Commission as required to establish a registry of regulated sites. This is also used to demonstrate that we are carrying out our duty to ensure compliance with the Industrial Emissions Directive.

- Quarter 1 figures are for information only as we did not have any targets or reporting set for this measure at Quarter 1.
-

What are we doing next?

- We are actively recruiting to the regulatory teams and we are working on developing training packages. However, it will be some time before they are up to full strength.
- Teams are focussing on sites with the highest environmental risk, the core performance measures, and key regulatory priorities.

Well-being objective – Reduce the risk to people & communities from environmental hazards like flooding & pollution

Measure – Deliver our flood risk management capital programme

Why is the activity related to this measure important?

In Wales there are over 200,000 properties at risk of flooding from rivers or the sea, with 73,000 properties currently benefiting from defences. These properties are protected by over 500km of flood defences made up of 4000 NRW owned assets. Prioritised on a risk basis the FRM Capital Programme has typically invested around £12m-£20m per year to maintain and improve our existing flood risk. FRM are also committed to investigating solutions to reduce the risk of flooding to properties still at risk through the construction of new defences. Our target is typically 500 properties per year, but due to complex nature of construction projects, delivery will vary from year to year. At the start of this year we were anticipating a lower than typical number of construction projects completing, with a target of 136 properties.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Deliver our flood risk management capital programme		Red	Red		
Reduce flood risk to properties through the construction of flood alleviation schemes (Target = 136 properties)	# properties	0	92		

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Jeremy Parr and John Hogg

Are we meeting the target/s?

- We will not meet our headline in-year target (of 136 properties with reduced level of risk) for this financial year due to the three construction projects that were expected to conclude in 2019/20 having experienced delays – Cadoxton Outfall (Barry), Crynant (Neath area) and Parc yr Onnen (Aberystwyth). These projects are now likely to be completed in 2020/21.
- Since the Q1 report, the Cadoxton Brook project has not progressed as originally planned, due to the contractor's performance and contaminated land issues. The contractor is demobilising from site for the winter and will return in the spring. Note though that this delay will not incur any additional cost to NRW.
- The capital programme overall continues to deliver important work and is currently expected to invest the budget allocation for the year. Appraisal and design work supporting future construction schemes such as Llyn Tegid (Bala) and Stephenson Street (Newport) are continuing. There are over 200 projects in the capital programme, including capital maintenance projects that sustain the current level of protection. This work will benefit 800 properties this year. The programme also includes mapping & modelling studies, natural flood management implementation schemes, and projects that improve the resilience our flood warning network – not just construction projects.
- We are in a year of developing and designing future projects, after a couple of years with large schemes completing such as those at Pontarddulais, St Asaph and first phases of Roath.
- In 20/21, our plan is that we will achieve protection for over 1000 properties as current and new schemes are completed.
- For additional context, if we take the last 3 years (19/20, 18/19, 17/18), then our average performance per year is 625 which exceeds the average target of 500 per year. If we take next year into account (20/21, 19/20, 18/19) then

the predicted performance is 522 per year, again exceeding the target. So if we look over a longer time period than a year, the programme is delivering the benefits. We want to have a programme with a mix of projects at various stages of implementation (under development, under detailed design, in construction, and construction completed), but this year we have fewer projects being completed than in a typical year.

What are we doing next?

- The performance against the properties indicator will not improve this year, as there are no other construction projects that can be accelerated for completion this year.
- We continue to work on the range of projects described above. Short term there are vacancies in key posts in operational teams, which may impact delivery and slow some projects down. We are working to fill vacancies as soon as practically possible, but it will take time for new staff to be fully utilised. This may impact delivery of the capital programme, but at this time (October 2019) we are still expecting to utilise our available budget. However, there remains the risk that further programmed work does not progress as planned. In the short term we are utilising bought-in service to plug some resource gaps, where it is viable to do so.
- We continue to develop and update our Medium Term Plan. This outlines our future needs and where we will need to invest. Large scale schemes take significant planning, and the development of future projects are underway to ensure we meet future year targets, through schemes such as Porthmadog, Llyn Tegid (Bala), Stephenson Street (Newport), Ammanford and Treforest.
- There are long-standing challenges in having sufficient baseline (revenue) resource to service a fluctuating capital programme. Our revenue baseline has reduced by 11% in real terms since 2013, whilst our capital workload has increased (from £9.5m to £19.9m over the last 10 years for example). We are working with Welsh Government on whether there are options to improve this revenue baseline.
- Recent significant improvements to our FRM modelling system and asset database will help us improve our planning and delivery. We are starting an improvement project to bring this evidence together.
- As commented in the Q1 report, it is recognised that the number of properties with increased levels of protection is one indicator of performance. We are investigating other viable indicators of overall performance and will look to discuss this at the Flood Risk Management Advisory Group.

Well-being objective – Help people live healthier and more fulfilled lives
Measure – Tackle the impact of air pollution

Why is the activity related to this measure important?

