

Managing today's natural resources for tomorrow's generations

Our Business Plan 2018/19

As NRW our vision is to be proud to lead the way to a better future for Wales by managing the environment and natural resources of Wales sustainably.

And our Well-being Objectives are to:

- **Champion the Welsh environment and the sustainable management of Wales' natural resources**
- **Ensure land and water in Wales is managed sustainably and in an integrated way**
- **Improve the resilience and quality of our ecosystems**
- **Reduce the risk to people and communities from environmental hazards such as flooding and pollution**
- **Help people live healthier and more fulfilled lives**
- **Promote successful and responsible business, using natural resources without damaging them**
- **Develop NRW into an excellent organisation, delivering first-class customer service**

NRW was established in 2013 to care for and advise on the natural environment in Wales and its natural resources. We are the largest Welsh Government sponsored body and have a wide range of roles: -

- **Adviser:** to the Welsh Government and to industry, land owners/managers, the wider public and voluntary sector
- **Regulator:** industry and waste sites, marine, forest and designated sites for example, protecting people and the natural environment
- **Designator:** for Sites of Special Scientific Interest(SSSIs), Areas of Outstanding Natural Beauty (AONBs) and National Parks and declaring National Nature Reserves(NNRs).
- **Responder:** to about 9,000 reported environmental incidents a year
- **Statutory consultee:** to about 9,000 planning applications a year
- **Manager:** of 7% of Wales' land area, including the Welsh Government woodland estate, National Nature Reserves, 500km of flood defences and 4,000 assets and running recreation facilities and a laboratory.
- **Partner, educator and enabler:** supporting and facilitating other organisations' work and helping people learn in and about the natural environment
- **Evidence gatherer:** monitoring the environment, commissioning and undertaking research, developing and sharing knowledge and holding public records
- **Employer:** of about 1,750 staff as well as contractors and volunteers.

The breadth of our work can be seen in this video [What We Do.](#)

Welcome...

...to our Business Plan for 2018/19. This plan accompanies our [Corporate Plan](#) and builds on our [Well-being Statement](#) (which describes our seven Well-being Objectives and the steps we need to take to achieve them).

Chief Executive Introduction

The natural environment of Wales is exceptional and inspiring. It is the foundation for our health, well-being and prosperity. It provides the air we breathe, the water we drink and the food we eat. It provides energy and raw materials. It is essential to our way of life – providing jobs, leisure and relaxation, and attractive places for us to live, work and enjoy. It is part of our culture, our history and our future. We can't live without it – but all too often, we take it for granted.

In March 2018 we published our Corporate Plan to 2022 which builds on our first long-term [Well-being Objectives \(WBOs\)](#) and our first [State of Natural Resources Report \(SoNaRR\)](#), which set the baseline of our current knowledge and links the resilience of Welsh natural resources to the well-being of the people of Wales. These show how natural resources can continue to benefit the health and well-being of the people of Wales for the future – if those resources are managed sustainably.

This Business Plan sets out what we intend to deliver ourselves, and with our partners, during 2018/19 to help manage resources sustainably and support achievement of our Well-being Objectives. It sits within our Corporate Plan to 2022. We will continue to use the new legislation available to us to consider new and innovative ways to achieve more, and will always endeavour to deliver the most we can with the resources we have and the opportunities available to us. The activities described in this document represent just that, and are challenging, yet realistic, targets against which we will measure our performance. In pursuing these opportunities, we have had to make hard decisions, reconsidering what and how we deliver both our legal duties and our aspirations. Managing this when our budgets continue to reduce is challenging particularly if we are to avoid impacting the services we deliver directly from Welsh Government funding. There are often areas of work where we would like to commit to deliver more, and implementing the spirit and actions of the Well-being of Future Generations and Environment Acts, along with our ability to support the Natural Resources Policy, will require all our ingenuity and collaboration with our partners.

Recent reports, including from WAO, have shown we have coped well during our first five years, however sustaining this with continued budget reductions will be challenging. We will keep working with partners and Welsh Government on new and innovative ways of working and increasing our income that allow us to maximise what we can do. Also, work to redesign our organisation supports our ambition and priorities in our Corporate Plan and this Business Plan. In doing so it helps us identify where hard resourcing decisions should be made across the breadth of our remit.

As the new Chief Executive, I see this Business Plan as a vitally important step in a new approach to the Welsh environment. It sets out the relationship which we, our partners and stakeholders, along with the public, have in ensuring our truly exceptional natural resources are enjoyed now, and for many years to come. My focus will be to ensure the communication

needed to make this interrelationship work is in place, both externally with partners and others, but also internally, creating an organisation with a culture which supports high class delivery and being a great place to work. Resources, will of course, need careful management and I expect us to develop strong commercial approaches to support what we want to achieve.

Meeting our Well-being Objectives will be a long-term challenge and this Business Plan is a step along this journey. It moves us to a new chapter with myself as our Chief Executive, and builds upon the work of our first five years.

Clare Pillman
Chief Executive

Context

Our Well-being Objectives demonstrate how we want to contribute to the goals set out in the [Well-being of Future Generations Act \(Wales\) 2015](#). We will do this by pursuing the sustainable management of natural resources (SMNR) and applying its principles to ensure natural resources will be available now, and for future generations– which is our prime purpose as set out in the [Environment \(Wales\) Act 2016](#).

Our Well-being Objectives, together with their underlying actions, reflect the Welsh Government's [Prosperity for All - The National Strategy](#) based on [Taking Wales Forward – the Programme for Government](#). They were developed collaboratively with our staff and stakeholders, adopting the five ways of working set out in the Well-being of Future Generations (Wales) Act 2015.

Achieving Wales' seven Well-being Goals – a Wales that is prosperous, has resilient ecosystems, is healthy, more equal, has cohesive communities, a vibrant culture and Welsh language and is globally responsible – will help create the Wales we want in future and will contribute to the seventeen [2030 United Nations' Global Goals for Sustainable Development](#) which help address some of society's greatest challenges worldwide.

