

Confirmed Minutes

Title of meeting:	NRW Board Meeting – Public Meeting
Location:	Microsoft Teams
Date of meeting:	17 July 2024
Board Members present:	Prof Steve Ormerod, Deputy Chair Clare Pillman, Chief Executive Geraint Davies Dr Pete Fox Prof Calvin Jones Lesley Jones Prof Rhys Jones Kath Palmer Helen Pittaway Dr Rosie Plummer
Executive Team Members present:	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/Head of Business Transformation, deputising for Rachael Cunningham, Executive Director of Finance and Corporate Services
Attendees present:	Phil Williams, Head of Governance and Board Secretary (All items) Rob Bell, Head of Finance, Item 6 Sarah Williams, Head of Corporate Strategy and PMO, Item 7 Sue Ginley, Lead Specialist Advisor, Corporate Planning & Performance, Item 7
NRW Observers present:	None
Public Observers present:	Polly Ernest Elizabeth Mullan Maggie Young

	<p>Kim Waters, Welsh Rivers Union Jim Ralph Additional members of the public</p>
Apologies:	<p>Sir David Henshaw Mark McKenna Rachael Cunningham, Executive Director of Finance and Corporate Services</p>
Secretariat:	<p>Natalie Williams, Deputy Board Secretary and Board Secretariat Team Leader Jocelyn Benger, Board Secretariat Team</p>
Declarations of Interest:	<ul style="list-style-type: none"> • Dr Rosie Plummer - Member Pembrokeshire Coast National Park Authority - wide-ranging interactions including Withyhedge with NRW including National Park landscape designation and protections including SAC rivers, Marine zones, diverse grant recipient and collaborator • Prof Steve Ormerod – Chair of the Science Advisory Group and Board Member to the new Environmental Markets Board; Chair of the Fish-Eating Birds Advisory Group; Vice-President of the RSPB • Geraint Davies – Mentor with Farming Connect; Associate of Pwllpeiran Upland Research Centre • 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 • Prof Calvin Jones – Cardiff Business School hired by Welsh Government to look at financing models for potential tidal lagoons in Wales

Item 1. Open Meeting

1. The Deputy 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 23 May Meeting

2. The minutes from the public Board meeting on 23 May were reviewed and agreed with a minor amendment.

Item 2B. Review Action Log

3. The Action Log was reviewed and noted.

Item 3. Update from the Chair

4. The Deputy Chair highlighted the successful NRW event held at the Senedd on 5 June to mark World Environment Day. This had included a full day of engagement with Members of the Senedd and a very well received showcase on the Natur am Byth partnership project.

Item 4. Report from the Chief Executive

5. The Chief Executive gave an update on items in addition to the written Report.
6. The results of two major external audits had been received – the UK Woodland Assurance Scheme (UKWAS) and the Environmental Management System (EMS). The formal outcomes were awaited but these had both been positive. No major Corrective Action Requests (CARs) had been identified in the UKWAS audit. The minor CAR from the previous audit had been closed out and four new minor CARs raised, along with one new Observation; one existing Observation remained open. The full detail would be provided when the final paperwork was received from the Soil Association, who had successfully retendered as NRW's UKWAS auditors. The EMS audit on ISO 14001 had visited various NRW sites and found no major or minor non-conformities, and no opportunities for further improvement were identified.
7. An update was provided on water matters. The Ofwat determination was now out for consultation; this had been delayed due to the pre-election pause. This set out the proposals for water companies' bills and spend for the five-year Asset Management Period (AMP) from 2025. The proposed spend by Dŵr Cymru / Welsh Water (DCWW) was £5.5bn over the period, of which £1.3bn was for the Natural Environment Plan (NEP). It was highlighted that this was a significant increase over initial proposals. It was noted that Ofwat were prosecuting all England and Wales water companies on their performance on waste water treatment.
8. The new Welsh Government (WG) arms-length body for energy, Trydan Gwyrdd Cymru, had been launched. A Memorandum of Understanding (MoU) would be developed on how NRW would work with Trydan going forward.
9. Board members noted the move to the new NRW Flood Warning and Information System (FWIS) for Wales and queried the approach to monitoring the service usage. The Executive Director of Evidence, Policy and Permitting (EPP) explained that the use of the FWIS was assessed and this was included as part of the debrief process following incidents. Information was also gathered by the team engaging with communities affected by incidents. The information had been used to inform the development of the new FWIS.