Air Quality is one of Welsh Government's key priorities and there has been a significant increase in public and political focus on the impact of Air Quality on human health. As one of the public bodies in Wales, as part of our role in Public Service Boards, we have a remit to contribute towards ensuring that air quality does not adversely impact on public health and that we help Welsh Government meet targets and objectives for the continual reduction in air pollution.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Tackle the impact of air pollution	**mixed**	Green	Green		
Ensure that *all* non-conformances relating to impact on Air Quality (CCS Category 1, 2 and 3) have the appropriate follow up corrective Regulatory action within 2 months in line with our policy	percentage	100%	100%		(T=100%)
Continue to gather evidence on the impact of ammonia from agriculture in Wales to inform and support future policy decisions.	Report progress	Y	Y		x
We will prevent any increase in the number of AQMZs in Wales as a result of emissions from the industry we regulate and aim for a reduction long term.	number	Y	Y		x
Continue to work to integrate with partners in PSBs and the WAQF • Develop specific progress targets for the all Wales Air Quality in Schools initiative. • Further develop the Air Quality improvements identified within Newport PSB and Neath Port Talbot PSB Wellbeing Plan.	Report progress	50%	Y		x

Key: Green = target met. Amber = close to target (within 30%). Red = Off target (30% or more). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Isobel Moore and Martin Cox

Are we meeting the target/s?

There were no significant breaches of air quality permit conditions during Q2, and no breaches of any category in North West, North East and Mid areas.

- South East: Appropriate follow up has been taken at Docksway Landfill, the only site in the area where a minor non-conformance with permit conditions was recorded.
- South Central: The Operator at Aberthaw Cement Works has indicated that there will be future investment to address ongoing dust issues that have led to several breaches of permit conditions in previous years. Appropriate follow up has been taken for the minor breaches recorded at three other sites in the area.
- South West: Significant investment by the operator has been made to address the previous cause of breaches of emission limits to air at Rockwool.
- We have completed a project assessing ammonia emissions from pig, poultry and dairy farming in Wales which will now be used as the basis of informing future policy decisions about regulating these sectors. The results are being analysed and the analysis will be fed back to the Wales Land Management Forum. Policy teams will engage with Welsh Government in relation to these outputs.
- The number of Air Quality Management Areas designated by local authorities in which industrial emissions plays a significant part remains constant at only 1. There was only one exceedance of the particulate limit at the official monitor in Port Talbot during the quarter making the total 12 days against the annual limit of 35.
- We continue to be involved in the further analysis of the PSB outputs for Newport and Neath Port Talbot to ensure that appropriate interventions that we can initiate are identified.

What are we doing next?

- The Regulatory Approaches Industry and Waste Team (EPP Directorate) will develop an internal auditing regime to ensure the non-compliance events are being recorded and actions checked. The aim of the audit regime will be to facilitate consistency and identify training and improvements to recording methodology and systems.
- An options paper was taken to the NRW board in September to agree the extent of our work in the field of air quality in the future. The outcome of this will be included in next quarter's report.
- Welsh Government will be consulting on a Clean Air Plan for Wales in Autumn 2019 and we have been providing information with regards our role in regulating industry and how potential changes could have an impact on improving air quality. We will wish to comment on the consultation and will seek to help WG deliver the plan and any requirements that are placed on us.

Well-being objective – Help people live healthier and more fulfilled lives

Measure – Deliver the Wales Coast Path and National Trails programmes

Why is the activity related to this measure important?

Since its launch in 2012 the Wales Coast Path (WCP) has become successfully established as a significant recreational asset with associated economic, health and wellbeing benefits to the people of Wales and its visitors. To sustain and increase the benefits of the WCP and National Trails (NT), we work with partners to manage a high-quality path and to effectively promote the Path and Trails to the people of Wales and its visitors.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Deliver the Wales Coast Path and National Trails programmes	milestones	Green	Green		
Deliver funding to partner including timely offers and payments	milestone		Offers made and all final 2018/19 payments paid		All 2019/20 interim payments made

Carry out and report on path condition	milestone			survey carried out	condition survey reports completed
Work with managing partners to produce trail/path management plans	milestone			Draft plans	Final Plans
Promote the Wales Coast through implementation of the action plan including RTEF programme of projects	milestone			4 projects initiated	2 projects completed
Improve the promotion of the National Trails in Wales by producing a new Promotion Strategy and Action Plan	milestone	Contract started	Contract started	Finalised strategy and Action Plan

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Martyn P Evans

Are we meeting the target/s?

This is a well defined programme which is well established, reflecting the significant investment of time and money by Welsh Government, NRW and Local Authority Partners to realise the significant social, economic and environmental benefits for communities across Wales.   There has been significant progress against all measures in quarter two, with one measure currently identified as amber with a defined pathway to green status by the end of the financial year.

Deliver funding to partner including timely offers and payments

- All Wales Coast Path (WCP) main budget grants offered.
- All Welsh Government additional National Trails (NT) funding provided to local authority partners and accepted.
- Welsh Government *additional* funding for WCP and NT marketing has been re-allocated for FYs 2020/21 and 2021/22.

WCP and NT Path Condition Surveys and Management Plans

- **Preparation for the path condition survey of WCP and NTs**. Following Q1 delays and staff absences, the full NTs & WCP condition surveys and reports have been re-scheduled for completion by end of Q4. This new, consistent way of working replaces five different methodologies applied in the different areas. The new structured way of assessing condition will consistently identify required works along the entire length of the WCP and NTs. This information will be used to inform the future work programmes and funding allocations.
- **Work with managing partners to produce trail/path management plans** management plan work remains on track.

Promotion of Wales Coast Path (WCP)

We are meeting our targets as set on in the Wales Coast Path Promotion Strategy 2018-2021 and per the successful Regional Tourist Engagement Fund (RTEF) funding bid to Visit Wales to promote the Wales Coast Path.