The [Welsh Government's Natural Resources Policy \(NRP\)](#) sets out three key challenges for managing natural resources in Wales:

- Improving ecosystem resilience
- Addressing climate change and the decline in biodiversity
- The UK's withdrawal from the European Union

It has also highlighted three national priorities where the sustainable management of Welsh natural resources can help provide considerable benefit:

- Delivering nature-based solutions, such as those suggested in SoNaRR
- Increasing renewable energy and resource efficiency
- Taking a place-based approach – working locally in a joined-up way

Responding to these challenges and working with these priorities can be seen throughout our Corporate Plan to 2022 and in this Business Plan which will help realise the headline opportunities associated with natural resources as set out in the NRP:

- Supporting successful, sustainable communities
- Promoting green growth and innovation to create sustainable jobs
- Supporting a more resource-efficient economy
- Maintaining the well-being of the people of Wales

Our 2016 [State of Natural Resources Report \(SoNaRR\)](#) was the first of its kind. It set out the state of the country's natural resources and assessed the extent to which they were being managed sustainably. And – uniquely – it linked the resilience of Wales' natural resources to the well-being of people in Wales, suggesting nature based solutions to deliver multiple benefits for people:

- Increased green infrastructure in and around urban areas
- Increased woodland cover and more woodlands brought into management
- Coastal-zone management
- Working within whole water catchments
- Better soil management
- Better utilisation of the uplands
- Integrated management of marine ecosystems

The UK's withdrawal from the European Union (EU) will impact much of the policy, legislation and finance that supports natural resources, including funding for agri-environment schemes and LIFE funding for supporting environmental, nature conservation and climate action projects. We are working closely with the Welsh Government to address the challenges and make the most of the opportunities, influencing and helping to develop the best options for managing natural resources in Wales sustainably. This is a theme throughout this Business Plan, essential to the achievement of each of our Well-being Objectives.

The Welsh Assembly Minister for the Environment has outlined her priorities for the Welsh environment in this Assembly term:

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

Our contribution to these targets is spread across this Business Plan, although some of our most significant contributions are:

- Carbon positive work;
- Promoting sustainable and diverse woodlands;
- Permits that consider and control emissions that affect air quality, along with providing planning and other advice to partners, including the impact of air quality on ecosystems;
- Promoting understand through our creation of a shared vision, collaboration with partners and involvement at Public Services Boards;

- Building ecosystem resilience by restoring, creating and improving the condition of habitats.

Our Business Plan

There are several priorities that stand out in this Business Plan. These will help us meet the commitments in our Corporate Plan to 2022 and set us on the right road to achieving our Well-being Objectives. Completing the redesign of our organisation during 2018/19 will help us to clarify where difficult resource choices have to be made across our remit so that we can progress these key pieces of work. Greater detail of all the targets we will measure ourselves against are set out in the “What will we do” section of this Business Plan.

Priorities

- Working with others to develop a shared long-term vision for the natural environment of Wales to 2050, and how we measure progress towards it. The Well-being of Future Generations Act (2015) encourages such a long-term approach and, our Well-being Objectives are deliberately long-term and cannot be achieved in the timespan of the current Corporate Plan.
- Developing Area Statements co-productively with our staff and stakeholders in readiness for their publication. They will form the basis of all our work in each Area, are fundamental to informing public service delivery, and will provide opportunities for everyone to act. There will be seven Area Statements covering six regional areas of Wales and one for the marine environment.
- Continuing to embed the Well-being of Future Generations Act and our purpose – the sustainable management of natural resources – across all our work. In particular, embedding the Environment (Wales) Act 2016’s Biodiversity Biodiversity and Resilience of Ecosystems Resilience Duty – and supporting other public bodies authorities to do the same.
- Facilitating the implementation of the Welsh Government’s Natural Resources Policy through Area Statements to help turn the national priorities into local action.
- Increasingly securing and promoting the importance of rigorous and defensible evidence in, and the application of innovation to, all we do.
- Continuing to work with government and others on the sustainable management of natural resources, particularly on significant infrastructure projects, and on Welsh matters in the UK’s withdrawal from the European Union.
- Collaborating as the only National statutory member in all Public Services Boards (PSBs), working to ensure that the social and economic benefits of sustainably managed natural resources are recognised and optimised in the priorities pursued by PSBs, and joining up and integrating all members’ work.

- An improving customer experience, alongside better collaborative experiences, being at the heart of our activity so that we improve services, earn trust and generate advocacy
- Re-designing our structure and develop new supporting ways of working so we are financially sustainable and can operate to deliver duties effectively in the future.

Risks

Following agreement of our Well-being Objectives, there are several key areas that we recognise as risks and issues to manage to ensure their delivery.

- Considering reducing resources and tough prioritisation decisions, **stakeholder engagement** is essential to maintain working relationships and achieve best value for money for the public sector in Wales.
- Maintaining the **integrity and accuracy of our evidence** is vital to underpin our decisions and give confidence to those who use our evidence.
- We are unclear at present of the specific impacts **Brexit negotiations** will have on our core activities and potential sources of external funding. We are feeding into Welsh Government advisory groups and will play a full part as actions are required to be taken in response to Westminster decisions.
- Continual change and the move to **new ways of working** has been unsettling for our staff and we will keep working together as we all adapt.
- To maintain business continuity we continually assess our protection from **cyber-attack** to ensure it is proportionate to the likelihood and scale of threat we face.

How our Business Plan fits into long and short term planning

Once developed, our shared vision for the natural environment to 2050 will be our long-term aim, with the Corporate Plan serving as our own medium term plan for NRW. In turn, the Corporate Plan will be delivered through successive annual Business Plans. This is shown below: -

	Long term	Medium term	Short term
Plan	Shared Vision to 2050	Corporate Plan	Business Plan
Duration	20–25 years	3 – 5 years	1 year
Monitoring	Indicators showing changes in Wales due to activity by all organisations and individuals in Wales working together as a whole	Medium-term 3 – 5 year performance measures for NRW – our Corporate Plan Dashboard	Annual targets for NRW – our Business Plan Dashboard

These are our highest level plans – sitting below them will be operational plans – for example our long- term natural resource plans, medium-term service plans and shorter term work and project plans.