10. The new Wales Procurement Act was noted by Board members who queried the embedding of the Sustainable Management of Natural Resources (SMNR) and the Wellbeing of Future Generations Act within the new Procurement Act. The Executive Director of Communications, Customer and Commercial (CCC) explained that the new Act did go broader than social value. NRW's commitment to achieve the Corporate Plan Wellbeing Objectives (WBOs) was highlighted, including working with partners through the procurement frameworks on steps that would be taken to support nature, climate and minimising pollution.
11. Board members queried the approach to quarterly enforcement reporting. It was recognised that there would be a necessary time delay for some reporting due to legal reasons, however a trend analysis would be welcomed. Board members discussed the key role of Regulation in the WBO on minimising pollution and requested further opportunities for Board discussion on this matter. The Executive Director of EPP explained that the current governance structures were being reviewed to ensure alignment to the Corporate Plan WBOs. The Chief Executive confirmed that the Annual Regulation Report would be brought to the Board in advance of publication on the website.

ACTION: The Annual Regulation Report to be presented to the Board

Item 5. Update Reports of Committees and Forums

12. Kath Palmer, Chair of the Audit and Risk Assurance Committee (ARAC) gave an update on the meeting held on 4 June, noting the content of the paper. The Annual Report and Accounts were scrutinised. A number of Internal Audit reports were received, and their outcomes were considered. ARAC oversight of key actions was described on the work on risk management and the alignment of the Strategic Risk Register to the Corporate Plan. The governance work on the review of the Board Committees and alignment of risks and assurance had been prioritised. Audit actions were reviewed, recognising the tight resources. The Board had received the ARAC Annual Report in the private meeting. The Internal Audit team were congratulated for their achievement in winning a UK award at the annual Audit and Risk Awards.
13. Prof Steve Ormerod, Chair of the Evidence Advisory Committee (EAC) noted that the next meeting would take place on 22 October.
14. Helen Pittaway, Chair of the Finance Committee (FC) updated the Board on the meeting held on 13th June. The paper was taken as read. Finance performance was scrutinised, and an update received on the Budget and Business Plan 2024-25. FC endorsed approvals on three section 83 requests and proposed changes to funding mechanisms. Reservoir operating agreements were considered, and a Task and Finish Group would report back to FC on this in September. Feedback was provided on the draft Annual Report and Accounts and the agreed actions on the Flood Capital Review were considered. An update was provided on NRW2030, and a dashboard was agreed for FC to monitor progress.

15. Dr Pete Fox, Chair of the Flood Risk Management Committee (FRMC), updated the Board. The content of the paper was noted. The format for the July meeting had changed due to diary pressures and the meeting would now be taking place by correspondence. An update had been received on the Flood Risk Management Capital Programme; the Committee were pleased to note that the forecast was close to the actual spend. FRMC were asked to endorse a change paper for the Stephenson Street Flood Scheme. Approval had previously been endorsed by FC and the increases in spend and reasons for this were noted. The Strategic Outline Case for the Pwllheli Flood Management Scheme was presented for endorsement; FRMC would be looking at the potential for a cost beneficial scheme.
16. Prof Calvin Jones, Chair of the Land Estate Committee (LEC), updated the Board. The next meeting would be held on 18 July. The UKWAS re-accreditation was noted and welcomed.
17. Helen Pittaway on behalf of the Chair of the People and Customer Committee (PCC) updated the Board on the meeting held on 6 June. The paper was taken as read. The Wellbeing, Health and Safety Annual Report had been scrutinised and the political stakeholder plan was discussed along with a number of other Committee reports as noted in the paper. The governance and reporting around NRW2030 was considered.
18. Dr Rosie Plummer, Chair of the Protected Areas Committee (PrAC) updated the Board on recent PrAC meetings. The formal meeting on 28 June had covered various issues including the follow-up to the deep dive at the May Board meeting on WBO1: Nature is Recovering. The all-Wales Tranquillity Report was received, along with an update on the Protected Sites Programme and prospective National Park work. The annual PrAC site visit took place on 11 June at Carn Owen, noted as a globally important lichen site and geological Site of Special Scientific Interest (SSSI) with important links to Welsh cultural history and heritage. An update was provided on the SSSI notification meeting which took place on 11 July. The notification meeting heard public objections in relation to notification of a woodland site at Coedwig Dyfi of lichen and bryophyte interest. The issues raised by landowners were acknowledged. PrAC confirmed the notification of the site as a SSSI. A lessons learned exercise would take place for future meetings.
19. Board members discussed the SSSI notification meeting and considered the nature of the public objections. Issues raised included current concerns with the Sustainable Farming Scheme (SFS), financial concerns around Land Management Agreements not being supported, and cultural issues. It was highlighted that the outcomes of the SFS consultation for protected site owners were awaited. The important role of landowners in maintaining and nurturing protected sites was recognised and Board members acknowledged the landowners' pride and appreciation for the sites in their ownership. There were important points for NRW to take forward to encourage engagement and working together.
20. The prioritisation process on SSSI notification was queried. PrAC members confirmed that there was a legal responsibility on NRW to notify a site if it met certain criteria. The balance of considerations was described. It was explained that notification provided tools to protect sites in a different way, for example through the planning process.