Progress made:

- **Brand new Wales Coast Path app** has been launched was promoted during the summer. Launch events were held around 7 locations in Wales, engaging regional partners and businesses - Dafydd Elis-Thomas, Minister for Culture, Tourism and Sport, attended the Cardiff launch event. Promotion of the App has also been undertaken through social media based PR campaigns.

- **Short and Long walk ideas** – First set of walk ideas called "Family walks with a difference" are on the Wales Coast Path website: https://www.walescoastpath.gov.uk/plan-your-visit/days-out/family-walks-with-a-difference/?lang=en . These walks are designed to complement the new app and to encourage families to walk the path for a digital experience unique on the Wales Coast Path. Work is continuing and is on track.

Promotion of National Trail (NT)

- **New National Trails Wales Promotion Strategy & Action Plan** Contract started in August and is progressing as per contract timetable.

- **Improvements to National Trail website** Planned changes to the NT website implemented.

What are we doing next?

Deliver funding to partner including timely offers and payments

- Claims for the Wales Coast Path to be made in September for payment within Q3 (NT claims are for Q4)
- Communications about 2020/21 funding applications with applications for staffing costs within Q3 and project costs in Q4
- Communications and work within NRW and with WCP local authorities to manage making of WCP final claims and payments in time to accrue to 2019/20 financial year

WCP and NT Path Condition Surveys and Management Plans

- **Preparation for the path condition survey of WCP and NTs** Re-scheduling current work: we are working with partner organisations to enable the WCP/NT Officers to commit additional time to the survey within their work programmes. This includes: amendment to timetables for survey; re-prioritisation of work; additional project management support for other work areas; additional training support; recruitment of new WCPO (S).

- **Work with managing partners to produce trail/path management plans**- Continue current progress and timetable.

Promotion of Wales Coast Path (WCP)

- User generated itineraries – work in progress. These are in production and the first tranche aimed at families will be promoted this summer. Promotion related to themed walks is planned for Q3 and Q4
- Further itineraries will be launched in Autumn – in production. Promotion of new itineraries planned for Q3 and Q4.
- Looking into the feasibility of WCP merchandise – the appetite for such products, key target markets and outlets will be discussed. Internal discussions started in Q2 will continue into Q3.
- National Participation – encouraging every school child to walk the WCP akin to a visit to the Senedd or the Wales Millennium Centre with an aim to raise the WCP profile as an iconic and "must do thing to do" in Wales. Preparatory work will continue into Q3 and Q4.

Well-being objective – Help people live healthier and more fulfilled lives

Measure – Develop our joint working agreement with Public Health Wales and Sports Wales to address physical inactivity in Wales

Why is the activity related to this measure important?

Many people in Wales are not physically active enough to protect their health. Each year physical inactivity costs £51 million to the Wales NHS and £314 million to the overall economy in Wales. The number of people who are overweight or obese is rising, resulting in increasing costs to the health system and the economy. If this rising trend continues, it is estimated that by 2050, the cost to the NHS in Wales will be £465 million per year, with a cost to society and the economy of £2.4 billion. Physical activity features prominently in Prosperity for All under Healthy and Active. Ministers have tasked Public Health Wales (PHW), Sport Wales and NRW to collaborate closely to address levels of physical activity in Wales – now known as the Wales Physical Activity Partnership (WPAP). NRW is playing an active role, not only in the provision of access and recreation opportunities, but also the promotion of the wide range of opportunities that Natural Resources and the environment provide.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Develop our joint working agreement with Public Health Wales and Sports Wales	milestones	Green	Amber		
Road-mapping long-term physical activity vision	milestone		x		
Long-term WPAP delivery plan available	milestone			x	
Scoping paper on Wales Physical Activity Observatory	milestone	x			
Communications and insight project outcomes	milestone			x	
Educational Settings logic model available	milestone		x		
NRW physical activity plan available	milestone				x

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Martyn P Evans

Are we meeting the target/s?

This partnership with Public Health Wales and Sports Wales is central to the delivery of NRWs new Health strategy. The partnership reflects a new and innovative way of working, looking at the opportunities to work together to address physical inactivity through better promotion of access opportunities to the natural environment.

In Quarter 2 the partnership has made good progress against all the measures, and the one measure reported as amber is on a pathway to green by quarter three.

- Work of the WPAP continued through Q2 with a strong focus on four priority areas (Communications; PA Observatory; Educational Settings; and Healthy and Active Fund) that were carried over from last year's initial development.
- WPAP visioning works is completed. A workshop was held in September 2019. The session provided members of the Priority Area Groups and Management Group with an opportunity to:
    - Reflect on the first 18 months of the partnership and share lessons learnt
    - Learn more about upcoming changes to the policy context, e.g. the imminent publication of the 'Healthy Weight; Healthy Wales' Strategy and initial two year Delivery Plan (October 2019)
    - Reflecting on lessons learnt, decide on what it will take to speed up the pace of change within the priority areas (reviews to be completed by end of Oct 2019).
- The WPAP Management Group has agreed to appoint a part-time Project Manager to drive forward the long term WPAP delivery plan.
- This measure is currently amber as one of these four priority areas needs finalising. The Educational setting logic model will be completed in November. The partners will work together during October and November 2019 with clear priorities of what we will be delivering together, and this measure will be green for Quarter 3.

What are we doing next?