What will we do?

The next section of the Business Plan looks at each Well-Being Objective (WBO) in turn, explaining where we are now, using information from the State of Natural Resources Report (SoNaRR) and other sources, and, setting out what are our priorities during 2018/19. These priorities contain our annual targets and form our Business Plan Dashboard for 2018/19.

WBO1: Champion the Welsh environment and the sustainable management of Wales' natural resources

Where are we now?

SoNaRR tells us that the current approach to managing natural resources in Wales is not sustainable in the long-term and although more people are concerned about the natural environment, there is more work to do to help people live sustainably. For example: -

- Wales' ecological footprint has been calculated as 5 times the actual area of Wales¹
- 67% of people in Wales are concerned about climate change, with most attributing it to human activity¹
- 43% of people in Wales are concerned about future changes to biodiversity ²
- 3% of people have volunteered to help protect the environment¹

Our priorities during 2018/19 for us and our work with partners

Develop a **Shared Vision for the natural environment:**

- Co-ordinate and facilitate engagement sessions to develop a shared vision of natural resources in Wales
- Involve staff to support with evidence and insight
- Engage stakeholders. Prepare and put forward a document for scrutiny

Support the sustainable management of natural resources by developing and delivering **Area Statements** with partners covering all of Wales by Spring 2020:

- Gather relevant data and information from specialists and stakeholders.
- Deliver collaborative products to shape and inform area statements by end of 2018/19.
- Build on national stakeholder engagement and start to narrow our focus on priority areas
- Ensure we are clear on what we will deliver and what is for others to deliver

Deliver through, and promote, **Public Services Boards** (PSBs). Ensure we are a trusted and active partner on all PSBs, co-developing and delivering well-being plans:

- Co-producing 19 Well-being Plans and making our contribution to delivery of the collaborative programmes of work arising during 2018/19

- Having Well-being Plans that maximise their contribution to ensuring Wales has resilient natural resources as well as the wider well-being goals
- Through the development of Area Statements, support the assessments of local well-being, provide evidence and information on the state of natural resources and how this benefits or impacts on well-being and contributes to understanding
- Fully integrating the Well-being of Future Generations Act across our organisation
- Deliver long term change by ensuring our staff have the skills to drive change and promote greater co-productive and collaborative working of Public Services Boards

To maximise delivery across Wales we will improve the way we **work collaboratively and support partners:**

- Implement our new commissioning approach to providing grant aid to support collaboration with other organisations at a local, and at an all Wales level
- Devise a qualitative and quantitative framework for capturing the collaboration outcomes secured
- Achieve collaborative project approaches through the way they are designed, built and then evaluated
- Use collaborative working to build staff skills through telling their stories
- Develop new funding arrangements for schemes including the Wales Coast Path and Welsh National Trails
- Create a benchmark for evaluating progress in collaborative working

Act as an exemplar in **managing our own carbon footprint:**

- Deliver our actions from our Carbon Positive Enabling Plan
- Provide evidence based advice to support the Welsh Government strategic framework to enable the transition to a low carbon economy and an 80% reduction in carbon emissions by 2050
- Work with Welsh Government on knowledge transfer and shared learning across the wider Welsh Public Sector

Support effective decision making with the right evidence, developing our evidence base through work to deliver SoNaRR 2:

- Develop the methodology for modelling and analysis, and reporting on the assessment of sustainable management of natural resources
- Identify and manage evidence gaps
- Implement an engagement plan for SoNaRR 2 to ensure the evidence is developed and communicated in the most efficient and effective manner

Support effective decision making with the right evidence, developing our involvement with the National Survey of Wales to ensure

- Continuation of 2017/18 milestones with additional questions in the 2018/19 Survey
- Continued publication of outputs
- Commissioning of in-depth analysis

Support effective decision making with the right evidence, delivering the evidence base for Sustainable Management of Natural Resources:

- Carry out work required to draw together data on a range of environmental variables in a way that allows a more holistic view and therefore supports the delivery of Sustainable Management of Natural Resources
- Deliver an internal information portal to allow staff to access the data & information required to support their work

Report progress towards Sustainable Management of Natural Resources (SMNR) by developing **indicators** that are meaningful and recognised across public bodies in Wales.

Ensure all **evidence activities achieve quality standards**:

- Develop and coordinate our approach to integrating our environmental, social and economic data analysis
- Ensure all surveys are developed and analysed to a consistent standard
- Expand our Innovation Group to support identification and uptake of innovations and emerging technologies

Deliver **Sustainable Management of Natural Resources** by ensuring this, as our purpose, **is embedded** across the organisation. Deliver staff engagement training, decision tools in corporate and business planning, and governance processes:

- Deliver level 2 training to all staff by September 2018,
- Develop and test level 3 and 4 training by autumn 2018, with roll out by year end
- All new policies and guidance prepared are aligned to our purpose
- Continue to Streamline Environmental Planning processes, implementing changes in the water sector and completing a review in land and flood risk planning

WBO2. Ensure land and water in Wales is managed sustainably and in an integrated way

Where are we now?

90% of the land area in Wales is used for either agriculture or forestry⁵, while the marine environment represents 41% of the territory of Wales⁶. Land and water including the marine area is not always managed in an integrated way currently, and although water and air quality has improved in some cases over recent years, there is still a long way to go before we are all managing land, air and water in Wales sustainably. For example:-

- Only one of the designated Welsh bathing water did not meet the tougher standards set by the Bathing Waters Directive in 2016¹. However, 63% of freshwater water bodies had failed to achieve good or better overall status in 2015 as defined by the Water Framework Directive¹. Pollutants from abandoned metal mines impact on 700 km Welsh rivers: nine of the ten worst metal mine polluted catchments in the UK are in Wales⁷.
- Air quality has generally improved since the 1970s. However, target levels of nitrogen dioxide and particulate matter pose a substantial public health issue particularly in urban areas and at major roadsides¹. Air quality is not just an urban issue, with air pollution negatively impacting on over 74% Welsh habitats⁸.

