



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

# Managing today's natural resources for tomorrow's generations

Our Business Plan 2019/20

## Welcome...

...to our Business Plan for 2019/20. This plan accompanies our [Corporate Plan](#) which describes our seven Well-being Objectives and the steps we need to take to achieve them.

## Our corporate plan sets out our vision for NRW:

We are 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:

- 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.

## 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 bears the imprint of past human activity and has shaped our history and culture. As well as its intrinsic value - its value for its own sake - it has, and will continue to be, essential to our way of life; providing jobs, recreation and relaxation, and attractive places for us to live, work and enjoy. None of us can live without it – but all too often, it's taken for granted.

Climate change is one of the most significant risks facing Wales and the world. We have worked closely with Welsh Government on the development of the draft Climate Change Adaptation Plan for Wales and Prosperity for All: A Low Carbon Wales and are committed to implementing their provisions across our organisation. Addressing climate change is behind all our plans and objectives including this Business Plan. I want us show leadership and lead by example in engaging with partners, the public and stakeholders on the impacts from climate change. Particularly coastal adaptation and flood risk where we investigate and deliver options to reduce the risk of flooding to people, business and communities.

This Business Plan sets out our priorities for delivery in 2019/20. It reflects our Corporate Plan to 2022 and our seven Well-being Objectives, as well as our duty to pursue the sustainable management of natural resources (SMNR) and to apply its principles. Application of these principles and the ways of working from the Well-being of Future Generations (Wales) Act 2015 in the delivery of our functions is how we will achieve our Well-being Objectives. Delivery of this plan is how we support the programme of the Welsh Government including plans such as the First Minister's Economic Action Plan.

Guidance on our general purpose from Welsh Government will help us in how we make decisions and how we evidence the ways of working and how the SMNR principles are considered.

Upon joining NRW I set seven areas of work to focus on, two “Vs” and five “Cs”. These are vision and values, then culture, communication, commercial, collaboration and customer. You will see work to address many of these in this plan.

For 2019/20 we have a number of priorities in this plan which form part of, my own focus, and our longer-term ambition to achieve our Corporate Plan and Well-being Objectives. These in turn contribute to Wales’ Well-being Goals and realising the headline opportunities associated with natural resources as set out in the Natural Resources Policy (NRP).

Clare Pillman  
Chief Executive

## Our work

In preparing this plan we have had to make hard decisions and delivery will require all the ingenuity, innovation and collaboration with partners that we can muster. Indeed, there are many areas of work where we would like to deliver more, and we will be continually adapting to opportunities to deliver more and better outcomes for the Welsh environment and the people of Wales. Maximising delivery requires us to keep working in collaboration, continually developing the way we do this and the support we give to partners, creating opportunities for society and the economy by restoring resilience to systems and potential for enjoyment.

As the largest Welsh Government sponsored body we have a wide range of roles which we deliver on an ongoing basis:

- **Adviser:** to the Welsh Government and to industry, land owners/managers, the wider public and voluntary sector.
- **Regulator:** industry and waste sites, energy, marine, forest and designated sites for example, protecting people and the natural environment and supporting legitimate business (includes our target to deliver 95% of permits to time). Supporting the delivery and facilitation of renewable energy.
- **Designator:** for Sites of Special Scientific Interest, Areas of Outstanding Natural Beauty and National Parks and declaring National Nature Reserves.
- **Responder:** receive 9,000 reports of environmental incidents a year targeting our response to those categorised as “high” (includes our target to respond in a timely manner – 95% High Category).
- **Statutory consultee:** to about 9,000 planning applications a year (includes our target for 95% of responses time).
- **Manager:** of 7% of Wales’ land area, including the Welsh Government woodland estate (includes our targets to maintain woodland certification and to deliver our Renewable Energy Programme), National Nature Reserves, 500km of flood defences and 4,000 assets (includes our target to maintain 99% of assets in high

risk locations to condition and to deliver a flood risk management capital programme) and running recreation facilities and a laboratory.

- **Partner, educator and enabler:** supporting and facilitating other organisations' work and helping people, enjoy, learn in and about the natural environment (includes our target to work collaboratively through projects).
- **Evidence gatherer:** monitoring the environment, influencing, commissioning and undertaking research, developing and sharing knowledge and holding public records
- **Employer:** of about 1,750 staff as well as contractors and volunteers.

## Our Priorities for 2019/20

As well as our ongoing role there are ten priorities that represent the most specific pieces of work we will tackle in 2019/20. All our priorities will be funded to achieve the ambition set out in this Business Plan. The Resources section sets out how the Budget has been distributed across our Directorates.