- The appointment of the Project Manager in Q3 will drive the development of the WPAP long-term delivery plan and provide much needed support and co-ordination across the partnership. The Priority Area groups are reviewing current plans and feedback by end of October.
- The communications and insights work is on target - a workshop was held in July and follow-up work was carried out over the summer. Feedback will be due in Q3.
- Educational Settings - following the feedback from the Management Group (Aug 2019) and the Visioning Workshop (Sept 2019) the Priority Area Group is reviewing its areas of action. The Group will be meeting in October to review focus and priority actions. This will be completed by end of October 2019 and submitted to the Management Group in November 2019. We are confident that the Educational Settings will be finalised in the next Quarter and the measure will be back to green.
- NRW Physical activity plan – we are bringing together colleagues from across NRW teams to map out the physical activity element of the Healthy Weight Healthy Wales strategy, for example those involved in developing and delivering Active Travel Plans, WCP and NT, decarbonisation programme.

Well-being objective – Help people live healthier and more fulfilled lives

Measure – Prepare a green infrastructure strategy and programme

Why is the activity related to this measure important?

The term `Green Infrastructure` has been around since the early 1990s. Green Infrastructure is a key mechanism to deliver nature based solutions providing multiple environmental, social, economic and cultural benefits. It was developed to help provide a more strategic, planned, approach to managing natural resources similar to how grey infrastructure, such as roads and housing, is planned and managed. Over time the term has taken on a range of different meanings and has been used to describe activities ranging from small scale schemes to strategically planned networks. Recent changes in Welsh Government legislation and policy is increasingly mainstreaming Green Infrastructure within the policy and decision making framework in Wales, for example the Natural Resources Policy, the National Development Framework, the Wales National Marine Plan (Blue Infrastructure), Brexit and Our Land and PSB Well Being Plans. NRW, at a strategic level, is informing the emerging WG framework for Green Infrastructure and pursuing SMNR through our work on Area Statements and SoNaRR 2 together with embedding delivery across NRW functional work areas and in Place. This will require an NRW strategy on Green Infrastructure and the establishment of a Green Infrastructure Programme to support place-making in line with the Natural Resources Policy recognising that there is already a significant amount of work being undertaken nationally and in place to deliver Green Infrastructure.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Prepare a green infrastructure strategy and programme	milestones	Green	Green		
Prepare a green infrastructure strategy	milestone		Initial position statement developed	Draft Green Infrastructure Strategy	Finalise and Publish NRW Green Infrastructure Strategy
Establishing an integrated green infrastructure programme which aligns with our place-based priorities and functional opportunities	milestone		In progress	Establish GI programme	Establish programme monitoring framework aligned with Area Statements
Finalising the NRW Green Infrastructure Strategy, forward work programme and mechanisms for managing implementation	milestone			Draft GI forward work programme 20/21	Finalise GI forward work programme 20/21

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Ruth Jenkins and Rhian Jardine

Are we meeting the target/s?

Q1

There are no specific targets to report on during this quarter, however, work has commenced on the preparation of an initial NRW position statement on Green Infrastructure. This will help inform the work required to develop a draft Green Infrastructure Strategy and green infrastructure programme to provide the governance framework required to coordinate across relevant NRW business boards and service and place plans, integrating national strategy with delivery in place..

Q2

Information has been gathered on the work on going within NRW to help ensure the delivery of Green Infrastructure in Wales. Public Services Boards have, for example, identified Green Infrastructure as a key objective for supporting delivery of multiple benefits supporting well being in Wales. Swansea have prepared a Green Infrastructure Strategy.

Planning Policy Guidance Note 10 requires Local Planning Authorities to prepare Green Infrastructure Assessments, informed by Area Statements to enable a proactive and strategic approach to green infrastructure and biodiversity. We are working with Welsh Government to scope the guidance required to inform the preparation of Green Infrastructure Assessments and their integration with Local Development Plans.

A draft initial position statement on Green Infrastructure has been prepared. This will inform discussion on scope of a Green Infrastructure strategy and composition of a Green Infrastructure Programme Board.

What are we doing next?

Preparation of a draft Green Infrastructure Strategy and establishment of a Green Infrastructure Programme Board together with continuous engagement with Welsh Government and external processes such as working with Public Services Boards.

We will work with the National Lottery Heritage Fund to explore the potential for securing investment in opportunities for Local Authorities and Public Services Boards to access grant funding for delivery of Green Infrastructure in Wales.

Well-being objective – Promote successful and responsible business, using natural resources without damaging them

Measure – Bring sustainably managed timber to market

Why is the activity related to this measure important?

Making timber available to the market is important to ensure that we:
- Deliver the sustainable management of natural resources, in accordance with the requirements of the Environment (Wales) Act, and in doing so contribute to the delivery of well-being goals in accordance with the Wellbeing of Future Generations Act.
- Provide an income source for NRW.
- Support the timber industry supply chain and associated businesses and employment.
- Meet the requirements of the UK Forest Standard (UKFS) and UK Woodland Assurance Standard (UKWAS) in order to retain our FSC / PEFC certification

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Bring sustainably managed timber to market	1,000 M3	Green, 88	Green 268	469	700
Plan and market timber	1,000 M3	213	Green 484		
Retain independent forest certification of our sustainable management	Risk/not at risk		Green		

Green = On target. Amber / Green = Nearly on target (within 5%). Amber = Nearly on target (within 10%). Red / Amber = Off target (within 30%). Red = Off target (30% or more). The target is cumulative

Leadership contact/s: Sasha Wyn Davies (from 1st July) and Richard Ninnes

Are we meeting the target/s?

