

## Agenda

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<b>Title of meeting:</b>	<b>NRW Board Public Meeting</b>
<b>Date of meeting:</b>	<b>Thursday 23<sup>rd</sup> May 2024</b>
<b>Time of meeting:</b>	<b>09:00 – 11:15</b>
<b>Location:</b>	<b>Microsoft Teams</b>

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<b>Time</b>	<b>Item</b>
<b>09:00</b>	<b>Item 1. Open Meeting</b>
<b>5 mins</b>	<ul style="list-style-type: none"><li>• Welcome</li><li>• Declaration of Interests</li><li>• Explain conduct of meeting</li></ul> <p>Sponsor and Presenter: Sir David Henshaw (Chair)</p> <p><b>Summary: To NOTE any declarations of interest</b></p>
<b>09:05</b>	<b>Item 2. Review Minutes and Action Log</b>
<b>5 mins</b>	<p><b>2A. Review Minutes from Public 21<sup>st</sup> March Meeting</b></p> <p><b>2B. Review Public Action Log</b></p> <p>Sponsor and Presenter: Sir David Henshaw (Chair)</p> <p><b>Summary: To APPROVE the minutes of the previous meeting and the Action Log</b></p>
<b>09:10</b>	<b>Item 3. Update from the Chair</b>
<b>5 mins</b>	<p>Sponsor and Presenter: Sir David Henshaw (Chair)</p> <p><b>Summary: To NOTE the Chair's update to the Board</b></p>
<b>09:15</b>	<b>Item 4. Report from the Chief Executive</b>
<b>15 mins</b>	<p>Sponsor and Presenter: Clare Pillman, Chief Executive</p> <p><b>Summary: To NOTE the current position and update the Board on key activities</b></p>

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**Paper Ref: 24-05-B01**

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**9:30**

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

**20 mins**

Sponsors and Presenters: Committee Chairs

- Audit and Risk Assurance Committee
- Evidence Advisory Committee – 14<sup>th</sup> May
- Finance Committee – 25<sup>th</sup> April  
**Paper Ref: 24-05-B02**
- Flood Risk Management Committee – 18<sup>th</sup> April  
**Paper Ref: 24-05-B03**
- Land Estate Committee
- People and Customer Committee
- Protected Areas Committee
  
- Wales Land Management Forum  
**Paper Ref: 24-05-B04**
- Wales Fisheries Forum  
**Paper Ref: 24-05-B05**
- Wales Water Management Forum  
**Paper Ref: 24-05-B06**
- National Access Forum for Wales  
**Paper Ref: 24-05-B07**

**Summary: To NOTE the updates from the Board Committees and NRW Forums, both within and outside and meetings held**

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**9:50**

## **Item 6. Finance Performance Report**

**15 mins**

Sponsor: Rachael Cunningham, Executive Director of Finance and Corporate Services

Presenter: Rob Bell, Head of Finance

**Summary: To APPROVE the latest financial position**

**Paper Ref: 24-05-B08**

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**10:05**

## **Item 7. Recreation Strategy**

**45 mins**

Sponsor: Ceri Davies, Executive Director of Evidence, Policy and Permitting

Presenters: Dominic Driver, Head of Land Stewardship; Dawn Thompson, Estate Recreation Planning Team

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**Summary: To APPROVE the Recreation Strategy**

**Paper ref: 24-05-B09**

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**10:50**      **Item 8. AOB**

**5 mins**

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**10:55**      **Close Meeting**

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**10:55**      **Public Q&A**

**20 mins**

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**11:15**      **Close Public Meeting**

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# Unconfirmed Minutes

<b>Title of meeting:</b>	<b>NRW Board Meeting – Public Meeting</b>
<b>Location:</b>	CP2, Cardiff, and Microsoft Teams
<b>Date of meeting:</b>	21 <sup>st</sup> March 2024
<b>Board Members present:</b>	Sir David Henshaw, Chair Clare Pillman, Chief Executive Prof Steve Ormerod, Deputy Chair Geraint Davies Prof Peter Fox Prof Calvin Jones Lesley Jones Prof Rhys Jones Mark McKenna Kath Palmer Helen Pittaway (Teams) Dr Rosie Plummer
<b>Executive Team Members present:</b>	Ceri Davies, Executive Director of Evidence, Policy and Permitting Prys Davies, Executive Director of Corporate Strategy and Development Sarah Jennings, Executive Director of Communications, Customer and Commercial Gareth O’Shea, Executive Director of Operations Victoria Rose-Piper, Head of Business Support Services and Adfywio, deputising for Rachael Cunningham, Executive Director of Finance and Corporate Services
<b>Attendees present:</b>	Phil Williams, Head of Governance and Board Secretary (All items) Rob Bell, Head of Finance, Item 6 Kirsten Hughes, Lead Specialist Advisor, Corporate Planning and Performance (Teams), Item 7 Sue Ginley, Lead Specialist Advisor, Corporate Planning and Performance (Teams), Item 7
<b>NRW Observers present:</b>	David Letellier, Head of Operations South Wales Central Kate Evans, Manager, Public Affairs/Private Secretary to CEO



	Catrin Hornung, Head of Communications and Digital Transformation
<b>Public Observers present:</b>	Colin Barnett Gareth Wardell Jim Ralph Margaret Young Additional members of the public
<b>Apologies:</b>	Rachael Cunningham, Executive Director of Finance and Corporate Services Bhuvaneshwari Marripudi, Board Apprentice
<b>Secretariat:</b>	Natalie Williams, Deputy Board Secretary and Board Secretariat Team Leader Jocelyn Benger, Board Secretariat Team
<b>Declarations of Interest:</b>	<ul style="list-style-type: none"> <li>• Dr Rosie Plummer - Member Pembrokeshire Coast National Park Authority - wide-ranging interactions with NRW including planning, landscape designation and protections including SAC rivers, Marine zones, diverse grant recipient and collaborator; Plantlife Trustee – wide ranging interactions including participant in the Natur am Byth project and recipient of Glaswelltiroedd Gwydn Nature Networks funding</li> <li>• Prof Steve Ormerod – Chair of the Science Advisory Group and Board Member to the Environmental Markets Board; Chair of the Fish-Eating Birds Advisory Group; Vice President of the RSPB; Member of various Wildlife Trusts</li> <li>• Geraint Davies – Mentor with Farming Connect; Associate of Pwllpeiran Upland Research Centre</li> <li>• Prof Calvin Jones – Cardiff Business School hired by Welsh Government to look at financing models for potential tidal lagoons in Wales</li> <li>• Prof Rhys Jones – part of a funded research project with Coventry University that will be examining the development and early implementation of the Sustainable Farming Scheme</li> <li>• Mark McKenna – Down to Earth expression of interest in the Caernws scheme</li> </ul>

## Item 1. Open Meeting

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

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

### **Item 2A. Review Minutes from the 2<sup>nd</sup> February Meeting**

2. The minutes from the public Board meeting on 2<sup>nd</sup> February were reviewed and agreed.

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

3. The Action Log was reviewed and noted.

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

4. The Chair updated the Board on the recent meeting of the First Minister's Water Quality Summit. Considerable progress was reported on the action list, and the First Minister (FM) noted the encouraging progress. The good, collaborative atmosphere at the meeting was described with attendees on a shared mission on water quality issues. The Teifi Demonstrator Project exemplified the partnership approach.
5. The election of the new FM was noted. On behalf of the Board, congratulations were extended to Vaughan Gething on his appointment, and thanks and good wishes were offered to the departing FM, Mark Drakeford.

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

6. The Chief Executive gave an update on items in addition to the written Report. NRW would be writing to the new FM, along with any new or departing ministers.
7. An update was provided on the impacts of the latest period of wet weather. A series of prolonged bouts of heavy rain had occurred in South West Wales in addition to the highest tides of the year. The impact of the spring tides on communities in Cardiff was highlighted. NRW had undertaken its usual warning and informing role and staff had been out on the ground across Wales supporting communities. Assets that had suffered from previous weather events and required work were noted. The weather forecast was an improving picture although the ground was saturated.
8. The recruitment of a new Interim Head of ICT was completed – Matt Harrington was due to start with NRW the following week. Martin Parkinson, Head of Business Transformation, would be retiring in June and his contribution to NRW over many years was highlighted.
9. Board members considered the content of the verbal and written Report. The Quarter 3 Enforcement Update was noted, and the previous day's strategic discussions on pollution minimisation were highlighted. The Board thanked the local team for their time in informing the Board about the complex issues relating to waste and pollution around the Cardiff area.
10. The update on the Multi-Utility Service Transit (MUST) project was noted. Board members commented that it would be interesting to see the MUST project develop new

ways of working, particularly in the field of planning. The strategic Board discussions around decarbonisation at the September 2023 meeting were highlighted, which had included elements on what could be done differently to take matters forward. The wider conversations for NRW and planning departments were recognised. Prof Rhys Jones, as Chair of the Wales Land Management Forum (WLMF), updated the Board on discussions at the WLMF, noting the challenges faced by farmers in engaging with the planning process when undertaking smaller projects.

11. Board members discussed the challenges faced by NRW and Local Authorities in responding to the dynamic and demanding planning situation for both large infrastructure projects and community-level energy projects. The financial pressures were recognised along with the skills and experience challenge. The MUST project was the first major project where NRW had put a Memorandum of Understanding (MoU) in place and learning from this would be taken forward. The Executive Director of Communications, Customer and Commercial (CCC) updated the Board on the recent Empower Cymru conference organised by Net Zero Industry Wales. This was very well attended and looked to bring together the learning from across Wales on how the public and private sector could work together most effectively.
12. The update on the joint Ministerial Statement on Farming in Wales was noted. Board members highlighted the financial challenges for NRW and the agricultural industry of the Sustainable Farming Scheme (SFS) remit. The Chief Executive updated the Board on ongoing discussions around the SFS. NRW's response to the consultation had been circulated to the Board for information, and it was noted that a key concern was the lack of dedicated elements for protected sites. It was recognised that the debate on the SFS was polarised, but it was highlighted that there were common priorities of protecting and supporting the environment and communities in Wales.
13. The Executive Director of Evidence, Policy and Permitting (EPP) updated the Board on the ongoing work of the groups involved in the WG Biodiversity Deep Dive. The individual groups had now submitted their reports to the core group with recommendations to take forward, which would be made publicly available. These recommended substantial areas of work to meet the 30by30 targets. The key elements would be brought to the Board strategic session in May.

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

14. Kath Palmer, Chair of the Audit and Risk Assurance Committee (ARAC) gave an overview of the meeting held on 7<sup>th</sup> March. An update was received from Audit Wales. Thanks were extended to Julie Rees from Audit Wales, whose term as NRW's auditor had ended. ARAC also received a Finance update and were informed that the signing of the Annual Report and Accounts (ARA) would be delayed until September. The format of the Annual Report was endorsed but ARAC asked for a more outcome-focused approach going forward. The quarterly Risk Management Report was scrutinised. It was recognised that the journey on risk management was ongoing and the recent Board session on risk appetite statements was noted. The Internal Audit Quarterly Report noted that the Internal Audit Plan was on track for 2023-24 and the

Audit Plan for next year was reviewed. There were four Internal Audit Reports; three offered a moderate opinion and one offered a substantial opinion.

15. Prof Steve Ormerod, Chair of the Evidence Advisory Committee (EAC) gave an update on work since the meeting held on 16<sup>th</sup> January. The next meeting would take place in May with a field visit in the Cardiff or Newport area.
16. Helen Pittaway, Chair of the Finance Committee (FC) updated the Board on the meetings held on 8<sup>th</sup> February and 5<sup>th</sup> March. The paper was taken as read. Both meetings had considered financial approvals. The main focus of discussions had been around the outturn for this year and Budget and Business Plan for next year. The Annual Review of Charges was endorsed. Discussions would take place around streamlining the process. The Key Performance Indicators (KPIs) and measures for the NRW2030 Programme were discussed. The independent review of the Flood Capital Programme was scrutinised. A presentation was received on pension fund investments. FC rescinded an earlier approval on the ICT partnership on the basis that legal opinion had now been received on this.
17. Prof Pete Fox, Chair of the Flood Risk Management Committee (FRMC), updated the Board on work since the meeting held on 11<sup>th</sup> January. A positive meeting attended with Geraint Davies had taken place on the Dysynni Internal Drainage District with Mabon ap Gwynfor, MS. Thanks were extended to Mabon ap Gwynfor, noting his constructive support for NRW's strategic priorities. Geraint Davies had also met with interested parties on the Tan Lan embankment. The next FRMC meeting in April would consider how to better manage the Flood capital spend prior to scrutiny by FC. It was agreed that Helen Pittaway as Chair of FC should join the FRMC meeting in April.

**ACTION: Secretariat to share the invitation to the FRMC meeting in April with Helen Pittaway**

18. Prof Calvin Jones, Chair of the Land Estate Committee (LEC), updated the Board on the meeting held on 13<sup>th</sup> February. The paper was taken as read. The UK Woodland Assurance Scheme (UKWAS) approach was confirmed with the Soil Association reappointed as NRW's assessor. LEC were still concerned with NRW's exposure due to the limited progress on the Alternative Timber Sales process and Timber Industrial Strategy (TIS). It was recognised that there were a number of reasons for the issues with progression, and clarity was awaited from WG on the TIS.
19. Mark McKenna, Chair of the People and Customer Committee (PCC) updated the Board on the meeting held on 1<sup>st</sup> March. The paper was taken as read. Thanks were extended to the teams for ensuring that the meeting was effective with the large number of items covered. The Wellbeing, Health and Safety Q3 Report was scrutinised and endorsed. A good report was received from the People Transformation Programme and PCC considered how this could integrate better with NRW2030. The implications of the Business Plan 2024/25 for People and Customer were discussed. PCC approved the Diversity and Inclusion Annual Report 2023-24 and the Gender Pay Gap Report for publication.

20. Dr Rosie Plummer, Chair of the Protected Areas Committee (PrAC) updated the Board on the meeting held on 22<sup>nd</sup> February. The paper was taken as read. The implications of the SFS for protected sites were highlighted. The outcome of the consultation was awaited but the significance of the SFS for the future management of protected sites for land owners and NRW was emphasised. The resource demands for NRW and landowners resulting from the SFS, along with the challenging requirements of the 30by30 biodiversity targets and land management agreements were recognised. PrAC received an update on the Protected Sites Programme and the prospect of further designations; it was recognised that the resource constraints would have implications for NRW's ability to deliver and manage them. The work on Special Area of Conservation (SAC) rivers was presented to PrAC. Details around collaborative working in this area were welcomed. The significant implications for planning functions around rivers and the links to the SFS were also noted.
21. Board members discussed the SFS and NRW's voice on the resource implications. The Chief Executive confirmed that this had been acknowledged in the consultation response to WG, and informed the Board that the funding to farmers and bodies in support would form a key part of the next stage of discussions. Work was taking place with WG officials to consider the implications of the SFS for NRW, with parallel work ongoing on its implementation and the requirements for this. The UK commitment to a global biodiversity framework was noted and the financial and legislative challenges to achieve this were acknowledged.
22. Prof Rhys Jones, Chair of the Wales Land Management Forum (WLMF), updated the Board. The paper was taken as read. A meeting of the WLMF Sub Group on Agricultural Pollution met with the Wales Fisheries Forum and the Wales Water Management Forum to discuss plans for monitoring. Conversations continued on the ways to keep moving forward to create the structure that would be most efficient.
23. Prof Steve Ormerod, Chair of the Wales Fisheries Forum (WFF) and Wales Water Management Forum (WWMF) updated the Board. The WFF would be meeting next week, and the Fisheries team would be updating on the work on migratory salmonids. The WWMF joint meeting with the WLMF was noted. The water monitoring programme was highlighted. It was explained that it would be important to preserve the monitoring trend, while developing an efficient and effective scheme for monitoring change. Ground water quality was also highlighted and the issues around this were described.
24. Geraint Davies, Chair of the National Access Forum for Wales (NAFW), updated the Board. The NAFW had met on 5<sup>th</sup> March and an update was received on the Recreation Strategy. An update was also received from the sub-group on the SFS for the Forum members to hear and raise their concerns. An application for new membership was being considered.