### 1. Developing NRW

Continue significant work developing our organisation, recognising that our staff are at the heart of our ability to achieve all that we can for Wales and our natural environment. By building a value driven #TeamNRW we will ensure that our staff, our organisation, and our country are recognised as leading the world on the sustainable management of our natural environment in every conceivable way.

- Improve our internal governance and compliance procedures relating to the execution of timber sales, providing assurance that the issues arising out of the Grant Thornton review are being resolved using short term, medium term and long-term measures.
- Support all staff to embed new ways of working resulting from the new design, ensuring the necessary governance, policies and support processes, including Delivering our Multiple roles, are in place.
- Provide support to new managers and team leaders including the establishment of a competency framework for all staff.
- Develop a Strategic Workforce Plan that facilitates career pathways, informs development programmes and a recruitment focus.
- Develop #TeamNRW to encourage the behaviours around our new values.
- Develop a fresh Communications Strategy in support of our new phase of delivery, including investigating tools we can use to deliver better engagement and consultations.
- Deliver and implement a new Risk Management Framework for the organisation.
- Implement our Customer Strategy workplan by establishing a baseline to measure our customers' experience with our services and delivering 13 projects by March 2020 with £0.6m in funding.
- Develop our Well-being, Health and Safety management system to become certified to ISO45001,
- Prepare for assessments to Gold Level Corporate Health Standard in 2020/21 following achievement of Silver in March 2019.

## **2. Delivering Area Statements**

By the end of 2019/20 we will deliver, in collaboration with stakeholders, seven Area Statements covering Wales' land and inshore marine area. These will support the implementation of the Welsh Government's NRP, informing and enabling delivery across Public Services Boards (PSB), and by helping us and others focus resources on areas of most benefit and turning national priorities into reality. They will:

- Seek to ensure that improving ecosystem resilience and the benefits of managing natural resources sustainably are recognised and optimised in PSBs' Well-being Plans, joining up and integrating the work of all PSB members (an additional £2.1m has been allocated).
- Set out the challenges and opportunities for natural resources to benefit people in local places.
- Form the basis of our work, being fundamental to informing wider public service delivery, and providing opportunities for everyone to take action.

We will be evaluating the success of Area Statements as we progress; establishing performance measures around both the activities we are delivering, and the enabling factors. These will align with Welsh Government's monitoring and evaluation framework for SMNR and will include qualitative and quantitative measures.

For the year 2019/20 we have a series of review points in place:

- By Summer 2019 in relation to the key challenges / themes emerging in each place, we have a common understanding with stakeholders of the issues and the factors that are likely to effect change, and the opportunities for joint working.
- By Autumn 2019 we can define what success looks like. We have a series of potential options for interventions and are building our "theory of change".
- By Winter 2020 we have identified a series key actions that we, and others, will take to tackle national priorities, and we can demonstrate the ways in which we have involved others in the process.

## **3. State of Natural Resources Report.**

In 2019/20 we will be working towards publication of the second State of Natural Resources Report (SoNaRR) in 2020. This will build on our first assessment of the sustainable management of natural resources that was set out in the first SoNaRR published in 2016. Working with others, by December 2019 we will have published our interim report which will:

- Assist the Welsh Government with the development of the next NRP.
- Describe new and emerging issues, ensuring these take account of any that could be tackled at a national level that have been identified through the Area Statement process.
- Describe newly identified evidence gaps and any update to how we plan to address previously identified evidence gaps.
- Propose indicators to be used to track progress with the SMNR. Like Area Statements, these will align with Welsh Government's monitoring and evaluation framework for SMNR and are expected to include qualitative and quantitative measures.

In January 2020 we will begin the design and write up of the final report (expected December 2020), and by April 2020 we will have completed the collation of evidence.

SoNaRR will provide the main evidence for developing our shared 2050 vision/long term plan for the natural environment including engagement and facilitation with staff and stakeholders using the five ways of working and nine SMNR principles.

#### **4. Responding to the UK leaving the European Union**

We will work with Welsh Government and advise as they develop a new approach to financially support land managers to help achieve Wales' objectives for the natural environment and a low carbon economy.

- We will develop proposals to better integrate our evidence, regulatory and advisory functions, with scheme management, administration and delivery that underpins business resilience and payments for the production of public goods.
- We will, together with our partners in our Wales Land Management Forum, continue to implement our innovative programme to tackle water pollution from agricultural businesses and land management. We will utilise £0.5m to work closely on Wales' future land management scheme based on our approach to this issue.