Plan & market timber.

- Following the published timber sales marketing plan 2017-2022, we have identified 700,000m3 for open competition via our e-sales timber sales package, from a published overall measure of 850,000m3 to be offered to the market. We will aim to offer a combined volume to open market and meet outstanding commitments to not exceed 850,000m3.
- We have endured a slow start to the reporting year, and this will have an effect on performance, in particular financial profiles of production and income during the Q2 and Q3. We have responded positively by preparing the offer of 216,000m3 to the next open market sale in September.

- The outstanding volume measure of 150,000m3 originally identified as Standing Sales + contract offers, have been removed from our timber marketing events.
- However, we have recognised we currently hold a significant amount of outstanding contractual commitments with customers and will utilise the 150,000m3 of available timber products to fulfil those contracts.
- In parallel with offering timber to market, 189,000m3 of timber was dispatched from the Welsh Government Woodland Estate in Q1 and 325,000m3 of timber by Q2 (cumulative).
- We will monitor the volume offered to sale and take account of timber being offered repeated for sale in a given year.

Market Update.
- The impact of a low volume offered to market in April 2019 is now impacting on the financial and volume outurn in the marketplace.
- A considerable and concerted effort has been made by many teams across Wales, the volume offered to sale is now within 2,000 m3 of the original in year target.
- The negative impact is the downturn in volume despatched, and subsequent income. However, the unit values attained last year are being realised now in this FY, and hence the income fall this FY is yet to be realised in our accounts.
- The volume locked in long term contracts are slowly being realised again this year, albeit risks still exist in respect of completion of each contractual obligation this financial year. Circa remaining 75,000m3 of LTC timber is due to be worked this FY.
- Outstanding standing sales plus contracts are under current exit negotiations. Most negotiations are now complete.
- We are now experiencing a down turn in the market place, including reduced prices across many products (but not all). The volatility appears to be due to the uncertainty of the economic position facing BREXIT, and the current market impacts on high timber volumes entering the international market for central Europe, Scandinavia, and Canada and America. All of which is outwith our control.
- The September e-sale results have experienced a general reduction in prices offered. Whilst many customers have been selective and offered prices within valuations and reserves, some parcels (53km3) are being re valued to align with this latest sales unit product values. 18 customers have been successful in awards from this tender.
- Wider risks experienced this year include the mis-selling of parcels in last years (18/19) programme. Such examples include the changing of contract conditions post sale, creating contract dispute, and the sale of roadside parcels and no commitment to fulfil contracts by undertaking procurement of services for felling. Such impacts are most notable in South and North West Wales. Whilst most issues are being resolved, and contracts expiring, it is disappointing to have been offered the high prices obtained last year and not being able to accrue the commensurate income this year. Again this will impact on this year's trading and accounts.
- The poor performance of timber uplift, from sold timber, during the 2nd quarter, will be difficult to resolve to achieve the outturn target at the EOY. Whilst LTC volume is now being realised in Q3, and the revised volume offered in June and September should improve the situation, the winter months working period and market downturn will all impact on our EOY performance, as we are held to the vagaries of the marketplace and the weather.

Retain independent forest certification of our sustainable management.

- The 5 year certification audit was carried out in July by Soil Association, our new auditors appointed this year. This took place in Mid and South Central Regions.
- Work commenced early in the year in our preparation of the audit week, including the identification of UKWAS leads for each Regions and hosting staff events to raise awareness of the certification process and the value of such accolade for both NRW and the industry, and preparation of our response to previous corrective actions from previous audits
- This preparation was invaluable in ensuring that we were prepared for the Audit. The initial findings were one Major Corrective Action Request (CAR), 8 Minor CARS and 3 new observations. The Major CAR has now been closed out (a requirement before our new 5 year certificate is issued) and we have now received the final report.

What are we doing next?

Plan & market timber.

- We will revise the Timber Marketing Strategy to incorporate the changes to we are making in response to the Timber Sales Governance Project.
- We are starting a strategic project on staff development for the land management and forest operations workforce. We will also initiate strategic workforce planning to manage the risks around staff knowledge and resource provision for programme planning and delivery.
- A new Timber Marketing team will give us greater capacity for managing timber sales. However, we will have a challenge to maintain the operations contribution to contract management in the months following the restructure.

Retain independent forest certification of our sustainable management.
- An action plan has been developed for Leadership Team to manage their actions in relation to the Minor CARs and Observations and the Head of Land Stewardship will monitor progress. We are also planning an awareness session so that Leadership Team understand what is expected of them.

Well-being objective – Promote successful and responsible business, using natural resources without damaging them

Measure – Deliver our renewable energy programme

Why is the activity related to this measure important?

NRWs Renewable Energy Programme is helping Wales meet Welsh Government's decarbonisation and Green Growth agendas and contributes to the delivery of Welsh Government's renewable energy targets as part of the Natural Resources Policy 2017:
- Wales will generate 70% of its electricity consumption from renewable energy by 2030;
- 1 GW of renewable energy will be Locally Owned by 2030;
- All renewable energy projects will have an element of Local Ownership by 2020.