21. Prof Rhys Jones, Chair of the Wales Land Management Forum (WLMF), updated the Board. Discussion at the recent meeting had focused on the river restoration programme, river basin management plans, the Water Framework Directive and the emphasis as part of that on unmodified channels and tension with other parts of the organisation. It was recognised that NRW was a complex organisation and discussions took place on where those tensions developed with different parts of the organisation occasionally pulling in different directions.
22. Prof Steve Ormerod, Chair of the Wales Fisheries Forum (WFF) and the Wales Water Management Forum (WWMF) updated the Board. The WWMF had not met since the previous Board meeting. The WFF met on 27th June. A presentation was received on incidents, noting public expectations and work demands, and how these risked drawing staff away from strategic issues. An update was provided on the ongoing work of the Fish-Eating Birds Advisory Group, which included information on the potential reintroduction of eagles into Wales. The evidence on the potential natural dimension to predator action and work on supporting declining salmonid populations was described.
23. Geraint Davies, Chair of the National Access Forum for Wales (NAFW), updated the Board. The recent meeting in Aberystwyth had received an update on river basin management including land management. The update from Jan Newman from DCWW was welcomed. This described the health and welling hubs on the DCWW estate which supported linking people with nature. The membership of NAFW was considered and an application for membership from the Campaign for National Parks was agreed.

Item 6. Finance Performance Report

Presenter: Rob Bell, Head of Finance

24. The Head of Finance introduced the item and provided an overview of the paper, noting the Report showed the position at the end of May. This had been scrutinised by ET and FC. The key points were highlighted. Expenditure was on profile apart from the Land Stewardship budget which was behind profile. Income was on profile except for timber which was ahead of forecast due to a strong April performance, therefore a reforecast could take place. The Board were reminded about the timber income arrangement with WG. Areas of risk were described. An update had been provided to FC on the salary saving target of £9.3m, with £7.8m to be realised by the end of the year, leaving a £1.5m balance remaining to be funded through the contingency budget. The issues with the ongoing recruitment controls were recognised but it was recognised that these were necessary. The overprogramming targets and challenges for this year were described for the Nature and Climate Emergency (NaCE) and Flood Capital Programmes. The dilapidations, lease and cladding issues at Tŷ Cambria were noted. A response from the landlord was awaited.
25. Helen Pittaway as Chair of FC noted that it was early in the financial year but tight controls were in place. More clarity on trends was anticipated in September.
26. The Board approved the changes to the latest forecast, from £267.9m to £268.9m and noted the financial performance to the end of May 2024.

APPROVED: The changes to the latest forecast from £267.9m to £268.9m

Item 7. Business Plan Performance Dashboard and Internal Performance End of Year Report 2023-24

Sponsor and Presenter: Clare Pillman, Chief Executive

27. The Chief Executive presented the Business Plan Performance Dashboard and Internal Performance End of Year Report 2023-24, noting that a slightly revised set of indicators would be presented for the current financial year. The Business Plan Performance Dashboard Report noted the following RAG (Red Amber Green) status of the measures at the year-end: 1 Red, 6 Amber, 15 Green. As previously discussed, performance had been impacted by the recruitment freeze and non-staff budgets challenges. It was also noted that as the measures were Key Performance Indicators (KPIs) colleagues were likely to focus on these critical areas therefore there could also be subsequent impacts elsewhere. The heat map was shared on the RAG status movement through the year.
28. The issues around the Red measure were described. Staffing issues and the recent changes to procurement had resulted in the Red status at year end for the measure 'develop a low emission fleet and deliver a low emission and climate adapted built estate'. Moving forward, a five-year schedule would be produced to progress a low emissions fleet. The six Amber measures were noted. The freshwater monitoring review had slowed due to the impact of staffing issues, and a strategic statement had been shared with external stakeholders at WWMF. The measure to 'deliver programmes to review statutory water quality requirements' was Amber as signalled at Quarter 3 (Q3). The hard work by staff was recognised. The measure on 'priority actions undertaken on protected sites across Wales to improve condition of features' was highlighted as Green at year-end. The funding through the WG Nature Networks Capital Programme had supported more than 50% of the work on this indicator. The implementation of the Flood Review recommendations and actions was also highlighted. Thanks were extended to the Flood Risk Management team and FRMC on this large programme of work after the floods of 2020. This had been Amber through the year but was now Green. The programme had now closed and a Transition Report produced further to ongoing monitoring through the Business Groups.
29. The Internal Performance Year End Report 2023-24 was described. The measures were noted as: 0 Red, 2 Amber, 8 Green. The introduction of the new Learning Management System (LMS) and its benefits were highlighted. Absence reporting was now possible with the revised methodology in place. This was reported as Amber at 4% for March, noting that 3.5% was the target for Green status. Measures were being put in place to support managers and staff.
30. Board members discussed the content of the Report. The earlier discussion in the private meeting on the Case for Change and the impacts of the budget challenges on the indicators were noted. The benefits of the new LMS were discussed. The Executive Director of Corporate Strategy and Development (CS&D) explained the background to

the LMS and the future opportunities around performance reporting and e-recruitment. PCC would be updated on this but the current main focus was on closing some of the health and safety risks on learning requirements.