## **Item 6. Finance Performance Report**

Presenter: Rob Bell, Head of Finance

25. The Head of Finance introduced the item and provided an overview of the paper, noting the Report was the position at the end of November. This had been scrutinised by the

Executive Team (ET) and by FC on 5<sup>th</sup> March. FC had approved the change to the forecast and payment into the Environment Agency Pension Fund (EAPF). The Board were asked to note the approval. Matters had been moving at pace. At the beginning of February, WG allocated a further £2m Revenue, £4m Capital, and £7m to the Pension Fund. The forecast for the year would be around £285m. An upturn had occurred in timber income, following a strong performance in February, and a small surplus was likely. Discussions had taken place with FC on how this would be used. The majority of the additional Capital would be included in the Flood Capital Programme plus some returned to Reservoirs. Work on the year end accruals was ongoing but the year was likely to be brought in on budget.

26. Board members thanked the Finance team for their hard work, recognising the achievement of bringing the finances in on budget, particularly in the challenging financial circumstances. It was acknowledged that WG had been very supportive, and thanks were offered to the Minister and officials.
27. Previous Board discussions were raised on whether there were any unintended consequences as a result of the Strategic Review of Charging (SRoC). It was noted that a review would take place once a full year's data had been received.
28. The Board noted the Finance Committee approval of payment into the EAPF pension fund of £6.894m.
29. The Board approved the changes to the latest forecast, from £270.2m to £272.8m and noted the financial performance to the end of January 2024.

**NOTED: The Finance Committee approval of payment into the EAPF pension fund of £6.894m**

**APPROVED: The change to the latest forecast from £270.2m to £272.8m**

## **Item 7. Business Plan Performance Dashboard Quarter 3 Report and Internal Performance Quarter 3 Report**

Sponsor and Presenter: Clare Pillman, Chief Executive

30. The Chief Executive presented the Business Plan Performance Dashboard Quarter 3 (Q3) Report to the Board. The Red Amber Green (RAG) status of the measures were reported as: 14 Green, 8 Amber, 0 Red. Two of the Amber measures in Q3 cited resource issues as a factor but moving to year end outcomes, more were expected. A heatmap was shared of the year-end predictions. The issues were described around the Amber measures of 'Management of and input to programmes to address and restore habitats across Wales', and 'Area of new woodland created on the land in our care'. These were expected to be Green and Amber respectively at year-end. Resource issues and problems with the reporting systems were cited on the measure 'Deliver programmes to review statutory water quality requirements' and although currently Green, it was expected to be Amber at year-end. The measure 'Response to incidents initially categorised as 'High' within 4 hours' was now Green from Amber in Q2.



31. The Internal Performance Report for Q3 was presented. The measures were reported as: 6 Green, 3 Amber, 1 Red. The Red measure was the same as Q2 'Health and Safety Active Monitoring'. This was expected to be Green at year-end. This was an important part of the assurance and had been discussed at the Wellbeing, Health and Safety Forum. The staff absence rate measure was still under review, but it was anticipated that this would be reported from the next quarter.
32. Board members discussed the content of the Report. The Health and Safety Active Monitoring measure was noted, and it was queried what was being done to achieve a Green rating by year-end. It was explained that a lot of work was taking place with teams, including webinars and training sessions to ensure that everyone was aware of the requirements. It was noted that this was a system recording issue rather than a cultural problem. Board members were assured that the Amber measures would be achieved, although this was likely to be a mix of achieving at year-end and into Q1 and Q2 of next year.
33. The content of the strategic discussion session was highlighted around the importance of explaining how NRW were doing things differently, such as the approach to re-planting and progressing away from the use of chemicals on the Estate, and how this could be incorporated as an exemplar for others. The Chief Executive confirmed that the measures for the next cycle of reporting would include the use of exemplars.
34. It was queried whether there was a sense of whether the KPIs could skew activities and outcomes and if there would be measures beyond this which would be Red or Amber. It was recognised that this was an important consideration to keep under review. The relationship between KPIs and Service Level Agreements (SLAs) was also an important element.
35. Prof Calvin Jones provided an overview of the revised approach to performance reporting in line with the new Corporate Plan. It was proposed that KPIs would continue but with a move to outcome measures reported to the Board. These would be a mix of quantitative and qualitative measures plus narratives. It was recognised that KPIs would remain an important measure of business performance and the planned operational indicators would provide this level of assurance.
36. The Board approved the Business Plan Performance Dashboard Q3 Report and the Internal Performance Q3 Report.

**APPROVED: The Business Plan Performance Dashboard Q3 Report and the Internal Performance Q3 Report**

## **Item 8. Items for Approval**

### **a) Wellbeing, Health and Safety Quarter 3 Report**

37. The Executive Director of Corporate Strategy and Development gave a brief overview of the paper, noting that it had been scrutinised and endorsed by PCC on 1<sup>st</sup> March.

38. Board members noted the Health and Safety Active Monitoring as discussed in the previous item. It was queried whether there was a risk to the organisation through the monitoring of mandatory training without a Learning Management System in place.
39. The Executive Director of Corporate Strategy and Development confirmed that this matter was discussed at every PCC meeting, and provided assurance that it received the appropriate level of scrutiny to minimise any risks.
40. The Board approved the Wellbeing, Health and Safety Quarter 3 Report.

**APPROVED: The Wellbeing, Health and Safety Quarter 3 Report**

## **Item 9. AOB**

41. No matters were raised under AOB.

## **Meeting Closed**

## **Public Q&A**

42. The Chair noted that no questions had been received in advance from members of the public.

## **Public Meeting Closed**



## Board Action Log – Public

Action No.	Meeting Category	Meeting Date	Item No	Para No	Paper Sponsor	Action	Owner	Due	Status	Notes/Updates
1	Public	27/01/2023	7	32	Rachael Cunningham, Executive Director of FCS	ACTION: FRMC to consider the full costs of the Internal Drainage Districts in conjunction with the Head of Finance	Jeremy Parr, Head of Flood and Incident Risk Management; Rob Bell, Head of Finance	17/07/2024	Ongoing	This has progressed (although paused for a short time whilst we sorted 24-25 IDD budgets & 23-24 IDD accounts) with the intent to implement something that is more consistent and better reflects full cost recovery for 25-26 budget setting.
2	Public	27/01/2023	9	47	Prys Davies, Executive Director of CSD	ACTION: The Head of Governance and Board Secretary to develop the approach to Place-based Board public engagement sessions	Head of Governance & Board Secretary	01/05/2024	Ongoing	Options for Board public engagement being developed. The approach to be agreed with the Chair and the Head of Governance and Board Secretary.
18	Public	21/03/2024	5	17	Sir David Henshaw	ACTION: Secretariat to share the invitation to the FRMC meeting in April with Helen Pittaway	Secretariat	29/03/2024	Completed	

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Chief Executive's Report (Public Session)
<b>Paper Reference:</b>	24-05-B01
<b>Paper presented by:</b>	Clare Pillman, Chief Executive
<b>Purpose</b>	Information and discussion
<b>Summary</b>	The paper provides the Board with an update on current issues.

## Introduction

1. Recent weeks have been dominated not by the weather – now a bit more spring-like – but by changes within Welsh Government (WG) following the resignation of Mark Drakeford as First Minister. We have sent our thanks to our outgoing Minister for Climate Change, Julie James, and have welcomed Huw Irranca-Davies as the new Cabinet Secretary for Climate Change and Rural Affairs. The Cabinet Secretary is well known to us having been a member of the Senedd's Climate Change, Environment and Infrastructure Committee for a number of years. We have already had initial calls with him to discuss priorities and have welcomed him to Cors Caron National Nature Reserve for a walk and talk with our Chair and colleagues involved in the Teifi Demonstrator project.
2. We will continue to work with Julie James in her new role as Cabinet Secretary for Housing, Local Government and Planning, which includes responsibility for the National Parks. An initial call has taken place to brief her on the present position and timescales for the proposed new national park in North East Wales. Our other significant working relationship will be with Jeremy Miles MS, Cabinet Secretary for Economy, Energy and Welsh Language, specifically in respect of energy projects.
3. As these changes have taken shape around us, we have continued to work closely with our Sponsorship team on matters of budgets and funding. Whilst the year-end position is still being finalised, we have come in where we need to be against our 2023/24 budget – a tremendous achievement given the in-year pressures. Our focus is shifting to the organisational changes that now need to be made to ensure we operate within budget in the years ahead. In early April, we brought together

our Executive and Leadership team members to start the conversations and planning needed to ensure we shape our organisation into one that will deliver our Corporate Plan objectives by 2030 within a reduced resource envelope.

4. The Executive team and I have continued to deliver clear and timely updates to our colleagues regarding our financial position and the current change process. Alongside monthly emails, we offer monthly all-staff calls at which questions can be raised and answered, and these are always well attended. As we go into the commissioning and consultation phase, there may be less that we are able to share, but we remain committed to keeping everyone updated as we take the next key steps. We are also engaged with the Trade Unions, our priority being to find options that allow us to mitigate job losses and build in longer-term resilience.
5. In April, I met Will Bramble, CEO of Pembrokeshire County Council, to discuss the specific challenge of Withyhedge Landfill. I visited the area around Withyhedge later in the month, spending time with our Industry & Waste Regulation team to understand their inspection and monitoring work. My thanks go to our South West Head of Operations, Huwel Manley, and others who are working tirelessly to resolve the situation at Withyhedge and maintain communication with partners, local communities and individual members of the public who continue to raise concerns with us. I will update the Board orally on latest developments.
6. During a week in Pembrokeshire, it was great to catch up with colleagues at the Haverfordwest office, which was busy and energised during my visit. I also visited Tenby South Beach to hear about the proposed repair work to the Afon Ritec culvert, and the Penally Site of Special Scientific Interest, where we were joined by National Trust colleagues. A visit to Stack Rocks and the Ministry of Defence firing range at Castlemartin provided an opportunity to meet partners from the Defence Infrastructure Organisation and Pembrokeshire Coast National Park Authority, and to extend our joint working with them by way of a new Memorandum of Understanding.
7. Closer to home I also enjoyed a visit with Dom Driver, our Head of Land Stewardship, to our new parcel of land near Moel Arthur in the Clwydian Range. Our plan at this site is to create a mixed woodland that can be managed sensitively by thinning, improve biodiversity and habitat connectivity, and contribute to improved local access and landscape interpretation.
8. At the end of April, I travelled to Edinburgh for a Statutory Nature Conservation Bodies (SNCB) meeting, organised by the Joint Nature Conservation Committee. Steve Ormerod also attended. It was a good event, with some useful discussions around the current challenges, focussing particularly on 30x30. JNCC updated us on the UK National Biodiversity Strategy and Action Plan, which will be published on 22 May. Wales will host next year's in-person meeting of this group. The trip north provided a useful opportunity to meet others including Scottish Environmental Protection Agency CEO Nicole Paterson, Philip Long of the National Trust for Scotland, Stuart Goodall of Confor, and Paul Lowe of Scottish

Forestry. To complete the set, I caught up with Phil Duffy, CEO of the Environment Agency (EA), when I was in London.

9. In May, I joined National Park CEOs Emyr Williams, Catherine Mealing-Jones and Tegryn Jones for a walk and talk at Penmaenpool, Dolgellau. The meeting provided an opportunity to mark Emyr's retirement at the end of this summer, after ten years in the role. Recruitment for his replacement at Eryri National Park Authority is underway.
10. I was pleased to attend the Sands of LIFE Conference in Caernarfon, where I gave the welcome. The event was well attended by colleagues and contributors, with an agenda covering updates on sand dune conservation and the findings and highlights of the project's five years of action for biodiversity. This was the final conference as the project draws to a close in June, celebrating some amazing successes in restoring sand dunes and revitalising these precious habitats at ten sites across Wales.
11. Matt Harrington joined us at the end of March in the role of Interim Head of ICT. This has been a vital role to fill, ensuring leadership for our ICT stabilisation programme. I'm grateful to Executive Director Prys Davies for taking on the SRO (Senior Responsible Owner) role for NRW2030 while Rachael Cunningham is absent. Our Public Affairs Manager Kate Evans has started a six-month secondment to Ofwat.

## Strategic Issues

### NRW2030

12. NRW2030 is our Business Transformation programme. There will be four key programmes to include People, Tech, Adfywio and Service Transformation.
13. In the first half of 2024/25, efforts will be focused on formally establishing the Tech programme, under which will sit a number of key projects including stabilisation, DDaT / GDD (Digital, Data and Technology / Government Digital and Data) and management of non-ICT managed systems. Work on stabilisation commenced with the appointment of a tactical delivery partner who has already started work on the programme of works for this year.
14. People and Adfywio are already established as programmes and are continuing to deliver. Work on a new Learning Management System has started under People, and the Adfywio programme team are focusing on finalising the move into WG's Cathays Park building while vacating Ty Cambria. Focus in the first two quarters will be on fleet and development of the fleet strategy, and securing the future of a depot to service the operational needs in South Central.
15. Robust governance around the entirety of NRW2030 will be established by the end of Q2.

### **PR24 and Storm Overflow investment**

16. Following release of NRW guidance note GN066 for assessing storm overflows in October 2023, water companies in Wales have re-evaluated the investment requirements for PR24 to include full assessment and improvement work.
17. Initial cost expectation for the entirety of the National Environment Programme (NEP) was around £300m. This rose to £900m as part of negotiations between NRW and the water companies throughout the price review process. Following release of GN066, water company investment to achieve the NEP requirements has increased to around £1.4bn for the period 2025-30.
18. While we have pushed for record levels of investment for the environment, targeting areas where their operations are causing the most harm – and this represents a step in the right direction – continued investment over the coming years will be required to ensure storm overflows are improved to ensure no harm to the environment from unsatisfactory or sub-standard assets. NRW will continue to work with water companies, WG and Ofwat on securing the best outcome for the environment as part of the price review process. Funding confirmation of the NEP will form part of Ofwat's final determination process due in late 2024.

### **Development Consent for the HyNet Carbon Dioxide Pipeline**

19. The UK Government has granted planning consent for the HyNet CO<sub>2</sub> pipeline, a positive step in developing the infrastructure to facilitate decarbonisation. The grant of planning will undoubtedly further stimulate the development of proposals along the pipeline route.
20. The pipeline will transport CO<sub>2</sub> produced and captured by future hydrogen-producing facilities and existing industrial premises in North West England and North Wales for offshore storage. We worked closely with the applicant to ensure the environmental impacts of the scheme were understood and mitigated ahead of the examination by the Planning Inspectorate. At the planning inquiry we only had one remaining significant area of disagreement, which related to the method of crossing the Alltami Brook. The inspector ultimately agreed with us that an embedded pipe bridge, rather than trenching the pipe into the riverbed as proposed by the applicant, would be the best environmental option so as to comply with Water Framework Directive. This is now secured as part of the consent.
21. This is one of the first major decarbonisation projects in Wales that NRW has provided advice on to date, with the exception of marine and terrestrial renewable energy projects. We see this work escalating significantly in future.

### **Severn Valley Water Management Scheme (SVWMS)**

22. This scheme, which was initially a response to widescale flooding along the length of the River Severn and its tributaries in the winter of 2019/20, is a strategic project to develop a sustainable water management plan in the Upper Severn Catchment. Funded by the UK Government and led by the Environment Agency (EA), the cross-border project covers an area of over 2,500km<sup>2</sup>, approximately two-thirds of which is in Wales. The primary aim is to reduce flood risk, but also respond to periods of drought, contributing towards longer term water security and wider environmental benefits through a hybrid of nature-based solutions and sensitive engineering.
23. Following earlier engagement from the EA, we recognised the potential scale and significance of the scheme for Wales and briefed WG officers, who then sought assurance from the project that it aligned with WG policy and objectives. This assurance was received and we were given approval to re-engage in July 2023. Since then, we have worked alongside the other strategic partners for the scheme – namely the EA, Shropshire County Council and Powys County Council – to inform a draft strategy, ensuring that it aligns to the principles set out in the Wellbeing of Future Generations Act and our own Corporate Plan.
24. NRW is now represented on the SVWMS Board and has regular meetings and dialogue with the project staff. The scheme proposes some nature-based solutions that we are already progressing, such as peatland restoration, river restoration and natural flood risk management, so it is in the interest of all to work with the scheme to ensure it complements our current and planned work programmes.
25. As the scheme is relevant to a wide number of NRW responsibilities and interests, it has the potential to impact on different teams and resources across our organisation. Given this complexity, we are exploring how best to coordinate and manage our resource to support and steer the project, particularly as it now enters its public-facing phase. This will likely include formation of an NRW steering group to inform our involvement. We are also in discussions over SVWMS-funded resources to support our involvement in the project.
26. If managed sensitively and correctly, the scheme can support our Corporate Plan ambition to scale up delivery of nature-based solutions by “mitigating the impacts of floods and droughts and improving water quality through identifying opportunities for integrated management of land and water at the catchment scale”. The scheme could also help identify a new approach to water management, benefit biodiversity and support communities to become more resilient to severe weather episodes.
27. The project and its potential for alleviating the damage caused by flooding to communities along this iconic river is being observed closely at both Westminster and the Senedd.
28. The public consultation on the SVWMS Sustainability Appraisal Scoping Report and Vision Document opened on 9 April and will run for six weeks, and should

ensure local requirements are captured to support collaborative development of any future solutions. The communities in Powys will include those who suffered from flooding incidents in two of the named storm events earlier this year.