NRWs Remit Letter 2019/20 states that NRW should continue to support the renewable energy targets set by the Minister.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Deliver our renewable energy programme	MW	Green, 346	Green, 346		
Programmes:					
Wind (cumulative actual from FY2016/17 v target)	MW	344	344	344	440
Small-scale hydro (cumulative actual from FY17/18 v target)	MW	1.5	1.5	1.5	1.7

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Sasha Wyn Davies (from 1st July) and Richard Ninnes

Are we meeting the target/s?

This measure is currently green; however due to slippage in developer construction timelines for our small scale hydro work, the full 1.7 MW of small scale hydro is unlikely to be met by year end. The Q1 - Q3 target is a cumulative figure carried over from previous FYs. FY19/20 target is listed in Q4 as Developer timelines can be subject to slippage during FY dependent on factors outside NRW control e.g. planning consent.

Wind (onshore) 344MW = Cefn Croes 58.5 + Pen y Cymoedd 228 + Brechfa Forest 57.4. Target of 440MW will be reached when Clocaenog Forest 96MW goes operational in FY19/20.

Small-scale hydro 1.5MW consists of 19 schemes operational to date. We anticipated reaching a target of 1.7MW as circa 0.1 - 0.2MW of hydro schemes under construction in FY19/20.

- Q2: Onshore wind measure target on track to meet 440MW.
- Q2: However, the small-scale hydro measure target of 1.7MW will not be met due to slippage in Developer construction timelines, which is outside NRW control.

- Q2: Overall material measure target of 442MW will be met <mark>with rounding (</mark>as the small scale hydro target missed by 200kW = 0.05% of overall target 442MW).
- Our carbon positive project also identifies opportunities for installing renewable energy in our buildings in the form of solar photovoltaic and is introducing further electric vehicles and charging infrastructure. This is detailed in the separate Reducing our Carbon Footprint Measure.

What are we doing next?

We are monitoring Developer timelines on renewable energy projects to ensure measure target reporting is accurate.

- Q2: We are working closely with Place-based teams to identify the next large scale onshore wind / energy park marketing opportunity (50MW+) on NRW land.

Well-being objective – Promote successful and responsible business, using natural resources without damaging them

Measure – Deliver our tackling waste crime action plan

Why is the activity related to this measure important?

Tackling illegal waste activity is an organisational priority for 2019/20. Waste Crime can cause immediate and lasting damage that can impact the opportunities available to current and future generations. Examples include non-compliant permitted sites, large and small scale flytipping, illegal waste sites and abandoned sites. Tackling this issue ensures a level playing field for legitimate operators, supporting jobs and the economy as well as protecting our natural environment for the future.

We are developing a tackling waste crime action plan setting out new ways of tackling the threat waste crime poses to the people, businesses, and the natural resources of Wales.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Deliver our tackling waste crime action plan	milestones	Green	Green		
We will undertake a review of the available evidence to help us understand where activities should be targeted.	milestone	x			
We will engage across directorates, including internal and external projects, partners and Welsh Government during the development of the plan.	milestone	x			
We will present our plan to the Regulatory Business Board for approval	milestone		x		
We will report progress on the action plan and an evaluation of its impact to Welsh Government annually	milestone				X

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Isobel Moore and Martin Cox

Are we meeting the target/s?

- A paper outlining the proposed action plan was submitted to the Regulation Business Board on the 24 September. This was followed by the presentation and agreement of the plan at the meeting on 8 October.

- Welsh Government have also approved the action plan for our delivery.
- Delays in the transition of staff to the new tackling waste crime roles has resulted in a forecast underspend of £48,100. We have now also received approval from Welsh Government for our underspend proposals to ensure that we focus on Officer training.
- We are currently in the process of recruiting to the two tackling waste crime officer vacancies.

What are we doing next?

- As the plan has received approval we will move to implementation. We will update this document with implementation deliverables during Q3 for completion by end Q4.
- We will be moving forward with our plans to invest the forecast underspend in Officer training and the development of communications by the end of Q4.
- We will provide a progress update to the Board in 6 months.

Well-being objective – Develop NRW into an excellent organisation delivering first class customer service
Measure – Continue to progress organisation development

Why is the activity related to this measure important?

To deliver our statutory purpose through a more integrated policy and place-based delivery, working even more closely with partners and communities, we need to progress our organisation development and ensure we optimise the contribution of everyone in our organisation.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Continue to progress organisation development	milestones	Green	Amber		
Implementation of new structures	milestone		by 1/7/19		
Conclude organisation design internal recruitment	milestone		by 30/09/19		
Conclude Organisation Design Programme and move to business as usual recruitment and change	milestone			from 1/11/19	
Identify current workforce numbers & skills / capability needs (including numbers, location, grade), identify gaps using data to inform training and development plans	milestone			by 30/10/19	
Use analysis of workforce gaps and data to inform succession, talent management and career development processes as part of Strategic Workforce Plan	milestone				by 31/01/20
Improve our current Performance Management processes and link individual objectives to the Corporate and Business Plans	milestone				by 31/03/20
Continue to deliver Leadership and Management programmes	update	Deliver MT/LT/ET programme	Deliver MT/LT/ET programme	Deliver LT only & ET only programme	Deliver MT/LT/ET programme

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Leadership contact/s: Su Turney

Are we meeting the target/s?

- We are amber as the Organisation Design Change Programme concluded on the 4th October 2019. This was four days later than planned and as a consequence pushed back events such as staff lessons learnt session, but we are confident the programme will close early November 2019.