- Soil quality has shown some improvements in woodlands and some recovery in peatlands; it remains fairly stable under other land uses. Soils in Wales store an estimated 410 million tonnes of carbon¹.

Our priorities during 2018/19 for us and our work with partners

Support **sustainable management of the marine environment** by delivering our Marine Programme:

- Prepare for implementation of the first Welsh National Marine Plan, developing guidance to support our regulatory and advisory functions, and provide training for staff
- Integrate development and delivery of the marine Area Statement, NRW Marine Commissioning Plan, Welsh National Marine Plan and Natural Resources Policy marine-related priorities, and embed a consistent approach to coastal adaptation in all areas
- Provide advice to Government on the completion of the network of marine protected areas (MPAs) and deliver collaborative projects to improve the management and condition of the MPA network including Welsh fishing activity project assessments

Promote and support **sustainable business by managing timber productivity**:

Implement year two of our five-year timber marketing plan by delivering the all Wales timber harvest and subsequent replant programme

- Thin around 2700ha and clear fell around 2000ha of woodland
- Offer 850,000 m³ timber to market in 2018/19 – approximately 150,000 m³ timber from thinning and 700,000 m³ from clear felling. Of the 850,000 m³ total programme, approximately 700,000 m³ will be offered from our core programme and 150,000 m³ from standing sales plus
- Deliver annual core restocking programme of 1000 ha and monitor against the land awaiting restocking
- Deliver *P. ramorum* restocking programme of up to 800 ha
- Provide the necessary infrastructure to deliver the harvesting programme and meet environmental standards

Protect the environment through effective **permitting of regulated activity** including air, land, fresh & marine waters, people, species and habitats:

- Determine 95% of permit applications in accordance with statutory and service level timescales
- Undertake annual review of charging schemes and develop an approach to progress future charging scheme
- Audit the application of our regulatory principles, develop and deliver training to all staff engaged in regulation
- Continue to develop Green Marketplace to support the development of Payment for Ecosystem Services
- Review and continuously improve in line with customer feedback and complaints

Ensure our reservoirs are compliant with the **Reservoirs Act 1975** following the increase in our regulated reservoirs from 12 to 48 by achieving our annual:

- Capital programme of “Measures in the interest of safety”; 50 measures for 2018/19

- Programme of “Measures in the interest of Maintenance” for 2018/19
- Programme of Statutory visits under Section 11 of the Reservoirs Act 1975
- Routine maintenance programme

Improve water quality by delivering Water Framework Directive led interventions:

- Implement River Basin Management Plans
- Start planning for third cycle River Basin Management Plans, ensuring we consider opportunities for streamlining and integration with other plans
- Work closely with Welsh Government to ensure the sustainable management of natural resources is reflected as a key driver for any future land management scheme
- Deliver key reporting requirements relating to the Water Framework Directive and Article 17 of the Habitats and Species Directive

WBO3: Improve resilience and quality of our ecosystems

Where are we now?

SoNaRR has identified that currently no ecosystem in Wales has been assessed as having good resilience and many will not be adaptable enough to be deal with climate change and other pressures: -

- Overall, biodiversity is declining, the extent of some habitats has declined significantly and connectivity between habitats has reduced¹⁰.
- Ecosystem condition – based on features - is mixed depending on the habitat. 55% of species and 75% habitat features on Natura 2000 sites have been found to be in unfavourable condition¹⁰.
- Examples of issues that negatively affect protected wildlife sites include: - inappropriate grazing and livestock management, inappropriate woodland management, changes in hydraulic condition, habitat fragmentation and industrial or other development. Poor air quality is also a factor: over 74% Welsh habitats are receiving damaging inputs from air pollution⁸.
- 43% people are concerned about future changes to biodiversity²

We need to make ecosystems more resilient, and ensure that designated sites are a part of a much wider network that functionally connects ecosystems across Wales and enhances the benefits that people receive from them.

Our priorities during 2018/19 for us and our work with partners

To improve salmon, sea trout and trout stocks in Wales, and their freshwater fisheries habitats we will work with key partners to devise and implement improvement to river habitats across Wales by:

- Commissioning work to compile River Restoration Plans (RRPs), bringing together evidence from multiple sources to define constraints to fish populations and enable prioritisation of resources to best effect
- Seeking funding opportunities to implement work identified in RRP and supporting proposals for future commissioning plans

- Targeting the use of existing fisheries project funds to address barriers to connectivity for fish migration and restoration of impoverished habitats
- Establishing salmon as an iconic species indicative of habitat quality across Wales

We will improve biodiversity and ecosystem resilience **by restoring, creating and improving the condition** of habitats, through direct interventions on land and water we manage and in collaboration with partners. We will:

- Review the extent of and opportunities for habitat restoration, creation and condition improvement across NRW's activities
- Establish a methodology for reporting on these activities, considering the linkage to and requirements of other national reporting systems
- Through the development of Area Statements we will identify and prioritise opportunities for habitat restoration, creation and improvement, supported by guidance internally and for partners
- Jointly sponsor a key conference on the future of nature conservation in the UK in May 2018
- Continue to develop strong working relationships with our partner organisations in the UK through the conservation agencies Chief Scientists Group and the Joint Nature Conservation Committee
- Work closely with Welsh Government and other partners to commence delivery of the Environment and Rural Affairs Monitoring and Modelling Programme (ERAMMP)

Protect the environment from **invasive and non-native species** by working with partners to deliver our responsibility to prevent, detect, control and manage invasive and non-native species:

- Implement new legislation which gives us new powers and duties as a regulator to address issues (Invasive Alien Species Act 2014, Invasive Alien Species (Enforcement and Permitting) Regulations 2018 and the Infrastructure Act 2015)
- Deliver actions identified with the [GB Invasive Non-Native Species Strategy 2015](#)
- Work towards making us an exemplar in biosecurity by implementing the recommendations identified in the biosecurity audit