29. As our involvement in the scheme was informed by our previous Minister's position, we have been in recent discussion with WG officials to ensure that our approach continues to align with WG priorities.

## Operational Issues

### Erebus – Lessons Learned

30. Following our joint experience of the challenges of the application and determination of the marine licence for the Erebus floating offshore wind proposal, we agreed to hold a joint lessons learned workshop with Erebus and NRW staff. It was an open and honest discussion in which we recognised that some of the changes suggested form part of delivering a number of the recommendations from the End-to-End Review of Marine Licensing that emerged from the Renewables Energy Deep Dive.
31. We also agreed a series of points that could be shared more widely with a view to benefitting all stakeholders in offshore marine renewables. These related to four key areas – the need for good pre-application engagement, good communications throughout the process, clear timelines and improved clarity and focus of response.

### Special Area of Conservation (SAC) Rivers update

32. The SAC Rivers project has technically come to an end and we move into a transitional year with a much smaller team. The aims of the transitional year (2024/25) will be to:
  - complete any outstanding planned priority work;
  - identify a Business As Usual plan where clear ownership of work areas is agreed and responsibilities allocated to specific staff; and
  - in the last six months hand over the key work areas to owners but provide support in development.
33. The 4th First Minister's Summit on the Action Plan 'Relieving Pressures on SAC River Catchments to Support Delivery of Affordable Housing' was held on 18 March and attended by the then First Minister Mark Drakeford MS, Lesley Griffiths MS, Minister for Rural Affairs, and Julie James MS, Minister for Climate Change. It was their last official attendance before Vaughan Gething was appointed as First Minister.
34. This meeting was chaired by Sir David Henshaw for NRW and focused on the conservation of the SAC rivers, with presentations on the Four Rivers for LIFE

project, the Teifi Demonstrator project and the proactive work being delivered by Rivers Trusts across Wales by Afonydd Cymru. Numerous questions were submitted in advance and NRW and WG worked on a document to collate the answers, circulated subsequently.

35. One of our actions in the action plan related to the Review of Permits work. We have issued 132 variations to date and agreed that nine do not require a variation as evidence was provided to show that the permits are under 20m<sup>3</sup>/day dry weather flow. There are 30 permits left to issue. The varied permits have been published on our website.
36. We have received two applications from Dŵr Cymru Welsh Water (DCWW) to vary the date by which they could meet the phosphorus backstop limit of 5mg/l. We are expecting more of these over the coming months and will made decisions on a case-by-case basis.
37. Our contractors, Atkins, have submitted an evidence review entitled 'Rapid Evidence Assessment of the Impacts of Organic Manures on the Water Quality of Rivers'. A high-level review internally is underway before being published as part of the NRW Evidence Report series. Natural England has released a report entitled 'Information on Nature Based Solutions as Nutrient Mitigation (NBS2024)'.
38. The governance for the Teifi Demonstrator project currently sits under the SAC Rivers project due to the synergies and alignment, until we are successful in securing funding. We have received a report on the outputs of the Teifi hackathon in February from Cwmpas, who facilitated the event. The outputs include ideas around the themes of farmer-led projects; data integration and visualisation; water quality awareness; collaborative long-term funding; rainfall / catchment management; and behaviour change.
39. A further meeting of the Teifi Project Core Group met in April. A visit is being arranged for early May to Cors Caron National Nature Reserve and the local area to see work currently being delivered in the LIFE Raised Bogs, Four Rivers for LIFE and the Metal Mines projects and to provide more detail around what the Teifi Demonstrator project aims to achieve. This visit will be attended by our new Cabinet Secretary, Huw Irranca-Davies MS, along with colleagues from Ofwat and DCWW.
40. In April, DEFRA announced a new Action Plan for the River Wye, which seems to have caught stakeholders and regulators on both sides of the boundary off-guard. UK Government has appointed former Ross-on-Wye Councillor and MEP Anthea McIntyre as a new 'River Champion' for the Wye. Jesse Norman MP has suggested that £35m of new funding is being provided to support the plan.



### **No Mow May**

41. We will reduce mowing to minimum levels on the land in our care during May, to help tackle the nature emergency and support Plantlife's 'No Mow May' campaign, established in 2019. This includes areas where we would normally cut grass and vegetation throughout the growing season, such as in forests, nature reserves, riverbanks, flood defences and reservoir embankments, with just a few exceptions for public safety, flood risk and nature conservation reasons.
42. The scale and rate of biodiversity loss across Wales is accelerating. Every third mouthful of food we eat has been created by pollination, and without pollinators our food supply would collapse. Reducing mowing in May will help biodiversity by allowing spring plants to set seed and grow to provide nectar and pollen for bees, butterflies and other pollinators. It will encourage long grass and wildflowers that benefit wildlife, tackle pollution and can even lock away carbon below ground. Even the smallest grassy patches add up to a significant proportion of our land; if managed properly, they can deliver enormous gains for nature, communities and the climate.

### **Ffos-Y-Fran**

43. Over the past few months, there have been two technical working group meetings involving the Coal Authority, WG, Merthyr Tydfil County Borough Council (MTCBC) and NRW. Discussions have centred on the operator's plans for water management and restoration post cessation of coaling, which occurred in November. The operator continues to maintain a presence at the site, albeit at a reduced capacity. The next meeting will take place at the end of April.
44. In recent weeks, NRW has received questions from the local authority on whether the void falls under the Reservoirs Act 1975. We have advised that it does not fall under that remit at this time, and we are therefore unable to exercise powers under the Act. There has also been media interest regarding the filling of the void with water and concerns (from unknown sources) regarding water quality. The operator continues to be compliant with their permits and no pollution issues have been noted; we will continue to monitor the site and engage with them on their wider water management plans.

### **Withyhedge Landfill**

45. Following receipt of numerous complaints about the odour emanating from the Withyhedge Landfill site, on 13 February we formalised the actions required to be undertaken by the site operator, RML, in relation to the uncapped waste mass under a Regulation 36 Enforcement Notice relating to cells 6 and 7 on site.
46. The notice contained several actions to be completed in a specific order, reflected by different completion dates. The key date was 5 April, by which time the waste mass had to be capped, with landfill gas infrastructure installed and connected.

We undertook a regulatory inspection to check compliance with the notice on 8 April. A visual assessment of the work undertaken indicated that the required capping work and gas well installation had been completed by site operators.

47. Despite completion of this work, we have continued to receive reports of odours and we have identified the source as the adjoining landfill, cell 8, which had received some of the waste from cells 6 and 7. We issued a further Regulation 36 Enforcement Notice on 19 April in relation to cell 8 and we expect the operator to cap this cell and install gas infrastructure within a maximum three-week period. Some of this work has already commenced. We are also stepping up our offsite gas and odour monitoring work. Should the latest notice not address the ongoing odour issues, we will step up our regulatory response.

### **Harvesting Operations, Rhyslyn**

48. Rhyslyn 99100 is a large felling coupe located within the Afan Valley, Neath Port Talbot. The coupe contains larch trees that are infected with *Phytophthora ramorum*, and was the first site in Wales infected back in 2010. The Afan Valley forms an important recreational destination providing access to activities such as mountain biking (MTB), walking trails and areas for safe equestrian use as well as supporting local businesses, including three privately-operated MTB visitor centres.
49. Due to the presence of a high-pressure gas main which required decommissioning along the forest route, it wasn't possible to commence the harvesting work until late autumn 2022. The initial intention was that this work would be completed by the summer of 2023. However, due to numerous delays (including contractual issues) the work wasn't completed until March 2024, at which point the site was partially reopened to the public (areas 1 and 2 only). Prior to reopening, we completed improvement works to both walking and MTB trail surfaces, renewed all waymarker posts and installed new picnic benches throughout areas 1 and 2.
50. Areas 3 and 4 remain closed to the public due to only being partially felled. This is causing frustration to stakeholders who are concerned about the continued impact on tourism and local business within the area. A recent meeting was held in Pontrhydyfen with the SW Land Management team to update local business and Neath Port Talbot Borough Council (NPTBC) on areas 3 and 4. We are working on procuring a new contract to complete the harvesting of these remaining areas due to a breach of contract and safety concerns with the contractor who had commenced the initial harvesting work.

### **Y Bryn Windfarm**

51. As part of a proposed windfarm development on the Welsh Government Woodland Estate (WGWE), Y Bryn Windfarm Ltd – a partnership between developer Coriolis Energy and utility company ESB – has submitted its final planning application to Planning and Environment Decisions Wales (PEDW). The developer proposes to

install up to eighteen turbines within the Penhydd and Margam blocks, Neath Port Talbot, with some measuring 250m from ground level to tip. If consented, these turbines would be amongst the largest onshore turbines in the UK.

52. Whilst the application was submitted late December 2023, it is only now available to view on PEDW's website due to the high volume of applications currently being processed. A press statement, which we envisage being released shortly, has been prepared by Y Bryn Windfarm Ltd to announce the planning submission.

### **Coed Abermarlais (Brownhill) Woodland Creation Project**

53. This is a "woodland creation using the WGWE project" on a 94ha site near Llangadog, Carmarthenshire that includes a Covid commemorative woodland. Board members may recall tensions between stakeholders who supported woodland creation and others who perceived disruption to the economics of farming. We have planted the 14ha commemorative woodland and this year will be constructing a new entrance and car park for public access. There appears to be positive interest in this element. We will also be enrichment-planting a 26ha riverine habitat section to further improve its wildlife value and starting control of Himalayan balsam along the river.
54. For the remaining area, we have been seeking an agricultural partnership, which has so far not yielded tangible results. Therefore, we have decided to use this section to demonstrate a vision for integrating farming, biodiversity and woodland by planting at least 10% of the site with trees and then offering the land as a let for use that integrates farming, forestry and biodiversity enhancement. If we can find the right people willing to work with us, we will co-design the planting with farmers. Usefully, at 54ha, this section is close to the average size of land-holding in Wales (48ha) so it could be a realistic example of the kind of thing envisaged in the current proposals for the Sustainable Farming Scheme.
55. Our acquisition of the site remains sensitive and we feel that the approach we are taking demonstrates the power of our integrated model, showing what is possible by following Sustainable Management of Natural Resources (SMNR) principles.

### **Suspension of Forest Certification – Tilhill Forestry Ltd**

56. Tilhill Forestry Ltd, one of the UK's largest forestry companies with c209,000ha of woodland in its portfolio, had its certificate of sustainable forest management suspended by the Forest Stewardship Council (FSC) and Programme for Endorsement of Forest Certification (PEFC) on 10 April following a UK Woodland Assurance Standard (UKWAS) audit. A public statement from Tilhill's parent company, BSW Group, indicated that the certificates were suspended due to two non-conformities onsite: "BSW Group takes this very seriously and we are working closely with the onsite team and the certification body to resolve this as soon as possible. We are taking the required actions to rectify the issues and are confident that the certificate will be reinstated swiftly."

57. Suspensions are unusual in the UK but this action demonstrates that UKWAS auditors (in this case, Soil Association Ltd) and certifying bodies are willing and able to take strong action to uphold standards. Our own annual UKWAS audit will take place in July. We are working hard to maintain the improvements we have achieved in audit results over the past few years and do justice to our ambition to continue to be exemplars of sustainable forest management, as befits managers of c150,000ha of woodland and stewards of the longest running continuously-certified state forests in the world (along with England and Scotland). Our auditors are also the Soil Association Ltd.

## Internal Issues

### Professionalism in Forestry

58. Congratulations to Gareth Davies, Specialist Adviser, Land Stewardship who has gained Professional Membership of the Institute of Chartered Foresters (ICF). Gareth runs our compensatory planting project on a fixed term appointment from Coed Cymru. Unusually for us in recent times, Gareth is our only staff member to have gained this status in this cycle.
59. The development of forestry professionalism via the ICF remains strong in NRW with six Fellows, 20 Professional Members and 53 Associates, and a steady achievement of Associate to Professional status. We are supporting ICF's second Emerging Leaders programme, their UK Forestry Standard training initiative and the development of their Technical Forestry route to Professional Membership. The person whose maternity leave Gareth is covering, Miriam Jones-Walters, is an alumnus of the ICF's first Emerging Leaders programme.

### New Learning Management System

60. A contract has been awarded to Kallidus to implement a new Learning Management System (LMS) for e-learning. The system is expected to launch in July. In the longer term we will use the system to book courses, but initially it will be used mainly for e-learning. The LMS will host new and improved content and we will have access to over a hundred e-learning courses, including the mandatory safety courses and a much-extended catalogue of personal development e-learning.
61. The LMS will be simple to use and will be mobile friendly, include bite-sized learning and provide robust reporting. It is designed to be easy for learners to navigate and find appropriate training, and offers a variety of resources including webinars, videos and articles. Managers can easily see what training their teams have completed and what they still need to complete.

## **Strategic Workforce Planning (SWP) Update**

62. The SWP team have successfully completed modelling Marine / Development Planning Advice Services and the Commercial Development areas of the organisation, and have produced a summary report, data analysis, insights and recommendations to both teams to support them in terms of addressing key risks and gaps in resource and skills that were identified through the modelling process.
63. This work follows Phase 1 of the project, in which Flood Risk Management and Financial Services were modelled with the support of Deloitte. It means we have now completed strategic workforce planning modelling for 25% of the organisation, including the identification of critical roles that will require succession planning. We will move on to Natural Resources Management to model next, commencing in May; Permitting and Regulation will follow.
64. Alongside the modelling process, we have segmented the whole of the workforce in NRW, based on primary work activity and core skills / competencies. The segmentation will provide an evidence-based framework for us to use and develop on the new LMS system – building training catalogues and career pathways by segment heading for colleagues. It will also link in with work being undertaken in Placements and the Flexible Resource Pool to ensure a collaborative and unified approach.

## **Communications**

### **Corporate Communications**

65. Ahead of the election of the new First Minister, a significant amount of resource was given to managing the response to Freedom of Information (Fol) requests submitted by the media in relation to historical environmental prosecutions and related correspondence with elected officials. This required close collaboration with a range of colleagues internally and with WG officials to ensure accurate messaging. Ahead of the announcement of the new Cabinet, we also provided colleagues at WG with a range of visit options for consideration, and a hot issues list for awareness.
66. We have continued with our regular drumbeat of communications to colleagues about key decisions, our financial position and planning for in-year and future years' challenges. This included the second monthly "town hall" session for all staff and the development and distribution of a "frequently asked questions" document, which we continue to update.
67. The Communications team have supported colleagues in the Corporate Planning team to develop and publish a Citizen Space page, where the draft impacts and strategic indicators for our Corporate Plan have been made available for stakeholders to feedback on.

68. Executive Director Sarah Jennings was a keynote speaker at the Northern Ireland Environment Forum and spoke on the role of public sector leadership in the climate and nature emergencies. The event has led to further opportunities to work more closely with the new Minister and government agencies in Ireland, as they share our challenges and common purpose.

### **Nature is Recovering**

69. Before the Sustainable Farming Scheme consultation closed, we worked closely with colleagues to develop communications around our own response, taking the opportunity to highlight the pivotal role that agriculture plays in shaping the landscape of Wales and the resilience of the environment.
70. International Day of Forests provided us with a platform to share how we manage our forests and woodlands sustainably. We worked with forestry colleagues to highlight the publication of new guidance on changes to felling licences with stakeholders and in trade publications.
71. We supported the announcement of the latest round of Nature Networks funding recipients. Promotion around Wales Outdoor Learning Week kicked off in earnest during this period, as did the promotion of the much-loved ospreys camera at Llyn Clywedog. Messages around responsible recreation and the Countryside Code were highlighted around the Easter break, with a particular focus on extra patrols on our sites, and dog control during lambing season.
72. Several sites and key pieces of work have featured on television and radio programmes, including Colonels Park on David Attenborough's *Secret World of Sound* on Sky, the work to reintroduce great crested newts at Maes y Grug SSSI and curlew conservation work at Fenns Wixhall Moss National Nature Reserve.