31. Board members considered how the performance reporting could be perceived by external stakeholders and the public. It was highlighted that the content of the indicators was considered in detail by the Board Committees, ET and Business Groups. Work was taking place to develop future reporting that was more targeted in line with the Corporate Plan WBOs. It was noted that Natur a Ni was now at an end, and the approach to moving forward together with external partners was considered. An evaluation piece on Natur a Ni would be brought to the Board. The ambition was to link the key strands into business as usual and NRW2030.

ACTION: Natur a Ni evaluation to be brought to the Board

32. The Board approved the Business Plan Performance Dashboard and Internal Performance End of Year Report 2023-24.

APPROVED: The Business Plan Performance Dashboard and Internal Performance End of Year Report 2023-24

Item 8. Wellbeing, Health and Safety Annual Report 2023-24

Sponsor and Presenter: Prys Davies, Executive Director of Corporate Strategy and Development

33. The Executive Director of CS&D presented the Wellbeing, Health and Safety (WHS) End of Year Report 2023-24 to the Board and highlighted the following matters. The five Serious Incident Reviews (SIRs) concerned three contractor and two staff incidents; regular reports and updates were provided to the WHS Forum. There were five RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents to report and six Lost Time Incidents (LTIs); this was a small increase on the previous year. Near Miss reporting had increased, which was a positive matter demonstrating a change in safety culture awareness. NRW had re-attained accreditation ISO 45001 and it was explained that the accreditation was associated with some of the investments in training and the LMS. Wellbeing initiatives through the year were highlighted. Planning work had started with other public bodies on testing WHS processes through informal investigations. Specific training on health and wellbeing was also taking place.
34. Board members welcomed the Report and praised the positive developments in WHS culture within the organisation. It was recognised that this was the key to stopping incidents occurring through learning from near misses. The robust approach taken with contractors and the positive work with the Forestry Industry Safety Accord (FISA) were highlighted. The new LMS and support of professional development were welcomed. It was noted that this would provide good assurance to the Board around health and

safety training. It was suggested that updates could be provided for the whole Board as well as PCC.

35. The Chief Executive described the ongoing concerns on the continuing issues in Waterfall Country, explaining that a further fatality had occurred in similar place to previous fatalities. NRW continued to work with the National Trust and National Park partners, recognising the substantial challenge for all landowners with public access. Board members noted the latest fatality with concern. The challenges associated with behaviour influenced by social media were recognised and previous discussions on this issue at Board, PCC and NAFW were noted.
36. The Board approved the Wellbeing, Health and Safety Annual Report 2023-24.

APPROVED: The Wellbeing, Health and Safety Annual Report 2023-24

Item 9. AOB

37. No matters were raised under AOB.

Meeting Closed

Public Q&A

38. The Deputy Chair explained that NRW were working on reviewing how engagement with the public could be improved.
39. The questions received in advance on Visitor Centres were noted and the Deputy Chair read the following statement.
40. *We thank the Friends of Ynyslas for sharing their questions with us. Please rest assured that these have been shared with our Executive Team and Board members. Unfortunately we are not currently in the position to answer a lot of them because the prioritisation of NRW's work is ongoing, and the Visitor Centre Review is part of this wider effort, as we respond to the financial challenges that face NRW and the wider public sector. The National Nature Reserves and Forests around visitor centres are key sites for us. There is no question that we want to conserve and protect these sites so that nature can recover, and we are unequivocal that public access to these sites will be maintained.*
41. Members of the public were invited to contribute to the session. Representations were made on behalf of the Ynyslas Save our Centre Group, who emphasised concerns on safety and the impact on the community if the Visitor Centre were to close. Members of the public did not feel that their questions raised in correspondence had been answered sufficiently.
42. The Chief Executive provided a response, noting that Visitor Centres were part of a wider prioritisation process across NRW, which had implications for all staff in NRW. It

was therefore important for discussions to take place with staff first, although it was understood that this would be difficult for those members of the public who cared deeply about the future of the Visitor Centres. NRW would engage with the public as soon as this was possible.

43. The Deputy Chair thanked everyone for their contributions.

Public Meeting Closed