Improve the resilience of our ecosystems and promote **sustainable and diverse woodlands** through their sustainable management by:

- Implement and monitor our Native Woodland and Planted Ancient Woodland Site (PAWS) action plan
- Remove threats from 580 ha of ancient woodland sites
- Undertake silvicultural thinning for gradual transformation of 275 ha of plantation back to native woodland
- Retain independent forest certification to the UK Woodland Assurance Standard (UKWAS) demonstrating our timber is sustainably managed for customers and other stakeholders

Protect ecosystems by monitoring and addressing tree and plant health issues on the Welsh Government Woodland Estate, including *P.ramorum* by:

- Uphold compliance of the plant health programme
- Continue tree clearance of 800ha of larch and subsequent replanting programme

- Carry out plant health assessments and issue plant health notices on time

Build ecosystem resilience by complying with the Environment (Wales) Act 2016 Section 6 Biodiversity and Resilience of Ecosystems Duty:

- Implement our strategic steer on biodiversity and ecosystem resilience
- Ensure biodiversity is embedded within all our functions
- Further develop our approach to ecosystem resilience and its application
- Help deliver Welsh Government's Nature Recovery Action Plan with partners

Build ecosystem resilience by improving the conservation status of features on protected sites with our partners:

- Implement review recommendations for Sites of Special Scientific Interest (SSSI) consenting and assenting
- Progress against a 2018-19 programme of favourable management interventions for Special Areas of Conservation, Special Protection Areas, Ramsar Sites and SSSIs

WBO4: Reduce the risk to people and communities from environmental hazards such as flooding and pollution

Where are we now?

Pollution and flooding have wide ranging effects in Wales, as have extreme weather events. For example; -

- Agricultural pollution incidents continue to be an issue with significant impacts on water courses. Water pollution caused by abandoned metal mines also has a significant impact. In urban areas, particularly, impermeable surfaces and development on flood plains exacerbates localised flooding.
- Climate change is likely to result in more frequent and extreme weather events, with those people and properties located on flood plains or near to coast being more vulnerable. Drought is also an issue with water availability likely to be reduced in some areas. An ageing population in Wales suggests that there will also be an increase in the number of vulnerable people who will need help should an incident occur.

Everyone in Wales needs to continue to work together to reduce the risks of incidents occurring and to respond in the most appropriate and efficient way should one occur.

Our priorities during 2018/19 for us and our work with partners

To **protect people and communities from flooding** we maintain our flood assets in high risk areas and ensure they are at target condition, along with delivery of significant capital works which reduce the risk of flooding to communities we will:

- Carry out the agreed annual programme of works so that 99% of NRW flood risk management assets in high risk locations are maintained in target operating condition
- Reduce flood risk to at least 500 properties in 2018/19 including making significant progress with the Roath Flood Alleviation Scheme and Crindau Flood Alleviation Scheme

- Deliver a new and updated national flood risk assessment for Wales, which will help further prioritise all investment (ours and other risk management authorities) on the highest risk locations
- Continue to work with local authorities and other risk management authorities on a national flood risk asset database, for significant assets
- Continue to develop and pursue catchment based solutions and natural flood management where appropriate
- Undertake a review of our flood warning services, to ensure that we continue to focus on delivering the maximum benefit for the investment in this area

To **respond effectively to incidents**, and use evidence to drive a reduction in the likelihood and severity of future incidents by working with partners, communities and agriculture/industrial sectors. Review incident management priorities, take an evidence based approach, and deliver an effective and coordinated response:

- Implement a triage system for incident related calls to prioritise resource and provide an effective and co-ordinated response
- Review and rationalise our incident response rotas
- Use learning from post-event reviews to identify effective approaches and potential mitigation measures
- Focus on targeted actions to reduce the likelihood and severity of incidents
- Continue to report incident occurrence and response to key partners including Welsh Government, Water companies and Rivers Trusts

Protect people, business and the environment by **reducing environmental crime and tackling poorly performing sites**:

- Work towards establishing the Disrupt, Deter, Detect Plan for offenders and their crimes by the end of 2018/19
- Reduce the impact and numbers of poorest performing permitted waste and industrial sites by working to ensure the net number of poor performing permitted waste and industrial sites is stable or reduced in 2018/19 compared with 2017/18
- Ensure all poor performing sites have a specific improvement plan in place and that this is implemented to an agreed timetable
- All high fire risk sites will have Fire Prevention and Mitigation plans in place
- Undertake the industrial and commercial waste survey, to provide an updated picture in relation to Industrial & Commercial waste arisings in Wales and how they are managed, compared to previous surveys undertaken in 1998/9, 2002/3 and 2006/7

WBO5: Help people live healthier and more fulfilled lives

Where are we now?

Many people already use the outdoors. However, there are significant health issues in Wales where we believe the access and use of the natural environment could help support a healthy lifestyle. For example-

- 59% of those aged 16 or over in Wales are considered overweight or obese and the rate is increasing¹
- 25% people are likely to suffer from mental health issue at some time during their lives¹²

- 50% children and young people and 29% adults participate in sport three times per week, with participation rates reducing dramatically with age¹
- 81% adults in Wales have taken part in some type of outdoor recreation at least once over a 12-month period. However, only 26% people were 'frequent' participants⁴. Women are likely to be less active than men¹.

There are several challenges, particularly connected to behavioural change and specialised communication, to reconnect people to the natural environment, and encourage use of the outdoors as part of a healthy lifestyle. For example: -

- People use the outdoors but more people need to be encouraged to visit more frequently and more regularly to gain the greatest benefits; specific groups or communities need to be targeted.
- More volunteers in the outdoors can provide more benefits to both people and the natural environment
- Local air/ land /water quality issues need to be tackled so all areas are safe and attractive places to live and work

Our priorities during 2018/19 for us and our work with partners

Support **health and well-being** improvement across people's life stages, encouraging and facilitating outdoor access and recreational opportunities by:

- Working with Public Health Wales and Sport Wales to develop joint objectives and measures for increasing physical activity levels in Wales
- In collaboration with our partners, continue integrating our approach to managing and promoting the Wales Coast Path and Welsh National Trails, including the launch of a new Wales Coast Path website as part of the Year of the Sea
- Promoting site visits, producing our 'Ten Special Places by the Sea' leaflet supporting the Visit Wales' Year of the Sea campaign, and completing our set of regional site booklets with the release of the 'South Wales sites' promotional booklet

WBO6: Promote successful and responsible business, using natural resources without damaging them

Where are we now?