### **Pollution is Minimised**

73. The Teifi Hackathon and Water Quality Summit led by our Chair in March provided the platform for us to share updates on our partnership work to tackle water quality issues in Wales. The public release of Event Duration Monitoring (EDM) data on spills from storm overflows resulted in a significant number of queries from the media. We were able to proactively use World Water Day to publish two blogs about the state of Wales' groundwater.
74. The media interest in the legacy of Wales' metal mines continues. In response to a query from the Financial Times on the impacts of legacy chemicals on public health, we set up a briefing with the journalist to ensure they understood our remit and worked closely with colleagues at the Coal Authority, Public Health Wales and WG to ensure a coordinated response. This ensured the reporter was fully briefed on areas of responsibility and able to produce a balanced article.

75. We have continued to provide support to the South West Environment and Operations teams to provide regular updates on the odour issues at Withy hedge Landfill, working with our counterparts at Pembrokeshire County Council and Public Health Wales to ensure a coordinated approach to messaging.
76. Ahead of the introduction of new workplace recycling regulations, we supported WG communications activity to highlight our role in regulating the new rules.

### **Communities are Resilient to Climate Change**

77. To mark the four-year anniversary of the February storms, we worked with ITV's Sharp End on an interview with our Chief Executive to highlight the work that we have done since Storm Dennis and the challenges of managing flood risk in the future. This allowed us reinforce key messages about adapting to and mitigating the impacts of climate change. We took the opportunity to pre-record a wider piece on NRW's work and the priorities set out in our Corporate Plan.
78. The Communications team were also involved in the launch of the Severn Valley Water Management Scheme consultation, working with colleagues and with cross-border partners to develop the consultation documents and related messaging.
79. Ahead of the introduction of the new Flood Warning Information Service this summer, we have kicked off a campaign to encourage sign-up and keep stakeholders and colleagues fully briefed. As a result of our social media assets for flood warning and informing, we've been asked to help and advise the Department of Infrastructure Northern Ireland on their own flood warning and informing communications.
80. We also shared warning and informing messages around potential flood impacts resulting from Storm Kathleen and general adverse weather conditions in early April.

### **Digital**

81. We recently went live with our re-designed felling licence web pages and application forms to meet the needs for users for the new agricultural regulations.
82. We were invited (with Translations) to speak at the Centre for Digital Public Services and Welsh Language Commissioner's Language Matters event and in a video about trio writing, a more collaborative approach to developing content in two languages. The focus was on sharing our experiences of designing better bilingual services by bringing the translator into the process early and iterating the Welsh and English text collaboratively.
83. We have also worked as part of a discovery project for our Marine licencing service. This was a great opportunity to bring different teams together and work to the digital service standards for Wales. We presented what we've learned from

user interviews and extensive desk research in a show-and-tell session for colleagues and WG. We're now working with Marine colleagues to plan and deliver improvements in the short term, by redesigning web pages and application forms, whilst also advising on medium and long term deliverables.

## Customer

### **Institute of Customer Service Trust Survey**

84. NRW has once again worked with the Institute of Customer Service (ICS) to undertake a sample survey aimed at gaining an understanding around the level of trust in our organisation among the Welsh public. The survey, which is a pilot for both ourselves and the ICS, will provide valuable insight into public perception of NRW as an organisation and of our work and will complement the insight already gleaned from the annual panel survey. These benchmarking activities support decision making and strategy development around customer experience and customer service and are valuable tools to help shape our products and services going forward. The full output from the survey will be available in June.

### **Introduction of Anywhere365 Unified Contact Centre**

85. During February, the Incident Communication Centre, ICT Service Desk and Customer Hub went live with our new Anywhere365 Contact Centre Telephony. We have been working on the implementation of the service for over a year, ensuring it provides a high level of customer experience, improves business continuity resilience and increases efficiencies across all our contact centre environments. We had a smooth transition to the new service, with no detriment experienced by customers.
86. The new service allows us to monitor and track call volumes in real time. We have developed Power BI reports to monitor trends over time and allow forecasting and agent analysis. We also have the ability to review calls, which are now recorded, and we proactively seek customer feedback at the end of each call to improve customer service performance.
87. Future developments include full integration with our Customer Relationship Management system (Dynamics365) and the opportunity to introduce live chat and manage social media contact. Therefore this is another positive building block towards delivering our vision of a single view of the customer, allowing for more integration across our services and platforms which will provide greater insight into our customer interactions and improved customer experience.



## Forward Look

Tuesday 4 June – Audit & Risk Assurance Committee

Wednesday 5 June – NRW 2024 Senedd Event (World Environment Day)

Thursday 6 June – People & Customer Committee

Wednesday 12 June – Board Update Call

Thursday 13 June – Finance Committee

Friday 28 June – Protected Areas Committee

Thursday 11 July – Flood Risk Management Committee

Wednesday 17 July – July Board Meeting

Tuesday 18 July – Land Estate Committee

Wednesday 7 August – Board Update Call

Monday 22 - Wednesday 24 July – Royal Welsh Agricultural Show

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Finance Committee Board Update
<b>Paper Reference:</b>	24-05-B02
<b>Paper sponsored by:</b>	Helen Pittaway, Finance Committee Chair
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Helen Pittaway, Finance Committee Chair
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To provide an update to the Finance Committee – 25 <sup>th</sup> April 2024

## Background

This paper provides an update to the Board following the Finance Committee (FC) meeting on 25<sup>th</sup> April 2024. The paper and minutes from these meetings are available for Board members to view on Diligent.

### End of Year Financial Performance Report and Approvals

1. An overview of the interim End of Year Financial Performance Report was provided along with key messages from an interim review of budgets. The early indication was that the budget was within target.
2. FC welcomed the news and acknowledged the hard work involved in hitting such challenging budgets.
3. FC endorsed two section 83 agreements and discussed the volume of compensatory tree planting and competing priorities for the Welsh Government Woodland Estate (WGWE). An increase in the ongoing running costs for the Flood Warning Information System Full Business Case was approved.

#### Programme Management Office (PMO) Update

4. The recommendations from a review of Programme and Project Management and the PMO target operating model were presented. The recommendations covered a variety of areas including portfolio management and reporting, assurance, roles and responsibilities and project management tools. The Committee noted the significant overlap between this initial report from the new PMO Manager and the Local Partnerships Report into the Flood Capital Programme. FC suggested that the learnings from that report would be reflected in the PMO action plan.
5. The standard six monthly update was also provided. FC queried how Red status projects were reviewed and escalated.

#### 2024-25 Budget and Business Plan Update

6. The opening budget for 2024-25 was presented along with updates on the Business Plan Commitments and Key Results, and the prioritisation exercise.
7. FC provided a steer on the metrics and enquired about the communication of the prioritisation exercise to staff. The Committee suggested that the adoption and buy-in of the metrics may require a cultural shift in the organisation to accept missing targets and perceived failure to better reflect the Climate and Nature Emergencies.

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Flood Risk Management Board Report
<b>Paper Reference:</b>	24-05-B03
<b>Paper sponsored by:</b>	Dr Peter Fox, Chair of the Flood Risk Management Committee
<b>Paper prepared by:</b>	Board Secretariat
<b>Paper presented by:</b>	Dr Peter Fox, Chair of the Flood Risk Management Committee
<b>Purpose of the paper</b>	Information
<b>Summary</b>	To provide an update on the Flood Risk Management Committee meeting on 18 <sup>th</sup> April 2024

## Background

1. This summary provides an update on matters that in the opinion of the Flood Risk Management Committee (FRMC) Chair should be brought to the attention of the whole Board following the last FRMC meeting which was held on 18<sup>th</sup> April 2024.
2. For further detail, all Board members can access the agendas, papers, and minutes of committees via the Diligent portal.

## Update

### Local Partnerships (LP) Report and Implementation

3. An update on the implementation plan for the recommendations from the Local Partnership Flood Capital Programme Review and the full Report was provided to FRMC. The recommendations including the ongoing discussions with Sponsorship on them. The Committee formally noted the Report and approved the Recommendation that Finance Committee would formally oversee the Project, with updates on specific aspects reported to FRMC through the Flood Risk Management (FRM) Report standing item.

#### Flood Recovery and Review Implementation Programme (FRRIP)

4. The Flood Recovery and Review Implementation Programme (FRRIP) Transition & Closure Reports were presented to the Committee, along with a summary of how the remaining long-term actions would be managed. Although the Project would close, the work areas would have continuous investment and improvement.
5. FRMC formally closed the FRRIP and suggested promoting the success of the Project both internally and externally.

#### Flood Risk Management Update Report

6. An Update Report that highlighted key areas of work was presented to FRMC. This included noting the impacts of the wet winter and an update on the work of the National Infrastructure Commission for Wales (NICW). It was noted that the Technical Advice Note 15 (TAN15) was on hold due to the new First Minister settling in period.
7. Following on from the action recorded at the Board meeting, there was a presentation on routine maintenance work in rural areas that included what work activities were included in routine maintenance and provided an explanation of a Risk Based Revenue Allocation Model used to prioritise routine maintenance.

#### Flood Risk Management Capital Programme Update

8. An overview of the Flood Capital Programme's 2023-24 closing budget was provided. Even though it had been a turbulent year, the closing budget was within target.
9. Some context around the 2024-25 Capital Programme was highlighted including some significant risks. The Programme proposal had been set out in a paper and shared with FRMC.

#### Flood Warning Information System (FWIS) Full Business Case (FBC)

10. A summary of the project including an outline of the ongoing costs and project team were provided. Although the project delivery costs had remained the same, the five-year running costs would increase and exceed Managing our Money (MoM) thresholds.
11. Reassurance was provided that the system integrated with other NRW systems and tools and FRMC endorsed the FWIS FBC.

#### Any Other Business

12. The Chair noted that there would be a strategic review of the Board Committees.

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Wales Land Management Forum (WLMF) Update
<b>Paper Reference:</b>	24-05-B04
<b>Paper sponsored by:</b>	Professor Rhys Jones, WLMF Chair
<b>Paper prepared by:</b>	Bronwen Martin, Specialist Advisor: Agriculture
<b>Paper presented by:</b>	Professor Rhys Jones, WLMF Chair
<b>Purpose of the paper</b>	Information
<b>Summary</b>	Summarise what considerations, decisions, and actions you are seeking from the committee.

## Wales Land Management Forum (WLMF)

1. The Wales Land Management Forum (WLMF) meetings take place four times per year, and they provide an opportunity for Natural Resources Wales (NRW) and other WLMF membership organisations to share information, identify common interests and work together in a collaborative way on strategic land management issues.

[Natural Resources Wales - Wales Land Management Forum \(WLMF\)](#)

## Update

### 11<sup>th</sup> March 2024 meeting

2. The most recent WLMF meeting was held on 11<sup>th</sup> March 2024.
3. Julie Boswell, NRW joined the meeting to provide a presentation on the process of updating the State of Natural Resources Report (SoNaRR) for Wales. Sue Buckingham and Brian Price, NRW provided an update on reducing ammonia emissions from agriculture near protected sites.
4. All WLMF members had the opportunity to ask about NRW Updates and also share updates from their own organisations.
5. The next WLMF meeting will be held on Monday 24<sup>th</sup> June 2024.

6. Once the meeting minutes have been reviewed and formally agreed by members, they are published on the WLMF page on the NRW website.

## WLMF Sub Group on Agricultural Pollution

7. The primary purpose of the WLMF Sub Group is to identify opportunities to eliminate agricultural pollution in Wales whilst maintaining a thriving farming sector following five key themes (advice & guidance, voluntary approach, regulation, innovation, and investment), and working in collaboration with a range of agricultural and environmental stakeholders.

[Natural Resources Wales - Wales Land Management Forum \(WLMF\) Sub Group on Agricultural Pollution](#)

## Update

### 25<sup>th</sup> March 2024 meeting

8. The most recent meeting was held on Monday 25<sup>th</sup> March 2024. There was one substantive agenda item where Welsh Government led the session on The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 and discussed the 4-Year Review process and Alternative Measures. Welsh Government summarised eight Alternative Measures proposals and highlighted some discussion points for the group to consider. Those who were involved in the WLMF Sub Group Alternative Measures Task & Finish Group examined the links to their report that was submitted to Welsh Government for consideration. The wider group also provided feedback and input on the alternative measures presented by Welsh Government.
9. The meeting scheduled for Monday 22<sup>nd</sup> April 2024 was cancelled due to a number of competing priorities. The group will reconvene on Monday 20<sup>th</sup> May 2024.
10. Once the meeting minutes have been reviewed and formally agreed by members, they are published on the WLMF Sub Group page on the NRW website.

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Wales Fisheries Forum (WFF) March 2024
<b>Paper Reference:</b>	24-05-B05
<b>Paper sponsored by:</b>	Prof Steve Ormerod, WFF Chair
<b>Paper prepared by:</b>	Ben Wilson, Principal Advisor Fisheries; Evidence, Policy and Permitting, Natural Resources Management Team
<b>Paper presented by:</b>	Prof Steve Ormerod, WFF Chair
<b>Purpose of the paper</b>	Information

## Background

1. The Wales Fisheries Forum (WFF) meets three times a year and provides an opportunity for fisheries stakeholders and Non-Governmental Organisations (NGOs) to share evidence and opportunities for working together to achieve the sustainable management of Fisheries in Wales.
2. The remit of the group is:
  - a. To represent the range of stakeholders with an interest in the freshwater and diadromous fisheries resources of Wales and the work of Natural Resources Wales (NRW) and others to maintain, improve and develop migratory and freshwater fisheries in Wales.
  - b. To provide strategic advice to NRW, that reflects the views of fisheries interests. To inform NRW advice to Welsh Government (WG), including development of fisheries-related policy and strategy.
  - c. To review the performance of NRW's fisheries and associated work to ensure that anglers and fisheries interests have clarity that rod licence income and other funding is used to best effect to support delivery of NRW's statutory fisheries duty.
  - d. To consider the ecological, biological and economic impact of emerging and new issues affecting our fisheries.



- e. To help disseminate information from NRW and elsewhere to angling and fisheries interests.
- f. To provide clear feedback from angling and fisheries interests to NRW and to facilitate information provision to those interests.
- g. To identify opportunities for partnership working and new funding.
- h. To support horizon scanning for anticipated new developments, opportunities, and risks, and to raise awareness of wider issues relating to freshwater and migratory fisheries management, for example marine fisheries

## Update

3. Outline potential solutions/ways forwards The most recent meeting was held virtually on 26<sup>th</sup> March 2024
4. **WFF Terms of Reference:** The updated [ToR](#) for the Group and membership were reviewed and published on NRW website.
5. **Fish Eating Birds (FEB) - Update and Implementation:** presentation and discussion by Dave Charlesworth, Lead Specialist Advisor, on implementation of the recommendations from the independent Fish-Eating Birds Advisory Group.

Update on the River Usk pilot project for FEB predation control. NRW has been working with the Usk Fishing Association and the Wye and Usk Foundation. NRW presented data from salmon smolt tagging and tracking, showing how losses of smolts were much higher in low flows and were associated with specific migration pinch points. These data were being used to develop a management plan and approach to predator control. The use of non-lethal techniques, such as automated scarecrows and silent (laser) bird scarers was also highlighted. Further work will include looking at FEB habituation to non-lethal controls.

### Next steps

- NRW to draft an evidence report to capture learning from the Usk pilot project.
  - New Fish-Eating Bird 'landing page' development on NRW website.
  - Work with Species Licencing team to streamline process for catchment based applications.
  - Fish-eating bird control guidance documents for both Riverine and Stillwater applications.
  - Establishing a virtual forum for fishery managers, to share best practice, promote non-lethal techniques and support applicants in the licencing process
6. **Dee Net Limitation Order (NLO):** Dave Mee Lead Specialist Advisor

Net Limitation Orders are the regulatory mechanism by which NRW sets and controls the number of fishing licences for public salmon and sea trout fisheries.

The current Dee NLO is set at zero licences and came into force in June 2015. It expires in 2025 and before then NRW needs to decide whether to maintain the zero NLO, increase the licences to a new level, or formally close the fishery.

In the early 2000s stocks were under increasing pressures and the Dee was failing its Conservation Limit in most years. Hence, following review of the Dee NLO in 2005, a *reducing* Order of zero was introduced on salmon conservation grounds. This meant that, as net licensees left the fishery, additional licences would not be made available for allocation, eventually reducing participation in the fishery to zero.

In 2005 there were 13 draft and four trammel net licences active in the fishery. Subsequently however, a full buy-off of the fishery was negotiated and funded by Dee angling interests, so that the number of licences issued fell to zero on both the trammel and draft net fisheries by 2008 and 2009, respectively.

