

Confirmed Minutes

Title of meeting:	NRW Board Meeting – Public Session Microsoft Teams
Date of meeting:	16 th November 2022
Present Board Members:	Sir David Henshaw, Chair Clare Pillman, Chief Executive Prof Steve Ormerod, Deputy Chair Karen Balmer Julia Cherrett Geraint Davies Zoë Henderson Prof Calvin Jones Dr Rosie Plummer Prof Peter Rigby
Present Executive Team Members:	Rachael Cunningham, Executive Director of Finance and Corporate Services Ceri Davies, Executive Director of Evidence, Policy and Permitting Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Gareth O'Shea, Executive Director of Operations
Additional Attendees Present:	Rob Bell, Head of Finance, Item 6 Caroline Hawkins, Corporate Planning, Performance & Strategic Assessment Manager, Item 7 Sarah Williams, Head of Corporate Strategy and Programme Management Office, Item 7 Charlotte Morgan, Wellbeing, Health and Safety Manager, Item 8
NRW Observers:	Kate Evans, Public Affairs and Private Secretary Sarah Williams, Head of Corporate Strategy & Programme Management Office
Public Observers:	None
Declarations:	<ul style="list-style-type: none"> • Dr Rosie Plummer – Member Pembrokeshire Coast National Park Authority - wide-ranging interactions including: planning remit - terrestrial and marine area implications plus SAC and flood zones; protected sites - land and marine - within overall landscape designation; recipient of NRW grants. Plantlife Trustee – Plantlife is a collaborator in the Natur am Byth project, and grant recipient. • Prof Steve Ormerod – Member of the National Trust; Wife is a member of Dŵr Cymru Independent Environment Advisory Panel; Wife is Director of the

Cardiff University Water Research Institute which manages a strategic partnership with Dŵr Cymru.

- Prof Calvin Jones – Steering Committee Member for Skyline
- Karen Balmer – CEO of Groundwork North Wales - Grant recipient of NRW funding; Partner with two other grant recipients

Apologies: Mark McKenna
Colette Fletcher, Head of Governance & Board Secretary

Secretariat: Jocelyn Benger
Natalie Williams
Sian Johnston

Item 1. Open Meeting

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

Item 2. Review Minutes and Action Log

2A. Review Minutes from Public 22nd September meeting

2. The minutes from the public meeting on 22nd September were reviewed and agreed.
3. Zoe Henderson welcomed the publishing of the minutes of the previous meetings but highlighted that an amendment had not been taken forward and that this should be corrected.

ACTION: Secretariat to review the minutes for Zoe Henderson's suggested amendment.

2B. Review Public Action Log

4. The Action Log was reviewed and noted.

Item 3: Update from the Chair

5. The Chair gave a brief update on discussions that were taking place across a range of issues.

Item 4: Report from the Chief Executive

6. The Chief Executive provided an update to the written report.
7. The United Nations Conference of the Parties 27 (COP27) was taking place in Egypt. COP15 would take place in Montreal in early December and would be attended by the Minister, Julie James. Everyone would be looking for commitments to improving biodiversity akin to a Paris agreement moment for nature. NRW had been working with the Joint Nature Conservation Council (JNCC) and other nature conservation bodies on producing a joint statement to be published at an event at the Royal Society next week. In Wales, the opportunity from the interest in the COPs was being used to drive home the messages. NRW would be active and busy across a range of fronts for Wales Climate Week next week.

8. The Chancellor would be giving his autumn statement tomorrow and both tax rises and public spending cuts were expected. NRW were remaining in close contact with Welsh Government (WG).
9. The ongoing cost of living crisis and the evidence of the impact on staff was noted. NRW would be continuing to look at how best to support staff going forward.
10. The successful and unsuccessful applicants to the NRW Resilient Communities Grant were written to in the beginning of November. This was a £2m grant to be spent over this year and next year. Applications closed on 19th September and over 200 applications, totalling over £20m had been received, of which 21 were successful. This was the first major competitive grant scheme for some time for NRW and the quality of the applications had been very high. Discussions would take place with WG in the context of wider budget discussions on their appetite to do more in this area.
11. The Executive Director of Evidence, Policy and Permitting (EPP) gave an update on the Biodiversity Deep Dive. The team at NRW were working hard to develop the Action Plan that sat below the recommendations from the Deep Dive. The Minister was due to make a statement in the New Year and it was hoped that the detailed Action Plan would be published at that point. The Executive Director of EPP and Prof Steve Ormerod (representing Cardiff University) would be taking forward some of the actions as part of the Working Groups. The membership of the groups would be reviewed before the Implementation Phase. Progress had already been seen around the Peatland work, the action programme, additional funding, Nature Networks funding, and grant funding. NRW were working on the concept of Nature Networks mapping and working on a potential piece of work for WG on doing this on a spatial scale. NRW were driving work forward and commitments would be included within the new Corporate Plan. A face to face workshop was scheduled to take place with WG next week to push forward on the detailed Action Planning.
12. Board members noted the content of the update and highlighted the importance of staying tuned to the effort ratio for those who were not successful in their Resilient Communities Grant applications. The work that had been undertaken by a large number of people was recognised and it would be important to balance this.

