Hannah Blythyn AC/AM Gweinidog yr Amgylchedd Minister for Environment



Ein cyf/Our ref MA/P/HB/0303/18

Diane McCrea Chair Natural Resources Wales Ty Cambria 29 Newport Rd Cardiff CF24 0TP

10 May 2018

Dear Diane,

### NATURAL RESOURCES WALES - REMIT LETTER 2018-19

This letter sets out the Welsh Government's strategic remit for Natural Resources Wales (NRW) in 2018-19.

NRW is an important organisation in the delivery of our priorities and has a key part to play in the sustainable management of Wales' natural resources. The Cabinet Secretary for Energy, Planning & Rural Affairs, recently outlined her priorities for this Assembly Term as:

- developing a more robust, competitive and self-sufficient agricultural sector;
- responsible marine management and a fair deal for the fisheries industry;
- exceeding our £7 billion target on turnover in the food and drink sector;
- developing a responsive planning system which delivers our ambitions for good quality homes, jobs and the environment;
- reducing our dependence on fossil fuels and increasing use of renewable energy; and
- · improving animal health and welfare.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400
Gohebiaeth.Hannah.Blythyn@llyw.cymru
Correspondence.Hannah.Blythyn@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Similarly, the Minister for the Environment outlined her priorities for this Assembly Term as:

- Becoming best in the world at recycling;
- Improving and expanding the woodlands of Wales;
- Tackling poor air quality;
- Improving understanding of the value of nature, including through national parks and areas of natural beauty;
- Reversing the decline in biodiversity.

The core purpose of NRW was updated in Section 5 of the Environment (Wales) Act 2016, to pursue the sustainable management of natural resources in relation to Wales and apply its principles in the exercise of its functions.

The objective of the sustainable management of natural resources is to maintain and enhance the resilience of ecosystems and the benefits they provide. In delivering SMNR NRW will contribute to the achievement of the well-being goals in section 4 of the Wellbeing of Future Generations (Wales) Act 2015.

NRW has key functions which it must undertake, including its statutory role as a regulator and the development of area statements. Area statements provide an opportunity to bring together all NRW's activities and support the delivery of the national priorities set out in my Natural Resources policy.

We received your *Corporate Plan for 2017 to 2022* in January and note its primary role in how you will contribute to the goals set out in the Well-being of Future Generations Act (Wales) 2015, by pursuing the sustainable management of natural resources (SMNR) and applying its principles. Your Well-being Objectives, together with their underlying actions, reflect the *National Strategy based* on *Taking Wales Forward* which reflects the Welsh Government aspirations within *Prosperity for All* and will help create the Wales we want in future. I look forward to seeing your medium term performance measures and annual targets when you publish your 2018/19 Business Plan.

On Partnership working, I believe it is essential for NRW to develop strong partnerships and collaborations with Local Authorities, the Third Sector, Welsh Revenue Authority, Valley's Task Force, the Agriculture Inspectorate, and other regulators to effectively and efficiently discharge your and their respective regulatory duties, especially where they interact to deliver the priorities set out above.

I intend to issue statutory guidance to NRW as to how the obligations in the Environment Act 2016 should be implemented. I need to be absolutely certain such a complex issue is given the detailed consideration it requires. I have therefore asked my officials, working with NRW, to consider these matters at a series of workshops, working through the detail of how to deliver the core purpose.

The financial climate remains challenging in 2018/19. "More of everything" cannot be the answer to all of the challenges. For the future, I am expecting NRW to be an efficient, effective and innovative organisation. I recognise this will mean hard decisions about worthwhile activity which may need to be stopped or scaled back, but this is the reality of the current situation. I have seen and noted the work plan from NRW for 2018/19 which sets how NRW will deliver our priorities.

I would like to express my sincere thanks on behalf of myself and the Cabinet Secretary for Energy, Planning and Rural Affairs to your staff for their work during the past year. I look forward to working with you with a sense of common purpose and commitment and seeing you, the Chief Executive, and the Board provide the leadership to take the organisation forward. Both I and the Cabinet Secretary for Energy, Planning and Rural Affairs, are aware NRW staff have been through a significant change programme. I was reassured by your stated aim of bringing this to a conclusion as swiftly as possible.

Annex 1 details the budget settlement for NRW in 2018/19.

Yours sincerely,

Hannah Blythyn AC/AM

Hannah Blytun

Gweinidog yr Amgylchedd Minister for Environment

# Annex 1

# **NATURAL RESOURCES WALES**

Welsh Government's Financial Support for Natural Resources activities in Wales: 2018-2019

# **Grant in Aid**

### £000s

	20003	
Total Grant in Aid		
Non Flood Defence		
Capital	3,254	
Revenue	58,391	
Flood Defence		
Capital	19,660	
Revenue	19,750	