Given the current status of salmon stocks, the impacts of climate change and reduced sea survival, it appears unlikely that salmon stocks will return to 'sustainable levels' within the foreseeable future. Hence, NRW considers the return of netting on the Dee to be unsustainable, and we consider it appropriate to formally close the fishery entirely.

NRW is now proposing to further develop a technical case and close the fishery under byelaw. This approach was endorsed by WFF.

## **7. Institute of Fisheries Management (IFM) Sea Trout Symposium and Workshop:** Chris Mills IFM

The IFM, working closely with the Wild Trout Trust, Wild Fish, and the Atlantic Salmon Trust, held a Sea Trout Symposium in Cardiff last September to look at the latest evidence on the status and pressures on sea trout. A subsequent Sea Trout Workshop was convened in November 2023, to consider how to act on these findings.

After the Workshop, a Steering Group was tasked with producing a Sea Trout Programme for Action to achieve four key objectives:

Objective 1 Raising the profile of trout and sea trout: the "Trout/Sea Trout story" to help more people understand the significance of this species in its own right and as an indicator of the health of our rivers.

Objective 2 to protect and improve sea trout stocks in freshwater. This would include a mapping exercise to identify more precisely where sea trout spawn and are produced, so that key habitat characteristics are identified and protected.

Objectives 3 to protect and improve sea trout stocks in the marine. The starting point for this will be to liaise with and consider the recommendations from the SAMARCH (SAlmonid MAnagement Round the CHannel) project.

Objective 4 Carrying out the necessary research to address the first three outputs.

WFF noted that NRW and Welsh fisheries and NGOs would need to play an active role in the plan, and that this work aligns with NRW's refreshing of the Salmon and Sea Trout Plan of Action.

## 8. NRW River Restoration projects

WFF received three updates on projects being progressed by NRW that will contribute to restoring river habitat and will benefit fish populations:

- Teifi Demonstrator Catchment Presentation by Jon Goldsworthy Sustainable Land Manager
- Wye SAC (Special Area of Conservation) Project Presentation by Hilary Forster - Upper Wye River Restoration Project Team
- LIFE Projects: Four Rivers for LIFE and LIFE Dee River Presentation by Susie Kingham Team Leader, 4 Rivers for LIFE

## 9. WFF Update paper: This paper gave updates on current fisheries issues around Wales. A copy of the update paper is available by emailing [Fisheries.Wales@cyfoethnaturiolcymru.gov.uk](mailto:Fisheries.Wales@cyfoethnaturiolcymru.gov.uk)

- Rod licence sales update
- Fishing in Wales update October 1st 2023 to March 1st, 2024
- Sea trout symposium/workshop
- Salmonid and fisheries statistics for England and Wales 2022
- Estimation of returning Atlantic salmon stock from rod exploitation rate for principal salmon rivers in England and Wales
- Tackling the Teifi – landowners, industries and regulators join forces for pilot 'demonstrator catchment' project.
- Top Mouth Gudgeon (TMG)
- Recent News Items
  - Meifod man ordered to pay nearly £1,000 for illegal fishing offences.
  - Completed scheme to give River Pelenna new lease of life.
  - New evidence report supports efforts to improve river water quality.
  - Enforcement officers crack down on illegal fishing in Gwent.
  - Patrols to tackle poaching and rural crime.
- Water Thermometer: To fish or not fish for salmon and sea trout

## 10. Forward Look.

Future WFF items will include:

- a. Incident response and management
- b. Salmon Stock Assessment review
- c. Salmon and sea trout plan of action review
- d. A Climate Resilient Fisheries Strategy for Wales.

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	Wales Water Management Forum Update (WWMF)
<b>Paper Reference:</b>	24-05-B06
<b>Paper sponsored by:</b>	Prof Steve Ormerod, WWMF Chair
<b>Paper prepared by:</b>	Ceri Jones, Lead Specialist Advisor: Catchment Management
<b>Paper presented by:</b>	Prof Steve Ormerod, WWMF Chair
<b>Purpose of the paper</b>	Information
<b>Summary</b>	Highlights from the Wales Water Management Forum held on the 14 <sup>th</sup> March 2024

## Background

1. An update from the Wales Water Management Forum (WWMF) was last provided in January 2024. The WWMF meets twice a year and provides an opportunity for the Forum's membership organisations to share evidence and opportunities for working together to achieve the sustainable management of water in Wales - from source to sea. As well as ongoing discussion of regulatory issues and performance – for example with respect to the Water Environment (Water Framework Directive (WFD) (England and Wales) Regulations 2017 – broader aspects of water quality, water governance and water resources in Wales have been key themes.
2. WWMF also explores opportunities to develop, support and communicate shared messages and recommendations on the sustainable management of natural resources more generally alongside the Wales Land Management Forum (WLMF), Wales Fisheries Forum (WFF), National Access Forum for Wales (NAFW) and the Wales Marine Advisory and Action Group.

## Update

3. The most recent meeting was held virtually on the 14<sup>th</sup> March 2024. The session started with an interactive presentation on NRW's water quality monitoring review work, this

was opened up for wider fora members from WLMF, WLMF Subgroup and the WFF as it is a topic of interest to all the fora. Following this session, wider fora members left the meeting and WWMF continued with matters relevant to the day. Focal points included: Hafren Dyfrdwy PR24 update, NRW gave an update of the river basin management planning work including inviting feedback from members on the proposed additional paper for River Basin Management Planning to better support members in their role to act as the River Basin District Liaison panel. NRW's Groundwater Team gave a presentation which included an introduction to Wales' groundwater, resources with the level monitoring network, quality and the quality monitoring network and finally priorities in Wales. Often WWMF will focus on rivers so the session on groundwater was well received.

4. The next WWMF meeting is scheduled for the 7<sup>th</sup> November 2024. The forward look for this meeting includes:
  - The 4 Rivers for LIFE project work
  - Follow up on the review of Fora
  - River Basin Management Planning – review of progress for Cycle 3 and the Cycle 4 Working Together consultation which is due to start 20<sup>th</sup> June 2024
  - Members to bring a topic to the table
5. Meeting notes are made available on the NRW website page for WWMF.

## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	National Access Forum for Wales (NAFW) Update
<b>Paper Reference:</b>	24-05-B07
<b>Paper sponsored by:</b>	Geraint Davies, NAFW Chair
<b>Paper prepared by:</b>	Carys Drew, NAFW Secretariat (Specialist Advisor: PROW and Networks)
<b>Paper presented by:</b>	Geraint Davies, NAFW Chair
<b>Purpose of the paper</b>	Information

## Background

1. The National Access Forum for Wales (NAFW) is a non-statutory forum which brings together stakeholders from public, private and third sector organisations with an interest and expertise in outdoor access and recreation in Wales.
2. The NAFW's key purposes are:
  - To help improve the quality and extent of access to the countryside and coast of Wales, and extend the opportunities for enjoyment and responsible outdoor recreation to all, with regard to environmental sustainability and education
  - To work together as a stakeholder network, fostering understanding, and sharing information and good practice; to support the realisation of benefits of outdoor recreation and access in Wales
  - To support NRW in its aim of more people participating in, and benefitting from, outdoor recreation more often
3. NRW provides the Chair (Geraint Davies) and Secretariat (Carys Drew), the Deputy Chair is nominated from the membership (Ruth Rourke, Institute of Public Rights of Way and Access Management). Dr Rosie Plummer, NRW Board also supports and attends meetings.
4. The NAFW meets three times a year. Forum meetings are open to observers and are held in public but are not public meetings. Where necessary, the Chair may establish

working groups to consider particular issues and report to subsequent meetings, working group meetings will not be held in public.

5. The Secretariat collates written contributions ahead of each meeting, this provides an opportunity for members, NRW and WG to share detailed information. The written contributions for each meeting, together with agendas and summary meeting notes are published on the NRW website: [Natural Resources Wales / National Access Forum for Wales](#)

## Update

6. The Chair established a working group to enable members to consider the WG Sustainable Farming Scheme (SFS) Consultation together to inform their own organisation's responses. The working group met on 15<sup>th</sup> February, chaired by Jont Bulbeck, Outdoor Access and Recreation Team Leader. The meeting was well attended by a range of representatives across all sectoral interests of the Forum. The group's focus was on recreational access in the context of SFS and the NAFW remit. A draft note was circulated to members for their reference.
7. The most recent NAFW meeting of the full Forum, was held online on 5<sup>th</sup> March 2024. All agenda items incorporate time for questions and discussion.
8. The Forum heard from Dawn Thompson, NRW about the Draft *Connecting people with nature on the land in our care: NRW's outdoor recreation strategy*. The presentation set out the the structure, vision, aims and next steps and Dawn demonstrated how the information gathering survey and wider engagement had been incorporated to date. The draft strategy was well received with interest in the next steps and further opportunities for local and community engagement, particularly in development and application of a zoning model.
9. Jont Bulbeck then provided feedback to the whole forum of the SFS working group. The working group provides opportunity for organisations to share views, develop their own understanding, and to submit their own responses. The aim is not to develop a NAFW response or agreed submission. Jont summarised the key points from discussion which had been set out in the note of the meeting and highlighted the topics where there was broad consensus and areas where sectoral views differed.
10. Written contributions were circulated in advance of the meeting and members were encouraged to review these and to contact contributors direct with further questions.
11. Waters of Wales/Dyfroedd Cymru made an application for membership to the Forum. Due to technical issues circulating information about the organisation in advance, the meeting did not arrive at a consensus view. The membership application process is therefore still in progress and being progressed by email.
12. Meeting dates for 2024 are planned as follows: 2<sup>nd</sup> July (in person hybrid), 5<sup>th</sup> November (online).

# NRW Board Paper

<b>Date of meeting:</b>	23 May 2024
<b>Title of Paper:</b>	Finance Performance Report
<b>Paper Reference:</b>	24-05-B08
<b>Paper sponsored by:</b>	Rachael Cunningham, Executive Director of Finance and Corporate Services
<b>Paper prepared by:</b>	Rob Bell, Head of Finance; Mark Collins, Business Finance Manager
<b>Paper presented by:</b>	Rob Bell, Head of Finance
<b>Purpose of the paper:</b>	Approval (change in forecast) / Discussion (Financial Performance)
<b>Summary</b>	<p>To approve:</p> <p>Change in the latest forecast from £272.8m to a forecasted £283.8m.</p> <p>To scrutinise:</p> <p>Financial performance to the end of March 2024.</p>

## Background

1. The Finance Performance Report provides detail on progress across the different types of income, expenditure, and programmes. Annex A summarises the key messages in respect of:
  - Change in forecast compared to the previous approved forecast and original budget.
  - Performance to end of March 2024, compared to the previous approved forecast and original budget.
  - Update on additional funding provided by Welsh Government since the last reporting period (January).
  - Commentary by exception on the year end outturn against forecast for the different types of income and expenditure.



2. This is a draft position, with a further more detailed review of charge related expenditure being undertaken in May as part of the annual accounts process. We have also not yet received the confirmed position from WEFO on the potential re-claim of grant on the European Marine and Fishery Fund Data Collection Framework project – which we have written off in last financial year. Once we have a confirmed position, we will provide an update to Finance Committee in June.
3. The Finance Committee have scrutinised the financial position at its meeting in late April but this full Report was not available at the time. Therefore, we ask the change in forecast included in the Report to be approved by the Board.

## Risks and opportunities

4. We hold a risk in the Finance and Corporate Services Risk Register for ‘in year spend’. This also links to the strategic risk “Failure to achieve financial stability”. For this financial year, risks of overspend have been mitigated through actions taken by the Executive Team and additional funding from Welsh Government.
5. The wider implications are:
  - (a) **Finance:** This Report is about the financial performance of NRW. We hold a risk within the Finance and Corporate Services Directorate Risk Register.
  - (b) **Wellbeing of Future Generations Act (WBFGA):** Every component of the budget contributes to one or many of our Wellbeing Objectives.

## Next Steps

6. This Report is produced every two months for the Board and Executive Team.

## Recommendation

7. Board to approve changes to the latest forecast, from £272.8m to £283.8m.
8. Board to scrutinise financial performance to the end of March 2024.

## Index of Annexes

Annex A – Financial Performance Report



**Cyfoeth  
Naturiol  
Cymru**  
**Natural  
Resources  
Wales**



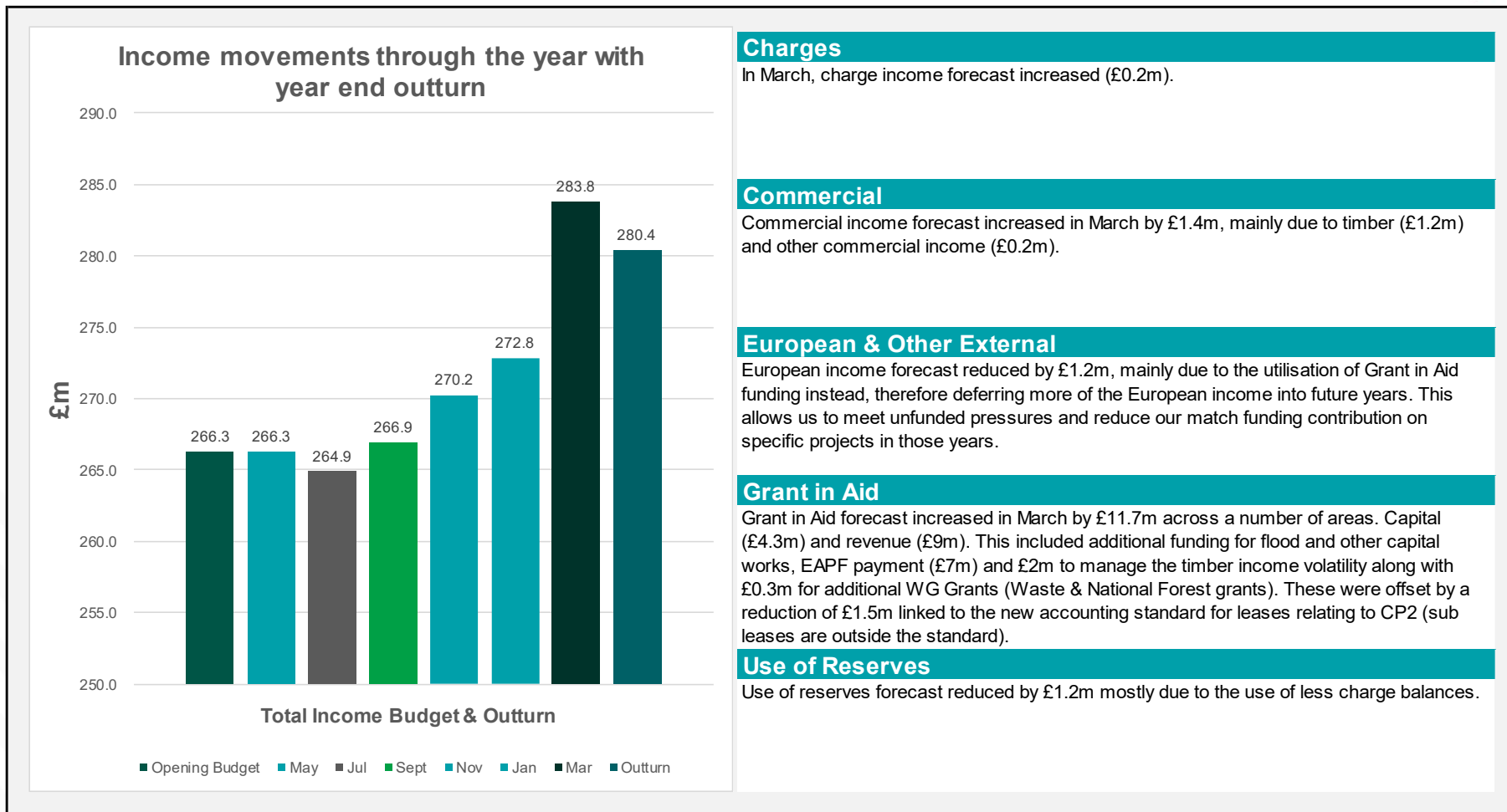
## **NRW Board - 23 May 2024 March 24 Finance Report**