Item 5: Update Reports of Committees

13. Karen Balmer as the Interim Chair of the Audit and Risk Assurance Committee (ARAC) updated the Board on work since the ARAC meeting on 8th September. A handover meeting had taken place with the previous ARAC Chair, Catherine Brown, and catch-ups had taken place with the other Committee members. Meetings were in the calendar with the team.
14. Peter Rigby as the Chair of the Evidence Advisory Committee (EAC) updated the Board on discussions from the EAC meeting on 17th October. The Peatland Programme had been revisited to examine the way that it had been costed. Work was ongoing on this issue and would return to the Committee at another meeting. The Committee was given an update on the potential new national park designation. A presentation was provided on data analytics, which resulted in an interesting discussion and work was moving forward in this area. A very detailed presentation was provided on the Water Framework Directive.

15. Prof Steve Ormerod highlighted that the recent Evidence Conference had been very good with good collaborative presentations and asked that this was fed back to the team. More collaborative partnership type meetings were planned for next year.

ACTION: Positive feedback from the Board on the Evidence Conference to be passed to the team.

16. Sir David Henshaw as the Chair of the Finance Committee (FC) updated the Board on work since the FC meeting on 15th September. The meeting in December had to be rearranged and a new date had been arranged for 10th January.

17. Julia Cherrett as the Interim Chair of the Flood Risk Management Committee (FRMC) updated the Board on the meeting held on 21st October. FRMC had met in person and attended a site visit in Cowbridge. There had been a good mix of practical items, and an update had been provided on progress on the Flood Review Project and the Capital Programme. A deep dive workshop would be organised on the prioritisation on projects. A good discussion took place around Strategic Risk 02 (SR02). More detail was requested on the small number of assets falling below target condition. A useful site visit took place to the Cowbridge Reservoir scheme to look at the measures in the interests of safety.

18. Julia Cherrett as the Chair of the People and Remuneration Committee (PaRC) updated the Board on the work since the meeting held on 13th September.

19. Dr Rosie Plummer as the Chair of the Protected Areas Committee (PrAC) updated the Board on the meeting held on 6th October. A significant part of the agenda involved the potential new national park designation and the programme management team were now in place. An interesting discussion took place on the Special Areas of Conservation (SAC) and phosphate implications. A deep dive took place on Strategic Risk 05 (SR05). The Committee were informed about warning letters on infringements which had been issued internally relating to protected sites. Protected sites notifications' meetings were in the calendar if needed for next year. The legal training on this had been delayed to include new Board members and ensure it was timely for site designations.

20. Board members discussed the warning letters that had been issued internally and whether this increased silos. The Executive Director of Operations explained that although work was integrated locally, there was a need to maintain clear walls between areas, so that an infringement would be investigated by a different geographical area. The sharing of infringement information with the relevant Board Committee had been recommended by ARAC.

21. Zoe Henderson as the Chair of the Wales Land Management Forum (WLMF) updated the Board on the meetings held on 5th September and 17th October. It was highlighted that producing a robust Alternative Measures Report was a major achievement by the group and there was broad support for many of the potential improvements to the water regulations.

22. Board members recommended that it would be useful to see updates from other fora, such as Fisheries, Water and Recreation, within NRW to give a broader join-up across the organisation.

ACTION: Secretariat to include updates from other fora within NRW in the Committee Updates Board agenda item.

Item 6: Finance Report

Presenter: Rob Bell, Head of Finance

23. The Head of Finance provided an overview of the latest financial position. The income was on profile but the timber income was reduced in the summer from £40 to £36m. The expenditure was on profile but was £10m further ahead at this stage over last year; 40% compared to 37% last year. There was potential for a slight overspend if action was not taken. An update was provided on the position for year end. A reduction in the timber income of £4m was expected, with the latest forecast in the range of £35-37m, and this would need to be managed. There had been a slight increase in energy income. An update was provided on the submission to WG to retain the sum from the sale of Forest Holidays. It was explained that WG were looking to net the amount from the £7m included within the letter of comfort due to budgetary pressures. The budget was in place for the pay award. Overprogramming was set at £4m, which would be sufficient in a normal year but due to the combination of pressures, the Executive Team (ET) had taken the decision not to allow any further reprioritisation.
24. Board members discussed the update. The consequences of going over budget were queried. Aside from accounting issues and leaving the Accounting Officer exposed to severe criticism, it was explained that on a practical level, the amount of overspend would be reduced from next year's budget. The issues around funding silos were discussed, which meant that it was not possible to move funding from one area to another. The plans for next year with the potential ongoing reduction in timber income were queried. It was explained that all the Land Stewardship teams were working on the revised forecast, which would then inform next year's requirements.
25. The Head of Finance gave an overview of the planning for next year. The two funding streams under the most pressure were identified as timber income and Non-Flood Grant in Aid (GiA). It was explained that £17m had been requested from WG to be added to the baseline, which had been included as temporary funding previously. It was noted that only Service Level Agreements (SLAs) were likely to be received on Agricultural Regulations and Marine. An update was provided on the other key areas. The business had been asked for priorities and ideas in case cuts were needed. An update from WG on the funding position was expected by mid December.
26. Board members noted the work taking place on planning for next year and it was recognised that some difficult decisions were likely to be needed. It was noted that FC would undertake the heavy lifting on this but the Chair recommended that the Board should be sighted on the issues going forward and that the mechanism for this should be considered.