- We continue to consider people in the R&R (Redeployment and Redundancy) pool where vacancies exist to minimise numbers of staff at risk of redundancy. Where they have the suitable skills, they are prioritised
- All new structures, as at 01/07/19, have been established. We continue to run with over 200 vacancies and our recruitment efforts continue to enable us to attract people from outside NRW
- #WorkingforNRW training for all managers, in response to the Grant Thornton report to ensure we are working safely, began in September. Training for staff will commence in the New Year. Our top three levels of management and leadership attended a development event in September focusing on team development and relationship building to assist in consolidating place-based working and help us realise the benefits of Organisational design.

What are we doing next? (Including if we are not meeting target/s what are we doing about this. And if our actions are not working what are we doing to change things?)

- Supporting staff members in the R&R Pool.
- During October 2019 the Organisation Design Programme will be running a series of face to face lessons learnt workshops with staff.
- In early November 2019, we will formally close the Organisation Programme and hand over the products such Role Description and organograms to the business – whilst this is a few days later than anticipated, we are on track to achieve closure early in November.
- Designing and piloting #Workingfor NRW for all staff to ensure we are all working safely and recognise our responsibilities for good governance and compliance. These will be delivered when all managers have attended their training
- Develop 'People Management' in NRW' workshop for all managers to augment 'Working for NRW' development events.
- Recruit and induct staff to fill People Management and Organisational Development teams - ongoing.
- Progress our Strategic Workforce plan by gathering data and agreeing priorities for initial workstreams.
- Continue to recruit to all vacant posts, minimising the number of people adversely affected by the change programme, whilst also supporting people in their new roles.
- Continue to develop the leadership development programme, with an MT/LT/ET event in January 2020.
- Design and deliver a programme of development support for Executive team
- Design and deliver a programme of development support for Leadership team

Well-being objective – Develop NRW into an excellent organisation delivering first class customer service

Measure – Implement the recommendations for governance of our timber sales

Why is the activity related to this measure important?

To ensure that NRW adhere to the WAO recommendations and deliver on the Grant Thornton Report Implementation Plan to introduce, review, manage and monitor governance around our timber sales, ensuring that good governance prevails.

Measure target/s	Units	2019/20			
		Q1	>**Q2**	>Q3	>Q4
Measure - Implement the recommendations for governance of our timber sales	milestones	Amber	Amber		
Complete Grant Thornton external validation	milestone	x			
Renegotiation of standing sales contracts	milestone		x		
Implement new sales contracts, terms and conditions	milestone		x		
Implement TMP system – Phase 3 changes	milestone		x		
Complete governance training	milestone			x	
Implement TMP system – Phase 4 changes	milestone				x
Complete and embed all new ways of working	milestone				x

Leadership contact/s: Sasha Wyn Davies (from 1st July)

Are we meeting the target/s?

- **Complete Grant Thornton external validation:** This was completed early July and progress continues at pace on the project to ensure the Grant Thornton recommendations and wider issues are being addressed to ensure compliance and reputational risks are further mitigated and reduced.
- **Renegotiation of standing sales contracts**: Good progress on this is being made with one negotiation to be started at end of October and a further 2 to be concluded. 3 recommendation papers have been approved by the Project Board, with one waiting approval and the remaining 3 waiting for conclusion. The aim is to conclude these by 9th December.
- **Implement new sales contracts, terms and conditions by end of Q2:** The new estimated quantity Terms and Conditions were implemented in the September sale for the first time. High level training has been given to 50+ contract managers throughout September and October. Further contract management training will be picked up as part of the Contract Management project being Project Managed by Cameron Iqbal.
- **Implement TMP system:** Work continues the implementation of the TMP changes, phase 3 was pushed back to accommodate the Customer Relationship Management (CRM) changes but will be implemented within Q3. Phase 4a & 4b are being prioritised now.
- **Complete governance training:** The Governance training is being developed by the Wider Organisation workstream and Su Turney and team and managers are being asked to register for dates and locations to suit them prior to the end of November. Whole team training sessions are also happening
- **Implement TMP system – Phase 4 changes:** To be completed in Q3 & Q4 as above
- **Complete and embed all new ways of working:** Changes are being made to policies and process and engagement with the BAU teams continues. Phase 2 of the project has been scoped out and this will be initiated at the end of November with a focus on transition to BAU, embedding the changes and strengthening the culture change.

What are we doing next?

- **Complete Grant Thornton external validation:** No further work is planned in this area. WAO are currently undertaking a review to provide NRW was assurance that continuous improvement is being achieved.
- **Renegotiation of standing sales contracts**: Standing Sales plus negotiations are continuing with the aim of coming to an agreement to terminate on all SS+ contracts in Q3.
- **Implement new sales contracts, terms and conditions:** These have been implemented – work continues to finalise each of the specific contracts and implement them effectively at the due commencement date of each of the contract's
- **Implement TMP system:** Work continues on the implementation of the TMP changes
- **Complete governance training:** The Governance training is being run for all Managers and Team Leaders up to the end of November. Training for the remainder of the organisation will begin in January 2020.
- **Implement TMP system – Phase 4 changes:** To be completed in Q3 & Q4
- **Complete and embed all new ways of working:** A compliance programme continues to ensure that all the new policies and procedures are being implemented appropriately. This will provide assurance that there are the expected improvements in this area as a result of the project and will aid the transition to compliance checking being a fundamental part of BAU with the appointment of the Grade 7 Commercial Governance Post and the grade 6 Governance post sitting within the Timber Sales team.