# Content and Key Messages



Update will cover:	Messages:
<p>1. Update on the latest forecast changes from the last reporting period. Forecast changed from £272.8m to £283.8m.</p>	<p>1. Forecast changes during February and March were predominantly linked to additional Grant in Aid allocated. Overall capital and revenue funding increased by £2.7m and £8.3m respectively. Capital included additional funding for flood and other capital works (£4.3m) offset by a reduction of £1.5m linked to the new accounting standard for leases relating to Cathays Park (sub leases between government departments are not regarded as requiring capital cover). Revenue funding was mainly due to EAPF payment (£7m), £2m to manage the timber income volatility, offset by various other changes in expected income - mainly externally funded.</p>
<p>2. Financial Performance as at March 2024.</p>	<p>2. Full year expenditure equated to £280.0m against forecasted spend of £283.8m, representing an underspend of £3.8m. Income equated to £280.4m, £3.4m less than forecast. <b>Overall, a net under spend of £0.4m (0.1%).</b> This is still a draft position, although we do not expect any material change. Any changes will be reported to the Finance Committee.</p>
<p>3. Overview of financial performance for the year.</p>	<p><b>3. Expenditure</b>  <b>Capital</b> budgetary performance was largely excellent. The Flood Capital programme not only utilised all the additional WG funding, but also managed to spend surplus funding identified by the NRW2030 programme (formally Business Transformation) in March. The NaCE programme continues to operate at an exceptional level, utilising the additional funding received from WG in March to come within £0.1m of the £22.6m funding (excluding corporate costs). The only exception being the National Forest Programme which was £0.1m short of its £0.5m budget. Under spends were mainly in other ring fenced areas, so income was reduced as well. These were mainly leases (£0.4m), External Funding (£0.2m) and WG grants (£0.2m).</p> <p><b>Revenue</b> expenditure was under spent by £2.8m (1%), Spend was £215m against a budget of £218m. Ring fenced funded activities accounted for £0.4m of the underspend, culminating in an equal and opposite effect on the income side with less income received. These relate to WG Grants (predominantly Air Quality &amp; Waster Regulation Reform £0.5m), Proceeds of Crime (POCA) (£0.1m) and Externally Funded revenue projects (£0.2m), which were offset by increased costs linked to surrenderable wind energy (£0.4m) to reflect the increased payment to WG from additional wind energy income. Non ring fenced activities accounted for the remaining £2.4m. These were centred around Land Stewardship (£0.6m), ICT (£0.1m), NRW2030 programme (£0.3m), NRW central contingencies (£0.7m), staff costs (£0.2m) and NRW Grants (£0.1m).</p> <p>The Land Stewardship underspend is equivalent to the extra funding allocated from the additional £2m GiA. It can be difficult to accelerate expenditure in a short space of time, especially given the budget reductions applied. Although there were significant swings in the timber income forecast during the year, the outturn was very near the latest forecast. The new arrangements with WG regarding timber income should limit the risk of income fluctuation in 24-25.</p> <p>During the year we have undertaken a number of actions to balance the budget. The additional £2m revenue GiA received in February allowed us to remove the over programming, however, we knew there was a risk of underspend so identified justifiable actions to make use of the underspend which have translated to reduced income and are described within the income summary below. There still appears to be optimism bias in some instances, when forecasting likely budget spend, however, there will always be a margin of error when forecasting which needs to be recognised. Previous experience suggests that under spends are more likely when we are applying budget reductions. There is also likely to be a link to the recruitment freeze. These will be explored by Finance in conversation with Directors.</p>
	<p><b>4. Income</b>  By re-assessing the appropriateness of allocating the revised corporate cost rate and the £1.5k payment to staff and charging the benefit of reduced water resources capital expenditure to the abstraction scheme, we have managed a projected reduction in the use of charge balances of £1.3m. We also took the decision to use less of our European income (£0.5m), utilising GiA, which allows us to meet unfunded pressures in these schemes in the future and reduce our match funding contribution. Another key variance is a reduction in the amount of retainable energy income (£0.9m), this is due to a reduction in the unit rate applied to Cefn Croes windfarm royalties. Less ring-fenced income was also needed linked to leases (£0.4m) and WG grants (£0.7m). The Head of Sustainable Commercial Development is investigating the reduction in royalties at Cefn Croes Windfarm - this will lead to improvements in forecasting but also there is a risk that 2024-25 forecast may need to be reduced.</p>

# Financial Performance – Income Forecast



#### Charges

In March, charge income forecast increased (£0.2m).

#### Commercial

Commercial income forecast increased in March by £1.4m, mainly due to timber (£1.2m) and other commercial income (£0.2m).

#### European & Other External

European income forecast reduced by £1.2m, mainly due to the utilisation of Grant in Aid funding instead, therefore deferring more of the European income into future years. This allows us to meet unfunded pressures and reduce our match funding contribution on specific projects in those years.

#### Grant in Aid

Grant in Aid forecast increased in March by £11.7m across a number of areas. Capital (£4.3m) and revenue (£9m). This included additional funding for flood and other capital works, EAPF payment (£7m) and £2m to manage the timber income volatility along with £0.3m for additional WG Grants (Waste & National Forest grants). These were offset by a reduction of £1.5m linked to the new accounting standard for leases relating to CP2 (sub leases are outside the standard).

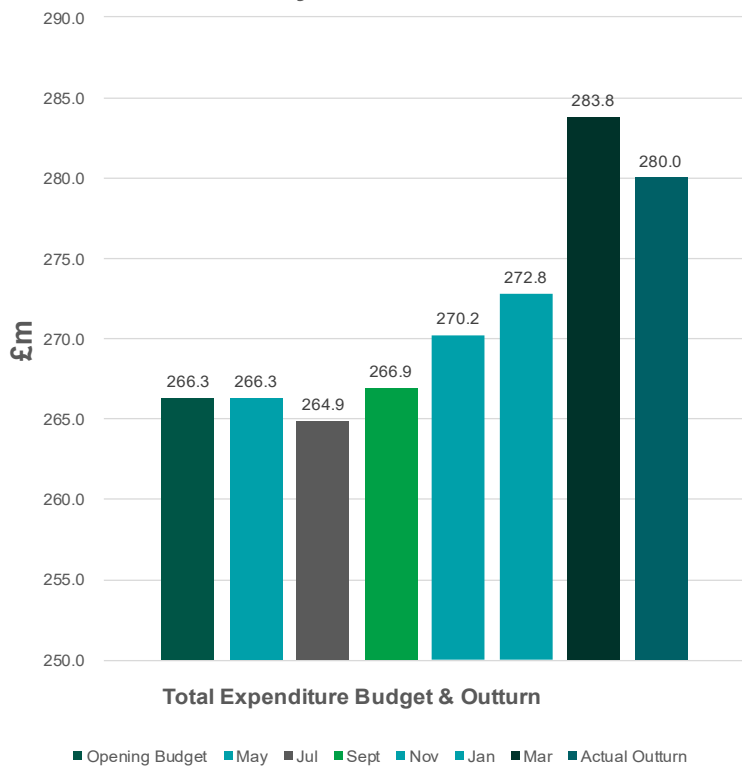
#### Use of Reserves

Use of reserves forecast reduced by £1.2m mostly due to the use of less charge balances.

# Financial Performance – Expenditure Forecast



**Expenditure movements through the year with year end outturn**



### Staff

The staff related forecast increased by £7.7m in March, £7m funding from WG for the payment into the EAPF, movement of £0.3m from non staff for charge funded posts and additional funding of £0.4m allocated from central contingency for other staff costs (travel, subsistence & overtime dealing with incidents), to offset a forecasted overspend.

### Non Staff

The non-staff forecast had increased by £2.5m in March, the majority of which is linked to movement in central over-programming. This increased by £2.6m moving from a deficit to a £0.7m surplus position. The key changes were the additional Grant in Aid to manage the timber income volatility (£2m) and reassessment of our likely timber income position (£1.2m), which were offset by the other staff budget movements above (£0.4m).

### Revenue Projects

The revenue projects forecast reduced by £1.9m mainly due to the reclassification of certain revenue projects; externally funded projects moving from revenue to capital (£0.7m) along with the NRW2030 programme, facilities funding and a number of core funded projects moving to non staff (£1.0m). There was also additional funding received for Pen Y Cymoedd Habitat Management Plan (£0.3m).

### Capital Projects

Capital projects forecast increased by £2.7m mainly due to the additional GiA flood funding (£2.9m), an increase in Compensatory Planting (£0.3m) and WG Grants (£0.1m). There were further increases due to the movement between categories for External Funded projects (£0.7m) and across the NRW2030 programme (£0.3m). These were offset by a reduction of £1.5m linked to the new accounting standard for leases relating to Cathays Park (sub leases between government departments are not regarded as requiring capital cover). However, with the funding being ring fenced, the corresponding income was also reduced.

## Financial Performance - Income



INCOME	Actual	Approved Forecast	Variance	Variance	Commentary
by Account Type	Full Year	Full Year	Full Year	Full Year	
	£m	£m	£m	%	
Charges	41.6	41.5	0.1	0%	Overall, charge income is in line with the year-end forecast. There are minor variances within the EPR charge regimes, namely water quality and waste which are £300k under forecast, due to income being deferred to next year. This is offset by positive variances on EPR installations and water abstraction. The installations variance is due to adjustments to the compliance band of operators.
Commercial	57.2	57.3	-0.1	0%	Overall, commercial income is in line with the year-end forecast. However, there is a variance on retainable wind energy income which is £0.9m under forecast due to the wind farm reporting lower revenue than anticipated linked to falling wholesale energy prices. This has been offset by other positive variances including timber (£0.1m) and surrenderable wind energy (£0.4m), although the surrenderable wind energy income is re-paid to Welsh Government.
European & external	5.1	6.0	-0.8	14%	The majority of the variance is linked to the decision to use less of our European income (£0.5m) and utilise grant in aid, allowing us to meet future unfunded pressures and reduce our match funding contribution on those projects. The remaining element relates to Proceeds of Crime Act (POCA), where budgets are set in line with the planned expenditure. However, the spend on POCA activities was less than expected, resulting in the income being deferred for use in future years.
Grant in Aid	175.8	176.9	-1.1	1%	The key variances relate to ring-fenced income linked to leases (£0.4m) and WG grants (£0.7m). Given the ring-fenced nature of the funding, there will be a corresponding underspend on the expenditure side.
Use of Reserves	0.7	2.2	-1.5	66%	The use of reserves budget relates almost solely to charge schemes. By re-assessing the appropriateness of allocating the revised corporate cost rate, the £1.5k payment to staff and charging the benefit of reduced water resources capital expenditure to the abstraction scheme, we have managed a projected reduction in the use of charge balances of £1.3m. These amendments will help reduce the current deficit on charge reserves.
<b>TOTAL: NRW</b>	<b>280.4</b>	<b>283.8</b>	<b>-3.4</b>	<b>1%</b>	

## Financial Performance - Expenditure



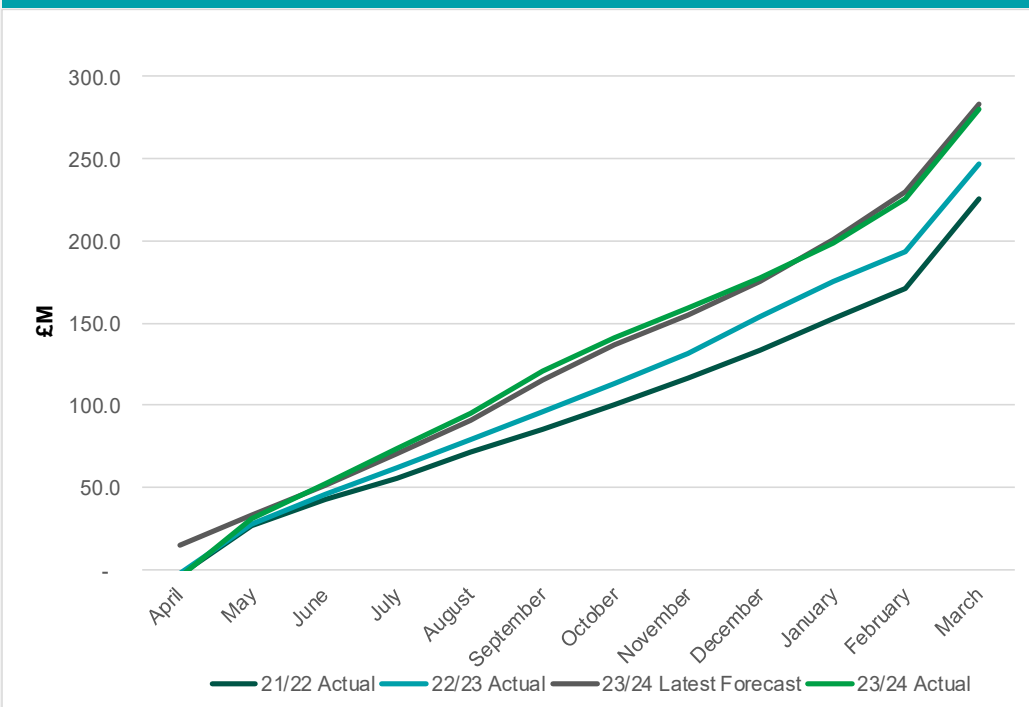
EXPENDITURE by Account Type	Actual Full Year £m	Approved Forecast Full Year £m	Variance Full Year £m	Variance Full Year %	Commentary
Staff	123.7	123.9	0.2	0%	The vacancy rate increased (slightly) in March to 10% from 9% due to an increase in staff leaving their posts, mostly fixed term appointments where their contracts had ended. It had been 9% since November where staff numbers had remained fairly consistent. The deficit against the staff savings target was lower than expected at year end with the final position of (£0.6m) compared to the forecasted (£0.8m) in February. The £0.2m under spend seen against staff costs is from additional workforce recharges received in March which were not part of the original forecast and a better position on other staff costs due to the allocation of additional budget and actions taken by the directorates to reduce expenditure.
Non Staff	82.5	84.6	2.1	2%	Apart from CSD, all Directorates show a variance to forecast. CCC appear overspent by £0.4m but that is linked to additional surrenderable wind energy income that will be payable to Welsh Government. EPP, F&CS and Operations were under spent by £0.9m, £1.1m & £0.6m respectively. Over half of the EPP element relates to ring fenced WG grants, where a corresponding reduction of income will also be seen. F&CS were under spent within ICT (£0.1m) and NRW2030 programme (£0.3m) along with an unutilised budget held under finance in March due to various reasons and WG grants (£0.2m) being received for spend already budgeted for. The Operations side reflects lower costs than expected within Land Stewardship (£0.5m) & Marine (£0.1m) activities. We had increased the Land Stewardship forecast in February (£0.4m) but it was difficult to accelerate spend again.
Revenue Projects	9.3	9.7	0.5	5%	The key elements contributing to the variance relate to externally funded projects (£0.2m under spent), mainly within Sands of Life, facilities maintenance (£0.1m) & Grants & Partnerships (£0.1m).
Capital Projects	64.5	65.6	1.0	2%	The Flood capital programme not only utilised all the additional WG funding, but also managed to spend surplus funding identified by the NRW2030 programme in March. The NaCE/reservoirs programme also utilised all its budget, including the additional funding received from WG in March. The only exception being the National Forest Programme which was £0.1m short of its £0.5m budget. Under spends were in ring fenced areas, so income was reduced as well. These were mainly leases (£0.4m), external funding (£0.2m) and WG grants (£0.2m).
<b>TOTAL: NRW</b>	<b>280.0</b>	<b>283.8</b>	<b>3.8</b>	<b>1%</b>	



## Financial Performance – Expenditure Trends



### EXPENDITURE TRENDS



#### Commentary

Our year end outturn was £280m, which is £37m & £58m more than the respective outturn of the last two years.

Spend profiles remain relatively static over the last three years, with each year seeing an accelerated proportion of spend within the last two months of the financial year.