Over 90% of the land area in Wales is used for agriculture and forestry⁵. We also have significant freshwater and marine fisheries where ensuring the sustainability of fish stocks is a significant issue: for example, there has been a marked reduction in the abundance of salmon in our rivers over recent years¹. Local Authority Recycling Rates have risen from 52% in 2013/14 to 60% in 2015/16, placing Wales' recycling 1st in the UK, 2nd in Europe and 3rd in the world¹. Welsh Government figures indicate that 43% of Wales' energy consumption in 2016 came from renewable energy, up from 32% in the previous year.

Challenge for the future include:

- Making it easy for businesses to do the 'right thing', working with business to look for nature based solutions thinking at an appropriate scale

- Increasing renewable energy generation and resource efficiency
- Influencing policy and planning so development takes place in the right place – for example not developing on a flood plain and placing renewable energy generation technologies sensitively.
- Developing innovation and new technologies

Our priorities during 2018/19 for us and our work with partners

Support **business and sustainable growth** with commercially focussed decision making that increases the financial contribution from commercial opportunities and delivery of our Enterprise Plan:

- Increase income from commercial activities that support the delivery of SMNR.
- Establish detailed business plans for four of the portfolios within the Enterprise Plan: Timber Production, Energy Development, Recreation and Tourism, and Analytical Services
- Engage with customers regarding development of our programmes, ranging from annual liaison meetings with timber customers and energy developers through to market research in newer areas of development, e.g. analytical services
- Develop recreation based tourism, including completion of cabin development at Beddgelert Forest Holiday site and construction underway at Garwnant. Work with partners at Cwmcaern Forest, to develop a future operating model for the provision of recreation and tourism at this high-profile visitor destination
- Establish the process for evaluating new commercial ideas

Combat **climate change** by supporting Green Energy production with partners:

- Deliver our renewable energy programme including working with developers to progress wind energy projects, and exploring the market potential for other renewable energy technologies on the land we manage
- Progress through the construction phase of two large wind energy projects at Brechfa Forest and Clocaenog Forest measured by installed capacity / turbines installed
- Continue working with WG and stakeholders to identify mechanisms for community involvement and ownership in renewable energy projects on the NRW Managed Estate
- Determine the commercial potential of Energy Parks integrated with wind farm developments by progressing with a programme of hydro, battery storage, solar, biomass and other energy technologies
- Provide evidence based advice to support the Welsh Government's strategic policy framework to deliver decarbonisation

Support **sustainable development** through the provision of Planning Advice:

- Respond to planning consultations within statutory or other agreed deadlines
- Provide evidence based advice to support Welsh Government's review of Planning Policy Wales, and their preparation of a National Development Framework
- Survey customers to assess the effectiveness of our planning advice
- Review our planning work programme and guidance to reflect SMNR
- Improve and expand the NRW charged discretionary development planning advice service, and meet the financial income target

WBO7: Develop NRW into an excellent organisation, delivering first class customer service

Where are we now?

- We have spent time establishing our standalone capability
- We are on track to deliver the business case benefits for our establishment
- We have absorbed financial pressures placed on us to date

Our future challenges will include:

- Continuing to transform our organisation – implementing our Organisation Design project over the next 2-3 years
- There are likely to be continued financial pressures which we must plan for
- Moving to being a more enabling organisation - working effectively with others in all areas of our work
- Improving customer satisfaction
- Making our organisation a great place to work and improving staff satisfaction

Our priorities during 2018/19 for us and our work with partners

Support efficient working and enable new ways of working by completing the implementation of our new **Organisation Design**

- Implement across the organisation in collaboration with Trade Unions and staff utilising our Managing Organisational Change policy and principles
- Align our internal IT support system, MyNRW, to the new structure
- Implement a new approach to managing programmes using the new organisational leads, the “Heads of Business, Service and Place” to better align place based delivery and policy
- Deliver through more locally based teams, only using a Wales wide approach where it makes more sense to do so
- Ensure risk management is embedded at all levels

To improve all customers' satisfaction with NRW and deliver excellent **customer service** through our Customer Focus Programme we will:

- Survey internal and external customers
- Establish a baseline to measure our customers' experience
- Use survey data to determine projects for the next phase of the programme
- Commission research to help us build on the evidence base we have on what our customers need from digital services
- Put a digital content improvement plan in place to ensure that all online content is ‘task focused’ to support moving services online; measuring with accessibility score, google rankings, and on-page analytics
- Make use of external customer survey data to develop sector-led approach to stakeholder engagement

To support the priorities outlined in our Corporate Plan we will develop our next **communications strategy**. We will collaborate with and involve colleagues in this, aiming for final sign off during quarter two of 2018/19. The strategy will set out our communications vision, priorities and key objectives up to 2022.