ACTION: The Executive Director of Finance and Corporate Services and Head of Finance to consider how best to keep the Board sighted on key financial decisions for 2023-24.

Item 7: Business Plan Performance Dashboard Quarter 2 Report

Presenter: Clare Pillman, Chief Executive

Attendees: Caroline Hawkins, Corporate Planning, Performance & Strategic Assessment Manager, Sarah Williams, Head of Corporate Strategy and Programme Management Office

27. The Chief Executive presented the Business Plan Performance Dashboard Quarter 2 Report to the end of June. In Quarter 1, one measure had been noted as 'non-applicable' as it related to the support to WG on the Agriculture Bill. This work was now underway and the Red Amber Green (RAG) status was rated as Green.

28. There were two Red measures in Q2. One had been Red in Q1 and the additional Red measure related to targeted action for declining species on the edge of extinction. There was a strong theme throughout the Report on the difficulties in recruitment, which was being experienced across organisations, particularly in specialist areas. A significant amount of work was taking place at improving this, such as measures on attracting more staff, training from within NRW, recruiting for potential, apprenticeships and training schemes. It was recognised that this was likely to be challenging for some time.
29. Discussions were ongoing with WG on SLA funding related to the recommendations from the Renewable Energy Deep Dive. A rearranged meeting date with the First Minister was awaited.
30. An update was provided on the Adfywio work. Communications were going out to staff on the consultation on proposed changes to the Cardiff office accommodation. The Executive Director of Finance and Corporate Services gave an overview of the proposals which would include the closure of the offices in Ty Cambria and St Mellons and a move to a single shared site in Cardiff.
31. Board members discussed the proposals for the Cardiff office accommodation and considered the implications for staff. The timeline and cost benefit analysis were queried. The Executive Director of Finance and Corporate Services explained the financial and carbon benefits plus the potential wellbeing advantages. The Business Case for the proposals would be shared with the Board.

ACTION: The Business Case for the Cardiff office accommodation to be circulated to the Board.

32. The recruitment issues were discussed and the experience of new starters was considered. It was highlighted that it was important to ensure a positive experience for new starters and that some engineering could be introduced around this issue. It was noted that there were issues with retention as well as recruitment.

APPROVED: The Business Plan Performance Dashboard Quarter 2 Report.

Item 8: Wellbeing, Health and Safety Quarter 2 Report

Presenters: Charlotte Morgan, Wellbeing Health and Safety Manager

33. The Executive Director of Corporate Strategy and Development introduced the item. Work was being undertaken with staff in the context of financial challenges and positive feedback had been received on this. Work was also taking place on the pay award as it was recognised that this was a key item for staff in the context of the cost of living crisis. PaRC had been updated on this.
34. The Wellbeing, Health and Safety Manager gave an overview of the Wellbeing, Health and Safety Quarter 2 Report. No Serious Incident Reviews (SIRs) were taking place. It was noted that some of the information on SIRs had been amended to give more information on site visits and inspections that had taken place particularly in incidents where a fatality had occurred and also included any remedial works required. The SIRs were on track to be closed off. A task and finish group had been set up to look at the Construction Design Management (CDM) paperwork and procedures to look across the business. The paperwork was on trial with staff, with the launch planned for early January. There was one Lost Time Injury and an increase in reported Near Misses. A new template for active monitoring was being trialled in Operations which it was hoped

would be launched in January. This would allow for logging on Assessnet and enable trend analyses to be carried out.

35. The Corporate Health Standard was booked for 9th December for a year's extension to the Silver award. The Health & Safety Executive (HSE) had inspected a number of standing sales sites, and formal feedback was expected in early December, which would be brought to the Board and ET. An update was provided on Learning and Development reporting on course information, including reporting on cancellations.

APPROVED: The Board approved the Wellbeing, Health and Safety Quarter 2 Report.

Item 9: AOB

36. Geraint Davies reported on concerns expressed by the Chair of the Dysynni Internal Drainage District (IDD) on the work being carried out by NRW. It was suggested that an open conversation would be useful and it was noted that the local team were aware of the issues and would arrange to meet with the Chair of the IDD.

ACTION: A meeting to be arranged between the local team and the Chair of the Dysynni Internal Drainage District.

37. Geraint Davies reported on information that he had received about the recent use of weedkiller at the Dolgellau office. It was recommended that the protocols being used at the office should be investigated.

ACTION: The Executive Director of Finance and Corporate Services to review the protocols for the use of weedkiller at the Dolgellau offices.

38. Dr Rosie Plummer noted that there was a clash on Tuesday 6th June 2023 between ARAC and the event at the Senedd.

- Meeting closed -