## Financial Performance – Staff Costs



STAFF COSTS by Account Type	Actual Full Year £m	Approved Forecast Full Year £m	Variance Full Year £m	Variance Full Year %	Commentary
Staff Costs	140.9	152.1	11.2	7%	A relatively neutral position at year end following the additional revenue GiA received to fund the staff savings deficit of (£0.6m). Workforce recharges were underspent by £0.2m mainly due to additional recharges to NaCE funded projects in the final month of the financial year. As these were not directly linked to individual posts they were not part of the previous forecast in February when a neutral position was expected.
Non Consolidated Payment	3.6	3.6	0.0	0%	
Pension Adjustment	-7.0	-7.0	0.0	0%	
Vacancy Turnover Budget	0.0	-11.5	-11.5	100%	
Overprogramming Budget	0.0	-0.5	-0.5	100%	
Directorate Staff Budget Undistributed To Position	0.0	0.7	0.7	100%	
Workforce Recharges	-19.9	-19.8	0.2	-1%	
<b>Sub Total - Staff Trajectory Costs</b>	<b>117.5</b>	<b>117.7</b>	<b>0.2</b>	<b>0%</b>	
Other Staff Costs	6.2	6.2	0.1	1%	Additional funding of £0.4m was allocated to other staff costs in the final month of the year to offset the forecasted overspend at the end of February. This along with actions taken by all Directorates to reduce expenditure has resulted in an underspend of £0.1m, primarily within CSD Directorate.
<b>TOTAL: NRW</b>	<b>123.7</b>	<b>123.9</b>	<b>0.3</b>	<b>0%</b>	

## Financial Performance – Revenue Projects



Revenue Projects by Programme	Actual Full Year £m	Approved Forecast Full Year £m	Variance Full Year £m	Remaining Budget Full Year %	Commentary
External Funded	4.0	4.2	0.2	5%	The revenue programme was within £0.2m of forecast, mainly due to Sands of Life which was £0.1m under spent. A couple of their contracts were delayed and will now be delivered next financial year.
Internal Funded	2.1	2.2	0.1	6%	A number of minor variances were seen across multiple projects, but overall, in line with the allocated funding.
NaCE	1.4	1.4	0.0	-0%	Delivery in line with the allocated funding across all programmes.
NRW2030 (formally Business Transformation)	0.4	0.4	0.0	11%	Business Transformation revenue projects were £40k underspent, the majority of which was due to the Disaster Recovery project where work had been paused as the resource was utilised elsewhere.
Grants	1.5	1.6	0.1	6%	Overall, an underspend of £0.1m linked to three elements. Area of Outstanding Natural Beauty (AONB) underspent by £30k as Cyngor Gwynedd were unable to deliver a project due to resourcing issues, along with National Trails under by £30k. Resilient communities projects combined were underspent by £40k.
<b>TOTAL: NRW</b>	<b>9.3</b>	<b>9.7</b>	<b>0.5</b>	<b>5%</b>	

## Financial Performance – Capital Projects



Capital Projects by Programme	Actual Full Year £m	Approved Forecast Full Year £m	Variance Full Year £m	Remaining Budget Full Year %	Commentary
NRW2030 (formally Business Transformation)	8.2	8.6	0.4	5%	Towards the end of the financial year there was a predicted underspend on capital works of £0.3m, mainly due to a number of D&I projects being slowed down or paused. The Flood Programme was able to utilise the under spend hence why we see an overspend within their respective figures, but across the two programmes costs are in line to budget.
External Funded	4.0	4.4	0.3	7%	The underspend relates almost solely to Natur am Byth capital works which will now fall in next financial year.
Flood Risk	26.6	26.3	-0.3	-1%	The Flood Capital Programme not only utilised all the additional WG funding, but also managed to spend surplus funding identified by the NRW2030 programme in March. Stephenson Street was the recipient of the majority of the additional funding and is progressing ahead of schedule.
Internal Funded	3.1	3.2	0.1	4%	The variance reflects a slight under spend on the Water Resources programme.
NaCE	21.3	21.3	0.0	0%	The NaCE/reservoirs programme utilised all its budget, including the additional funding received from WG in March.
FRS 16 Capital Leases Only (non-cash)	1.3	1.7	0.4	23%	The funding reflects the change in accounting treatment of leases. Costs were slightly lower than anticipated, however with the funding being ring fenced, the corresponding income was also reduced.
<b>TOTAL: NRW</b>	<b>64.5</b>	<b>65.6</b>	<b>1.0</b>	<b>2%</b>	



## NRW Board Paper

<b>Date of meeting:</b>	23 <sup>rd</sup> May 2024
<b>Title of Paper:</b>	DRAFT NRW Recreation Strategy – Access to nature on the land in our care
<b>Paper Reference:</b>	24-05-B09
<b>Paper sponsored by:</b>	Ceri Davies – Executive Director for Evidence, Policy and Permitting
<b>Paper prepared by:</b>	Dawn Thompson – Recreation Strategy Development Manager (Secondee)
<b>Paper presented by:</b>	Dawn Thompson – Recreation Strategy Development Manager (Secondee)
<b>Purpose of the paper</b>	Approval
<b>Summary</b>	Approval of the draft Recreation Strategy for publication

## Background

- In September 2022 a decision was made by the Board to develop an Outdoor Recreation Strategy to:
  - Set strategic direction for outdoor recreation on the land cared for by NRW (freehold and leasehold land) and National Nature Reserves managed by NRW.  
*NB: It does not cover sites where NRW does not have direct management, or the NRW flood assets*
  - Support decision making
  - Tell the story about what we do and why we do it
- The Strategy focusses on the land in our care, where we can, and are best placed to, make a difference using our resources, but equally the Strategy will evolve how we work in partnership with others to effect change and drive positive outcomes.
- The Strategy will see a shift from putting our own resources into creating opportunities for recreation, to being about managing (and in some cases restricting) recreational activity, and supporting others to deliver on the land, to connect people with nature, and support the Sustainable Management of Natural Resources (SMNR) aims and our well-being objectives. This will also mean that there will be less of our direct resources going into recreation on the land in our care.

4. However despite this shift there will still be a demand for outdoor recreation on the land in our care that we will need to manage using Visitor Safety Group principles. Nearly all of this land is open access, with lots of public rights of way, so people will still come and we can't, by law, stop them.
5. The Strategy has to work at both a national and a place level whilst being realistic within existing resources and financial pressures. The Strategy will also be clear on delivering outcomes that support the Well-being of Future Generations (Wales) Act 2015 goals and the Well-being Objectives in NRW's Corporate Plan.
6. It will support decision making on all aspects of managing outdoor recreation access and activities, but have particular focus on social and environmental justice including:
  - Improving inclusive access
  - Promoting responsible behaviour
  - Protecting the natural environment
7. By 2030 the Strategy will have provided the direction to, for example:
  - Enable third parties to step in and deliver intense tourism based activity such as mountain biking and Visitor Centres
  - Have higher quality everyday, informal access in the right places that has even fewer barriers to diverse users
  - Reform our permissions process to have the right activity in the right place, including streamlining those events that need full permission and being clearer where we will say no to requests for events and activities that are not consistent with our Strategy.
8. In January 2023, the Land Estate Committee approved the scope and approach to developing the Strategy using a three phase engagement plan.
9. Approval was also given to extend the timescales for delivering the Recreation Strategy from November 2023 to June 2024. This was to allow a thorough engagement process with internal and external stakeholders to be carried out.
10. This approach and scope was also approved at Board in January 2023.
11. Phase 1 of the engagement plan started in March 2023 with internal insight and evidence gathering, and consisted of horizon scanning (desktop research, site visits and internal meetings), seven questions interviews with 12 members of staff from different grades/roles/geography, and three Future of Recreation face to face workshops attended by 63 staff.
12. Phase 2 started in August 2023 with external stakeholders and further internal engagement to inform the design and development the Strategy. This phase included six internal focus groups attended by 63 staff from across the organisation, a survey for

stakeholders which attracted 3465 responses, six external focus groups attended by 20 representative organisations plus a Local Access Forum chairs specific group.

13. Full reports of both phases of engagement are available on request, but a summary of the key headlines from both phases of engagement are:

**Partnership working:** Emphasis on creating a coordinated and community-focused approach to share resources, access additional funding, engage with local communities, share information, and best practice. Current feeling that NRW is a difficult organisation to engage with and needed to be more outward looking and collaborative.

**Facilities and infrastructure:** Focus on maintaining and upgrading existing infrastructure and set standards as these are not consistent at the moment. Ensure long-term maintenance, and don't create new facilities at the risk of neglecting existing ones. Volunteering and collaborating with user groups has immense potential for sustainability.

**Access and inclusivity:** Prioritising accessibility for all users, considering diverse needs, and promoting alternative sites to reduce overcrowding in popular areas. Focus more on community connectivity and sustainable travel to sites. People need to be clearer on what they can and cannot do, but don't put barriers in the way of access (physical, psychological and process).

**Visitor engagement:** Connect with audiences in their space rather than expecting them to "come to us". Use positive influencers and work with partners to raise awareness of responsible recreation.

**Evidence and data:** Recommendations to adapt to post-COVID conditions, engage in new research but also understand more about what data and evidence is already out there. Use data to balance increased demand with ecological impacts, alongside efforts to manage illegal activities / misuse.

**Tourism and commercial:** Encouragement to explore commercial products and partnerships, with support for sporting events and overnight camping to generate direct income. Caveat though that this should be done considering the impact on sites and aligning with NRW's goals and financial realities.

14. The final phase of engagement (phase 3) to present the draft Strategy has included internal endorsement from the Land Estate Committee on 13 February, Land Stewardship Business Group on Tuesday 26 March 2024, and Executive Team on Tuesday 23 April 2024.
15. Staff have also been able to see the draft via the intranet and through a webinar.

16. External stakeholders have also been engaged with the draft being presented to Local Access Forum chairs meeting on 21 February 2024 and National Access Forum members meeting on 5 March 2024, where it has received support from both Forums.

## Risks, Risk Appetite and opportunities

17. For the Strategic Risks, the Strategy is relevant to the following in particular by clearly supporting the Corporate Plan Well-being Objectives, and providing a clear decision making framework:

"Risk 1: Failure to deliver the vision and mission set out in our Corporate Plan as a result of our values and ways of working not being aligned to support its delivery"

"Risk 5: Failure to achieve financial sustainability"

18. For Land Stewardship Business Group risks the Strategy helps manage the following in particular:

"Risk 5: Failure to manage potential for costs of NRW Estate management to outstrip income and availability of grant in aid (over next 3 years)"

"Risk 3: Failure to achieve required standards of operational management on the NRW Estate".

19. The Strategy will provide opportunity to really focus on a core aim to connect people with nature through a sustainable use of resources by:

- Delivering a sustainable future
- Improving internal integration
- Improving processes and decision making
- Improving external collaboration

## Wider implications

20. **Well-being Objectives:** The Strategy supports the SMNR aims, and also supports the three well-being objectives through its focus on connecting people to nature.

21. Finance: n/a

22. **Resource implications:** The Strategy will give opportunity to refine the recreational offer and increase efficiencies.

23. **Equality:** An Equality Impact Assessment (EqIA) was developed for the engagement process to develop the Strategy, but going forward the outputs of the Strategy are in scope of the Land Stewardship Service Plan and are therefore covered by its Equality Impact Assessment. The EqIAs are available on request.



24. Data Protection: n/a

## Next Steps

25. Publication of the final strategy in June 2024

26. Continued internal communications and implementation via the Land Stewardship “centre out – Place in – and back again...” Service Planning approach.

## Recommendation

27. Approval of the draft Recreation Strategy.

## Index of Annexes

Annex 1 – People and nature thriving together – draft Recreation Strategy

## Approval / Consultation process

<p><b>Responsible: Who has developed the paper/process and who has had input?</b></p>	<p>Dawn Thompson and Dominic Driver</p>
<p><b>Accountable: Who is accountable for the ultimate approval? Who will be or is being asked to approve?</b></p>	<p>NRW Board</p>
<p><b>Consulted: Who has been consulted to date? Where endorsement is required, is this in place? Will further consultation be required?</b></p>	<p>Internal stakeholders including land management, people, and places, and outdoor, access &amp; recreation teams, Commercial and Land Estate Committee</p> <p>External stakeholders including Welsh Government, National Access Forum, Local Access Forums and representative bodies</p>
<p><b>Informed: Who has been informed or who needs to be further information about the work?</b></p>	<p>Internal and external stakeholders</p>



# People and nature thriving together

How we are managing access to nature on the land in our care

2024 - 2030



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## Introduction

**Our organisational vision is ‘nature and people thriving together’.**

A healthy, happy and affluent society is one that is more likely to care for nature and take positive action for its future.

In our corporate plan, we set out where we are best placed to make a difference within the resources we have, but also where we will need to adapt how and where we work and innovate and collaborate to bring about a change that is fair, just and ensures nobody gets left behind.

This strategy focusses on outdoor recreation on the land in our care, where we can, and are best placed to, make a difference by enabling others to deliver nature connection and drive positive outcomes.

It will see a shift from using our resources to create opportunities for active recreation, to enabling more access to nature for those that need it to thrive, whilst supporting the sustainable management of natural resources and our well-being objectives.

This could include for example:

- Enabling third parties to step in and deliver intense tourism-based activity.
- Having higher quality every day, informal access in the right places that has even fewer barriers for a diverse range of users.
- Reforming our process for giving permissions to others to deliver events and activities that improve the mental health and physical well-being of our communities, whilst ensuring they are happening in the right place and at the right time.

To do this we will work collaboratively across our teams, with sector representatives, third parties, and through the Public Services Boards to optimise opportunities and build meaningful partnerships to drive the transformational change we need.

Through the strategy vision and priorities, we will support social and environmental justice and focus on equity and inclusion so that we can build a future where nature and people genuinely thrive together in a way that is sustainable for future generations.

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## Context

Our first corporate plan in 2014 set out a purpose to ensure that the environment and natural resources of Wales were sustainably maintained, enhanced, and used, now and in the future, using five 'Good' programmes (Good for knowledge, the environment, people, business, and the organisation).

An 'Outdoor Recreation and Access Enabling Plan 2015 – 2020' was created to support the ambitions in this plan, particularly around integrating recreation opportunities with other providers, maintaining liabilities, building on existing work and identifying new business opportunities.

Since then, the context for Wales and indeed the wider world has changed significantly. Not least the cost-of-living crisis, energy crisis, and climate and nature emergencies being declared. We have also felt the impacts of the Covid-19 pandemic which saw a huge shift in the way people use outdoor spaces, and the drive to connect more with nature for health and well-being.

In 2023, we published a new corporate plan to 2030, Nature and People Thriving Together, building on the experience and learning over the last decade, and focusing on the nature, climate, and pollution emergencies.

Together with the corporate plan a new commercial strategy has been published, and recently reviewed, which sets a vision to generate income through sustainable commercial activity, so that we can do more for Wales's environmental, social, economic, and cultural well-being. More explicitly it strengthens our ability to proactively pursue more recreation activities being delivered by others on the land in our care.

We are currently reviewing what we stop, delay, or do differently, to deliver the corporate plan within the financial pressure and uncertainty all parts of the public sector are dealing with, and this includes recreation provision and access.

This strategy has been created collaboratively with staff and stakeholders through an extensive engagement process. It sets a strategic direction for outdoor recreation on freehold and leasehold land in our care, and the National Nature Reserves that we manage. It does not cover sites where we do not have direct management, or our flood assets.

As well as setting a vision and priorities for how outdoor recreation will be managed and promoted on the land in our care over the next 25 years, it also identifies areas of focus over the next five years to ensure that outdoor recreation is managed within resource limits whilst optimising the social and environmental benefits it can bring.

# Outcomes and outputs



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## Who is the strategy for?

Although this strategy has been developed and published by us, with the primary aim to help our staff manage and make decisions about outdoor recreation, it is relevant to all those involved in managing and delivering outdoor recreation activity that impacts upon the land in our care.

## What do we mean by outdoor recreation?

Outdoor recreation is generally defined as an activity that you do in the natural environment for fun, pleasure, or relaxation when you are not working.

For this strategy, the scope of outdoor recreation is defined under the following categories:

- General outdoor activity - such as watching wildlife, camping, picnicking
- Creative activities - such as art, photography and music
- Health or relaxation - such as walking, running, dog walking, horse riding, cycling, forest bathing
- Active activities - such as canoeing, rock climbing, and mountain biking
- Commercially run events and activities
- Educational activities and programmes
- Volunteering

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# The benefits of outdoor recreation

Well-managed and sustainable outdoor recreation can bring enormous benefits to the environment, society and the economy. These include:

## **Improving health and well-being**

Physical inactivity, diet and obesity levels pose a significant burden of disease risk factors in Wales. Evidence compiled during the UK wide COVID-19 lockdown period shows that those living in urban environments, where access to green and blue space is limited, are experiencing the most impact on their physical and mental health.

Outdoor recreation, learning and volunteering opportunities all facilitate increased physical activity levels. In 2021 the health benefits from recreation in the UK was valued at £445 billion, and in Wales it was the service with the highest annual value of its ecosystem services.\*

## **Engaging people to take action and become advocates for nature and climate**

Although many people in Wales already enjoy, appreciate and understand the natural world, there are considerable challenges to connect people to nature. People who feel closer to nature are happier and more satisfied with life and are more likely to take actions that help wildlife and the environment.