Our long-term digital aspirations are set out in our **digital strategy** along with our digital vision and objectives to 2020. In 2018/19, the focus will be on:

- Finalising and prioritising the implementation plan and putting in place key governance and resource to enable the organisation to fulfil its ambition
- Prioritising building digital awareness and knowledge in the business, with key stakeholders/partners and senior leaders. We will do this through training, communications and engagement to build understanding of our strategy

Maintain and improve the **health, safety and wellbeing** of staff through our Wellbeing, Health and Safety strategy by ensuring:

- We aim to avoid all work-related accidents - but learning from the incidents that do happen
- We complete serious incident reviews for all such incidents, on a timely basis, and apply their learning
- Implement a programme to improve workplace wellbeing

Improve the position of our organisation as a **safe and healthy place to work** by:

- Engaging staff on the outputs of our second climate survey and developing actions
- Refresh our Wellbeing Health and Safety Strategy to focus on and deliver the actions arising from the second staff climate survey
- Providing necessary support and guidance to staff to ensure their wellbeing when delivering people transformation projects, our organisational design and change programmes

Because we are committed to **equality, diversity and inclusion** for both our staff and those we deliver services to, we will:

- Deliver the actions in our [Equality Action Plan 2018/19](#)
- Equality impact assess our plans, policies and projects where they can have an impact on people and where possible, we will have mitigated negative impacts and explored positive outcomes
- Engage with our partner organisations and community groups and actively share best practice. Doing this will help us deliver a first-class customer service for all
- Support and value all of our staff regardless of background and create a work environment where people can be themselves and deliver their best

Develop our **culture** and improve our organisation as a place to work:

- Engaging staff on the outputs of our third People Survey and developing and delivering appropriate actions
- Refresh our Values and, linking with the Strategic Workforce Plan, support our managers and teams to optimise the value of Organisational change
- Develop our Strategic Workforce Plan to ensure we are appropriately skilling our workforce and responding to internal and external strategic changes

- Develop organisational leadership by continuing our Arweinydd Angerddol/Passionate Leader programme
- Manage organisational change effectively by developing and delivering a range of options to support staff
- Develop management capability by continuing to create and deliver a range of management development opportunities

Support organisational delivery with an **Innovation Development Programme** by refreshing information, communication technology (ICT) and:

- Continue decommissioning legacy ICT infrastructure by enhancing new ICT to manage marine licensing, species licensing, consents and assets
- Implement the water abstraction reform ICT and create a single public register
- Create a single customer portal and other improvements to our website
- Improve our data management, processing and reporting tools - making it easier for staff and customers to find the data they want and analyse it appropriately
- Implement Windows 10 throughout the organisation
- Enhance ICT products that were quickly introduced in response to external body timescales but which could support our processes more effectively
- Improve flood risk management ICT, including upgrading our flood warning software, asset maintenance software and flood risk assessment system

Run our business, and manage our money, efficiently:

- Build effective and resilient information management and security, ensure we are trusted by customers to handle personal data. Developing and implementing actions from the Senior Risk Information Officer work plan and by complying with General Data Protection Regulations by May 2018
- Maintain payment performance and debtor days
- Recording and addressing staff sickness
- Ensuring our budget and income are managed to plan and following our new structure
- Undertaking a trial of how we can help the delivery of our Well-being Objectives through procurement

Our people, resources and change agenda

To deliver this Business Plan, we need our workforce to continue to be passionate about their work and about the natural environment in Wales as well as being up for the challenge posed.

Although we have already undergone a significant amount of change, there is still more to do in 2018/19 to transform NRW into the organisation we want to be. And even then, we will continue to develop and change beyond this Business Plan as demands, financial challenges and the circumstances around us change.

Through organisational design, we will be restructuring towards an integrated, locally-based approach for most of our work, only using a national approach where this makes more sense. This will allow us to better deliver our new purpose, be more flexible to meet future challenges and be more financially affordable. This change will affect all our staff next year

and we will support them through the changes required and in partnership with our trades union colleagues.

We will continue developing our leadership and ensure all our staff understand our purpose and how their role contributes.

Our Finance Strategy highlights the financial opportunities and challenges that we face in achieving the targets in this Business Plan and beyond into our Corporate Plan. We will seek to maximise the commercial income opportunities set out in our Enterprise Plan, demonstrate that we are efficiently regulating industries in Wales and optimising the use of Grant in Aid we receive from the Welsh Government.

To achieve this Business Plan, we have an overall budget of £184m, £156m revenue and £28m capital. That will be funded by Grant in Aid (£99m), charges (£38m), commercial income and external funding (£32m) and income brought forward from 2017-18 (£15m). That is after the £3m reduction in Grant in Aid confirmed by Welsh Government in October 2017.

We anticipate that we will be challenged financially during 2018/19 and in future years. However, we will make the most efficient use of the resources we have. Now more than ever, collaborating closely with other organisations, especially in the delivery of PSBs' Well-being Plans and with academia and professional bodies to develop innovative approaches, will be fundamental to our success.

Prioritising the use of our funding is fundamental to the delivery of our seven Well-being Objectives.

Reporting how well are we doing

As a delivery organisation, we need to be able to demonstrate how well we have performed. The deliverables identified against each of our Well-being Objectives above will allow us to monitor and demonstrate progress; they will form a dashboard which our Board will use three times a year to scrutinise delivery and hold our Executive Team to account. We will publish this dashboard showing how well we have done in a performance report each time our Board scrutinise it, as well as within our Annual Report.

We also have a structure of plans and dashboards across our directorates, teams and projects to ensure the deliverables shown here and our many other areas of delivery are achieved. Our performance across all these plans and dashboards is regularly scrutinised through the organisation's management structure.

Our performance report will move us toward the results based accountability approach advocated in the Well-being of Future Generations (Wales) Act 2015. Measures will look to demonstrate that we are "making a difference".

Published alongside this 2018/19 Business Plan will be our medium-term measures, to show how NRW performs over the lifespan of our Corporate Plan to 2022.

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Budget 2018-19

1) Budget by Directorate:

Directorates	Revenue (£m)	Capital (£m)	Total Budget (£m)
Chief Executive	0.3	0.0	0.3
Transformation Portfolio	2.0	0.0	2.0
OD & People Management	2.3	0.0	2.3
Finance & Corporate Services	33.9	4.7	38.6
Operations North & Mid Wales	47.4	19.2	66.6
Operations South	27.8	3.5	31.3
Evidence, Policy and Permitting	39.6	0.0	39.7
Chief Executive Office: Governance & Planning	0.9	0.0	0.9
Chief Executive Office: Customer Care, External Relations & Communications	2.2	0.0	2.2
Total Budget	156.4	27.5	183.9

Annex 2 Letter from Diane McCrea to Lesley Griffiths AM 12 October 2017



Our Ref: CH17-025

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Ms Lesley Griffiths AM
Cabinet Secretary for Environment and Rural Affairs
Welsh Government
Tŷ Hywel
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12 October 2017

Dear Cabinet Secretary,

NRW DRAFT BUDGET FOR 2018-19 AND 2019-20

In his statement of 3rd October, the Cabinet Secretary for Finance and Local Government set out the outline draft budget for 2018-19 and 2019-20. The detailed draft budget will be published on October 24th.