Well-being objective – Develop NRW into an excellent organisation delivering first class customer service

Measure – Customer Satisfaction (with their NRW interactions)

Why is the activity related to this measure important?

We want our customers to trust NRW to deliver now and for future generations, we will build this trust by providing excellent customer service internally and externally in the following ways:

1. Timely, accessible & easy to use services built to meet customer needs and expectations.
2. Considerate, helpful and knowledgeable staff that live the NRW values and behaviours and thrive on their ability to deliver excellent service.
3. All customer channels designed seamlessly to respond effectively at first point of contact to any customer, wherever possible.
4. A strong explicit commitment to customer and standards of service to which we hold ourselves to account and do what we say we will.
5. A proactive NRW mindset that encourages staff to 'walk in the shoes of customers' so values getting things right first time and understands the difference excellent service can make - even when dealing with difficult matters.

There are considerable benefits to be gained both in terms of financial savings and capacity, all of which we will return to frontline services.

Measure target/s	Units	2019/20			
		Q1	>Q2	>Q3	>Q4
Measure - Customer Satisfaction (with their NRW interactions)	milestones		Green	Green	
Development of Dashboard to include Insights reporting	milestone		x	x	x
Business Benchmarking (Pulse and external surveys)	milestone			x	x
Establishment of Customer Involvement Forum	milestone				x
Development of 3 year Transformational Plan	milestone				x
Increased Customer Involvement – developing and testing	measure			x	
Actions and activities to ensure right first time	measure				x
Increased Satisfaction (experience)	measure				x

Key: Green = target met. Amber = close to target (within a month). Red = Off target (beyond a month). Reporting each quarter will relate to completion/continuation of milestones in that quarter. Lowest reported target line position will be reflected as the overall measure position

Contact: Ceri Davies

Are we meeting the target/s?

- Delivery is currently on track against the milestones and targets outlined above. The Customer Dashboard has undergone further development during Quarter 2 to include key web performance metrics and 'right first time' and 'increased satisfaction' outcome measures to ensure that.
- The second meeting of the specialist programme monitoring and evaluation task and finish group took place on 17th Sept. Key actions from the group were to undertake a mapping exercise that identified all planned surveys that would take place across the organisation (aimed at staff or external customers). The first draft has been completed); agreement to review the approach to ensure that surveys are designed in a joined up way, with questions providing good quality data that gathers insights against outcomes rather than targets, so allowing us to track progress against the programme's outcomes and gather insights for management information and business planning purposes with confidence.
- Basic standards have been published and are being rolled out across the business. Tone of voice training workshops have been delivered through 17 sessions to over 182 staff.
- Recruitment to a new specialist engagement officer will take place in Q3 who will be responsible for establishing the Customer Involvement Forum by end March 2020. This will utilise existing networks, forums and listening groups from across the business, as well as drafting a long term engagement framework proposal for consideration by the business. This proposal will be developed through extensive consultation to ensure integration across business areas where stakeholder and engagement plays a vital role (e.g. Grant Thornton, Area Statements, Commercial and wider Ops activities such as environmental management and flood risk etc).
- However, in order to deliver the strategy's aspirations and deliver against our outcomes, a whole systems approach needs to be in place to deliver improvements to our customer satisfaction at the scale we require. At

present we are focusing on getting the basics right, 6 of the 13 projects are in delivery, with the remaining 7 being in initiation or early delivery stages.

- A key risk for the programme has been the capacity from the business to take on ownership required to embed the programme and projects. Whilst some progress is being made, the further impacts of Brexit and final stages of OD mean that even getting the basics right will remain a challenge until final recruitment to the new structure and ways of working have been completed and rolled out across the business.

What are we doing next?

- Recruitment is still a priority. Appointments to 3 key posts have been made with staff to be in place by the end of Q3.
- Delivery of the remaining projects is a priority for the programme resources will be essential in ensuring that the projects maintain pace and can deliver during Organisational Development and where possible for the next phase of Brexit. We are addressing this in three ways, firstly by ensuring that we are clear and have identified responsibility and ownership of the work and delivery of the projects that are in early initiation stages or have not started at this point, secondly, by ensuring that interdependencies between the projects and other areas of the business are known and joint programmes of work are being developed and prioritised, that the customer elements and principles are being included and thirdly through the provision of additional Fixed Term resources for the business to allow the work to begin (programme analysis, engagement, project management, customer testing etc).
- Recruitment to two specialist communications posts will enable us to increase awareness of the programme and benefits and target more at middle management level which will ensure that the programme and projects are driving change at the right levels of the organisation, increasing quality of interactions in a way that will be sustainable and become business as usual. For example, we are developing training and accreditation opportunities in conjunction with leads for organisational development, business support and corporate planning.
- We will continue to promote, support and challenge ourselves internally to increase customer involvement at the earliest point of service, product and process design, to ensure that all of our work is being based on current user led evidenced needs. We will be doing more in conjunction with the continuous improvement team, through induction and departmental development days to embed this way of working and thinking across the organisation.
- We will establish customer champions and accreditation opportunities for staff to ensure that the values and behaviours set out in the customer strategy are aligned and integrated with #TeamNRW day and rewards and recognition work to assist in establishing the #Team NRW culture.
- We increase our work with external organisations and specialists to ensure that we are learning adapting and improving our approaches from their best practice, insights and experience- specifically focussing on 'what good looks like' and hope they are planning, delivering and embedding customer focus for the long term.