## **Growing the local economy**

Whilst some activities are free at the point of delivery, recreation still has a considerable financial impact - and there is a significant degree of overlap between outdoor recreation and tourism.

Thousands of people are employed in the tourism and recreation industries, whose key resource is Wales's natural environment and the opportunities it provides for physical activity, enjoyment and relaxation. Tourism is a key contributor to, and driver of, the economy in Wales.

*\*Office for National Statistics – UK natural capital accounts 2023*



# Our vision





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**We want a future where every person, regardless of background, can access the land in our care to enable a connection with nature.**

**As we promote sustainable practices and foster a sense of responsibility, we envision a Wales where individuals, communities and nature thrive together.**

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## **We will do this by**

### **Leading the way**

As an exemplary land manager and statutory access advisor, we will lead the way in setting the highest standards for ourselves and others, acting as guardians of the environment, and ensuring that our actions are always in line with our values and within the resources we have available.

### **Protecting our special places**

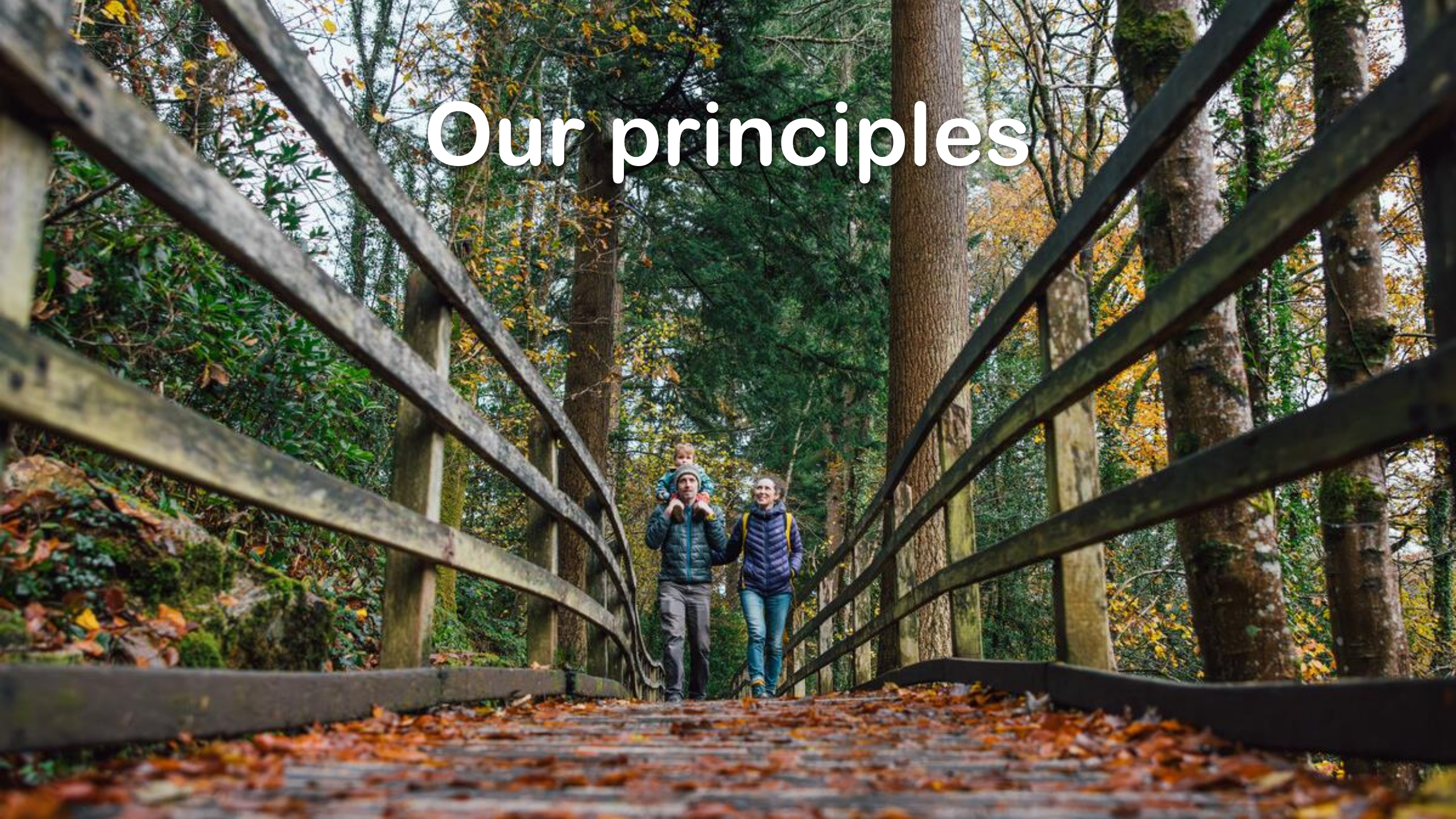
With a positive and bold approach, we aim to instil a connection with nature in everyone who visits our places, nurturing a shared responsibility to care for and protect it.

### **Access for all**

Our commitment to accessibility and inclusivity will help everyone, regardless of background or ability, to experience the transformative power of nature.



# Our principles





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## Living within our means

We must prioritise where we focus our efforts to maximise benefit from every pound we spend. Focussing on what we can do, and the difference we can make, to ensure that outdoor recreation is managed within resource limits whilst optimising the social and environmental benefits it can bring.

We will do this by:

- Looking for opportunities to increase effectiveness and maximise benefit
- Collaborating with partners to share resources and generate income
- Making bold evidence-based decisions about what we will provide and what we will not with reducing resources

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## Right activity in the right place

We must use evidence to make informed decisions in the best interest of nature and people, to ensure people get the opportunities to actively connect with nature to improve their well-being, but this is balanced with protecting nature's well-being too.

We will do this by:

- Working collaboratively with stakeholders to define:
  - **Recreation zones** – areas which will be prioritised for active recreation and tourism through provision of formal facilities, and where income generation is targeted
  - **Community zones** – areas which will be prioritised for communities, offering access for local everyday recreation using well maintained rights of way and the forest road network
  - **Nature zones** – areas which will be prioritised for nature and conservation, and access will be managed to protect these special places
- Delivering our statutory responsibilities for public access
- Using a broad range of evidence and data, internal and external, to make decisions and communicate the reasons for these

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## Enabling others to do more

We want to make it as easy as possible for communities and other sectors to do more where we can't. If someone else can do a better job with less cost to us, then we should let them use their skills and expertise.

We will do this by:

- Streamlining our processes so that others can do more to help us manage the land in our care
- Working with communities to build capacity so that they can take on responsibility for local, everyday management of access
- Supporting projects and opportunities that can actively be delivered and managed by communities or other sectors (including managing legacy and liability)



# Our priorities





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**Connecting people to nature is fundamental to support physical health, mental well-being, and encourage pro environmental and pro nature conservation attitudes and behaviours.**

**Natural Resources Wales supports this connection through the access it provides, the activities it facilitates and how it engages people.**



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## Ways of working

To help define the activity in the areas of focus under each priority there are eight ways of working that have been evolved from the five ways of working from within the Well-being of Future Generations Act and the principles of the sustainable management of natural resources:

### **Access**

We provide access that is safe and inclusive and prioritises using nature to improve well-being.

### **Prevention**

We protect our landscapes and habitats better by having the right activity, in the right place, and at the right time.

### **Integration**

We work effectively across our organisation to ensure our delivery is consistent and achieves our goals.

### **Evidence**

We use data and information to increase our knowledge and insight to ensure we make evidence-based decisions.

### **Collaboration**

We collaborate with partners and communities to share knowledge and expertise, and we develop guidance to support collective action.

### **Involvement**

We involve people in decision making and create a sense of place that is reflective of the diversity of the area.

### **Awareness**

We actively promote experiences that develop a closer relationship with nature and encourage pro environmental and pro nature conservation attitudes and behaviours.

### **Long-term**

We ensure what we do is delivering the sustainable management of natural resources and embraces opportunity where we do not have the resource through developing new, and existing, innovative products and initiatives in partnership.





Cyfoeth  
Naturiol  
Cymru  
Natural  
Resources  
Wales



Cyfoeth  
Naturiol  
Cymru  
Natural  
Resources  
Wales

Coetiroedd Dyffryn Gwy  
Wye Valley Woodlands

Lower Wyndcliff

Coetiroedd Dyffryn Gwy  
Cyrchfan Arlanwyr a Berdd

Wye Valley Woodlands  
Haunt of Painters and Poets



# Priority 1

Provide inclusive, safe and  
welcoming access



# We will provide access based on the principles of equity and inclusion, and create a positive atmosphere that ensures a diverse range of people feel safe and welcomed

## AREAS OF FOCUS

Access	Integration	Evidence	Involvement	Awareness
Our waymarked trail network should aim to be fit for purpose, environmentally and financially sustainable, and provide an enjoyable experience for all	Deliver high quality infrastructure and facilities by applying clear internal standards and the Visitor Safety Group principles* consistently across the land in our care	Use existing evidence and data to understand barriers to access, motivations, confidence, accessibility, awareness, and experience	Involve users and representative bodies, particularly those who represent minority communities, to help us make sites safe and welcoming	Provide more information about trail accessibility, using the right method for the audience that enables them to make decisions

\* [www.visitorsafety.group/principles/guiding-principles](http://www.visitorsafety.group/principles/guiding-principles)





# Priority 2

Improve sustainable access



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# We will improve sustainable access and site connectivity to connect people with nature and encourage pro nature conservation behaviours

## AREAS OF FOCUS

Access	Evidence	Collaboration	Awareness
Use a zoning model to identify areas that will be prioritised for local, everyday access	Use spatial and demographic analysis of communities to inform which improvements to access would have the greatest impact	Work with partners to explore opportunities for sustainable travel and improved mechanisms to maintain public access such as the public rights of way network	Work with partners to promote local, everyday access and encourage pro nature conservation behaviours



# Priority 3

Create a sense of place





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# We will design spaces in collaboration with others to engage people with the rich history, culture, nature, and heritage of Wales

## AREAS OF FOCUS

Access	Collaboration	Involvement	Awareness
Use the ‘five pathways to nature connection’* as a framework to design activities, trails, and initiatives to help people develop closer relationships with heritage and nature	Work in partnership with the arts, culture, and heritage organisations to tell the story of our landscape	Involve the local community in designing spaces that work for them, reflect their diversity, and interpret their heritage	Connect people with Welsh culture, historic and natural heritage through interpretation that is in the right place, innovative and evidence led

\* [www.findingnature.org.uk/wp-content/uploads/2022/04/the-nature-connection-handbook.pdf](http://www.findingnature.org.uk/wp-content/uploads/2022/04/the-nature-connection-handbook.pdf)





# Priority 4

Balance people and nature



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# We will aim to restore the balance between nature and people to ensure its legacy for generations to come

## AREAS OF FOCUS

Prevention	Integration	Evidence	Long-term
Use a zoning model and the principles of sustainable management of natural resources to inform right activity, right place, right time	Use specialist staff knowledge, expertise and data to ensure we have everything we need to make evidenced based decisions	Understand the impact of recreation on nature alongside the benefits to people, and use data to help us understand future trends and needs	Ensure anything we deliver, or allow, has the sustainable management of natural resources at its core





# Priority 5

Promote responsible behaviour



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**We will use an insight-led approach to influence visitor behaviour, including how to access the outdoors safely and promoting the responsibility of protecting and enhancing our natural resources**

**AREAS OF FOCUS**

<b>Evidence</b>	<b>Collaboration</b>	<b>Involvement</b>	<b>Awareness</b>
Use research and data focused on human behaviour to design interventions and evaluate changes in behaviour	Work with others to understand the behaviour of visitors on the land in our care and how to influence this	Involve the local community and user groups as ambassadors to promote safety and reduce user conflict	Improve communications and interpretation to reduce the occurrence and impacts of negative visitor behaviour on the natural environment





Cyfoeth  
Naturiol  
Cymru  
Natural  
Resources  
Wales

Gwarchodfa Natur Genedlaethol  
a Choedwig Niwbwrch  
**Llyn Parc Mawr**  
Newborough National Nature Reserve  
and Forest

**LLYN PARC MAWR**  
Grŵp Coedwig Cymunedol  
Community Woodland Group



Noddir gan  
Lywodraeth Cymru  
Sponsored by  
Welsh Government

# Priority 6

Foster partnership working



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**We will work in partnership with others to share expertise and resources, and explore opportunities to enhance our offer through third party delivery**

**AREAS OF FOCUS**

<b>Integration</b>	<b>Collaboration</b>	<b>Evidence</b>	<b>Long-term</b>
Develop our organisational approach to partnership working to make it easier for others to engage with us	Implement better ways of collaborating with partners and third parties through formal agreements	Use a variety of data sources and opportunities with partners to evaluate our offer and use this to support decision making	Use a zoning model to identify where we develop our offer through third party delivery and commercial investment to make it viable all year-round



# Priority 7

Facilitate health, well-being  
and learning opportunities





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# We will facilitate activities and events led by others that improve the mental health and physical well-being of our communities, and increase understanding of nature

## AREAS OF FOCUS

Evidence	Integration	Awareness	Collaboration
Use data to ensure the events and activities we facilitate target a broad range of abilities, and contributes to improving either mental health, physical well-being and/or nature knowledge	Ensure activity we facilitate supports the strategy, Area Statements and Public Services Boards	Promote the opportunities we have available to access nature for improving either mental health and physical well-being, and/or nature knowledge	Work with representative bodies, the public, private and third sector and improve processes to support the delivery of events and activities





# Priority 8

Enable people to act



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# We will empower a diverse range of people to become more involved in managing access and nurture a shared responsibility to care for and protect it

## AREAS OF FOCUS

Involvement	Collaboration	Awareness	Long-term
Provide better coordination and guidance for people that want to support our work through actively contributing to its management or making decisions about its future	Establish strong partnerships between communities, voluntary organisations, and representative bodies to develop opportunities for them to lead more volunteering on the land in our care	Improve how we advertise and promote opportunities, including using existing partnerships and platforms	Ensure new projects are evidence led and sustainable



**Monitoring  
and reporting**

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**Within six months of publication of this strategy we will produce a monitoring and reporting framework.**

This will include:

- A set of outcomes and outputs to monitor the delivery of the strategy
- A reporting schedule and mechanism

Sources of data for outcomes will include (but not limited to):

- People and Nature survey
- Office for National Statistics UK natural capital accounts
- Public Opinion of Forestry survey

In addition, outcomes in support of the Corporate Plan steps to take and the Well-being of Future Generations Act goals will also be monitored (see below table)

Sources of data for outputs will include (but not limited to):

- SoNaRR
- Land Stewardship Evaluation framework

Recreation Strategy aim	Supports NRW Corporate Plan step to take	Supports WBoFGA goals
<b>Provide inclusive, safe, and welcoming access</b>	Ensuring social and environmental justice, equity and inclusion inform and strengthen our decision making for nature's recovery through the review of current mechanisms and development of guidance	Resilient More equal Cohesive communities Vibrant culture
<b>Improve sustainable access</b>	Ensuring local communities benefit from equitable access to green and blue spaces and act responsibly, through providing guidance and support, working collaboratively with strategic partners such as Visit Wales and local authorities	Resilient Globally responsible Cohesive communities
<b>Create a sense of place</b>	Inspiring people to take action, empowering and transforming their relationship with nature through working with creative industries and the cultural sector	Cohesive communities Vibrant culture
<b>Balance nature and people</b>	Securing the effective protection and management of at least 30 per cent of land, freshwater and sea for nature through identifying opportunities to enlarge and better connect the series of Sites of Special Scientific Interest (SSSI)	Resilient Prosperous Globally responsible
<b>Promote responsible behaviour</b>	Involving different communities and sectors in our work, through applying behavioural insights to inform our approaches	Resilient Globally responsible
<b>Foster partnership working</b>	Identifying opportunities to optimise the collective action and impact of the public sector through using SoNaRR and Area Statements to work with the public service boards, public health and local authorities	Resilient More equal Cohesive communities
<b>Facilitate health, well-being, and learning opportunities</b>	Engaging with people to take action, creating opportunities for being in, learning about and becoming advocates for nature and climate, through working with the education, physical activity and health sectors	Healthier Vibrant culture More equal
<b>Enable people to act</b>	Ensuring a diverse range of people are taking action for nature through sharing the vision and outcomes from Nature and Us to expand our networks and increase involvement	Resilient Prosperous More equal Cohesive communities



# CYNEFIN

the place where we feel we belong,  
where the people and landscape around us are familiar,  
and the sights and sounds are reassuringly recognisable

Definition in the Curriculum for Wales