We have been led to believe from Departmental officials that NRW can expect a cash reduction of 5% in 2018-19 and a further 5% in 2019-20 in its revenue Grant-in-Aid.

In an interview with the BBC this morning, Mike Hedges AM, in his capacity as Chair of the Climate Change, Environment and Rural Affairs Committee quoted that the actual reduction in revenue funding for 2018-19 within Welsh Government's Environment and Rural Affairs Department was 1.5% after taking into consideration the transfer of budget to Local Authorities. We would like to understand why our expected reduction is significantly greater than the departmental reduction.

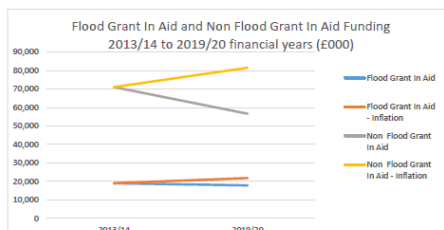
We have previously discussed NRW's challenging financial position, and we are extremely disappointed with these draft allocations which, if implemented, would severely threaten the services that we can offer and will inevitably lead to further significant reductions in NRW posts.

To put this into the wider financial context since we were created in April 2013 - By 2019-20 NRW's baseline Non-Flood Grant-in-Aid will have reduced by £14 million and 20% in cash terms, and by £25 million and 35% in 'real' terms.

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Correspondence welcomed in Welsh and English

Our baseline Flood Grant-in-Aid will have reduced by £1 million and 6% in cash terms, and by £4 million and 21% in 'real' terms over the same period.

The graph below shows what our baseline Grant-in-Aid would have been in 2019-20 if it had kept pace with inflation, compared with our actual allocations (all figures in £000s, excluding Invest to Save, 'one-off' funding and non-cash allocations).



The Business Case for the establishment of NRW set a cash releasing benefit target of £127 million over the first ten years. We are on track to deliver these benefits but we have also been required to fund the real term reductions in Grant-in-Aid, which has compromised the delivery of the aspirations laid out in the Business Case. Those real term reductions in Grant in Aid will have a cumulative impact of approximately £185m by the end of the business case period.

These further cuts would come at a time when the NRW Board is preparing its Corporate Plan for the next five years, during which time we are intending to fully implement the spirit and actions of the Well-being of Future Generations and Environment Acts. The Board's ambitions will be severely restricted if these reductions come into being. The Natural Resources Policy sets out the key risks, priorities and opportunities for the management of natural resources in Wales and how individual Welsh Government policies will contribute to sustainable management of natural resources. The risks, priorities and opportunities will shape our work on Area Statements. With these potential Grant-in-Aid reductions, we are of the opinion that our ability to contribute to the individual policy discussions will be limited (or curtailed), representing a significant risk to delivery of Ministers' ambition.

In terms of immediate effects, many of our key services are funded directly out of revenue Grant-in-Aid, including:

- Incident response;

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- Supporting other public and third sector environmental initiatives (and playing our full part in the Public Service Boards (by collaborative working));
- Enforcement, including waste;
- Management of the Welsh Government Woodland Estate and National Nature Reserves;
- Environmental monitoring and scientific analysis;
- Biodiversity, conservation and promoting fisheries;
- Flood risk asset maintenance;
- Flood forecasting and awareness.

We would have no alternative but to cut back in these areas as other parts of our income are ring-fenced for particular services, such as permitting.

As approximately 60% of NRW's revenue costs are staff, we would need to reduce our staff structure by a further 165 posts, which includes 50 in the proposal to fund the Job Evaluation exercise. This would bring the total number of posts lost since NRW was established to 500, down from 2,100 to near 1,600 – a reduction of almost a quarter.

The recent NRW Benefits report which you have seen, and the WAO value-for-money report, have both demonstrated that we have managed the first five years well, but we will not be able to sustain our services at this level with the proposed level of Grant-in-Aid.

I would therefore as a matter of urgency, urge you and the Cabinet Secretary for Finance and Local Government to restate what we are led to believe are the likely proposed cuts to our budget.

There are other ways in which the Welsh Government can assist NRW:

- The receipts generated by wind farms and other renewable energy schemes on the land we manage are currently surrendered to Welsh Government. Retention of this income by NRW would amount to an additional £2 - £4 million a year, and would help to stabilise our Grant-in-Aid position.
- We have suggested several areas where NRW could raise charges – but Welsh Government lawyers have advised that this would not be in line with the original legislation, even though the charges are being raised in England. We would welcome a relaxation in the interpretation so that we could recoup the costs of providing those services.
- We have to deliver new legal duties and responsibilities, such as compliance with the Reservoirs Act, the Environment Act and the Well-being for Future Generations Act without having funding within our current baseline Grant-in-Aid allocation. Welsh Government have contributed to funding in the past by providing additional allocations.
- The current Job Evaluation proposal does not reflect the Board's preferred position and as you are aware will incur significant additional costs to deliver in line with your suggestion, and we would welcome Welsh Government assistance to meet the additional costs.

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- Certainty of funding for dealing with the tree health disease in Wales, rather than annual allocations.

I am sure that you appreciate the severity of this situation and the impending impact on our aspiration and delivery for NRW. I would be grateful for an early meeting with you to discuss these issues. For your information, I am also sending a copy of this letter to Mark Drakeford AM.

Yours sincerely,

Diane McCrea MBE
Cadeirydd, Cyfoeth Naturiol Cymru
Chair, Natural Resources Wales

Cc

Mark Drakeford
Andrew Slade

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