Should it be required, we will enact our preparations for a "no deal" exit from the European Union, ensuring risks to people and the environment are managed. The impact of this scenario on our delivery will require us to review this Business Plan. We have currently allocated a budget of £1.9m to this.

#### **5. Improving health and wellbeing**

Improve health and wellbeing, including tackling the impact of air pollution, by working across our functions and the land and water we manage to:

- Prepare a strategic steer on green infrastructure, landscape and placemaking and establish a green infrastructure programme.
- Develop a Memorandum of Understanding with Public Health Wales on promoting health outcomes in the environment and work in partnership with Public Health Wales and Sport Wales to address the levels of physical inactivity in Wales.
- Develop a Strategic Policy for Health and Well Being Improvement.
- Invest £1.7m in partnership work to deliver the Wales Coast Path Programme and National Trails Programme; advising on the benefits the programmes provide.
- Develop and implement an Active and Sustainable Travel Plan for us, including actions to obtain "Cycle Friendly Employer" accreditation, and to increase active and sustainable travel options for staff commuting and business travel.

#### **6. Sustainable Management of Water**

We aim to restore waters, prevent deterioration, improving their quality and ensure that we sustainably manage water resources:

- Restore natural flows, further ecological resilience, restore fish migration potential and increase well-being in urban areas, by identifying opportunity areas for river restoration to inform Area Statements, future funding and action.

- Develop and implement River Basin Management Plans to prevent deterioration and to restore waters through investigation, local and Wales wide action.
- Consult on the challenges and choices for addressing water management issues to inform third cycle plans, making increased use of innovative and nature-based solutions in water management.
- Work through the Wales Land Management Forum and its sub group on agricultural pollution to consider whole system approaches for improved land management, and, support Welsh Government to develop and implement a suite of measures to address agricultural water pollution, including regulation, voluntary initiatives and innovation.
- Develop our Water Resources Information Communication Technology (ICT) systems to deliver business efficiencies, improved customer experience and gather better information to support future water resource management.
- We will provide advice to Welsh Government on the Assessing Welsh Fishing Activity project.
- As part of OFWAT's periodic review of water prices, work with partners to ensure Water Companies' business plans deliver effective outcomes for the environment and enhanced environmental performance.
- Undertake the management and delivery of the abandoned mine waters programme for Wales with £0.5m in funding.

## **7. Future management of land we manage and collaborate on with others**

Begin to deliver our ambitious new woodland creation programme by:

- Improving the rate of new woodland creation through our action plan.
- Commencing our new woodland planting project (to replace woodland lost via our energy delivery programme with £1.2m funding).
- Using a portion of our timber income to create new woodland managed as part of the Welsh Government Woodland Estate.
- Commemorating 100 years of forestry and, via our Centenary Planting project, the end of the First World War.
- Deliver PLANT! – the scheme to plant a tree for every child born or adopted in Wales in partnership with the Welsh Government.

Focus on the following from the “Purpose and Role of the Welsh Government Woodland Estate”:

- Retain independent forest certification of our sustainable management.
- Plan and market 850,000m<sup>3</sup> of timber.
- Reduce the area of land waiting to be replanted.
- Accelerate our prioritised ancient woodland site restoration programme including tackling invasive Non-Native Species to improve woodland condition.
- Begin reporting on Welsh Government Woodland Estate performance indicators.

Funding has been aligned to the priorities, mainly from our timber income.

Implement our position following the review of the use of firearms on our managed land including further work on leases for wildfowling in National Nature Reserves.

Invest £5.2m in upgrading structures on the land that we manage to ensure continued safe and responsible management in compliance with the Reservoirs Act 1975.

## **8. Reversing the decline in biodiversity**

Embed our Vital Nature strategic steer for biodiversity across our functions to drive a reversal of the decline in biodiversity and help other public bodies do the same. Provide and share best practice, case studies, evidence, advice and inspiration using the Wales Biodiversity Partnership and engagement with PSBs. Advise on the development of a future land management scheme for Wales which supports more resilient ecosystems. Develop a strategic approach to future planning and management of terrestrial, freshwater and marine sites.

By the end of 2019/20:

- Completing an audit of the extent to which we are ensuring that biodiversity and ecosystem resilience is considered at early stages in our planning and decision-making processes, our programmes, advice, permitting and regulation, land and asset management, commissioning and procurement.
- Invested an additional £0.8m in bringing Vital Nature to life.
- Developed our future approach to monitoring protected sites, with an initial assessment of the risk of sites not being in their desired state.
- Finalised the Section Seven list of species and habitats of principal importance.
- Transformed our ICT systems for Sites of Special Scientific Interest consents/assents and special sites including the launch of a collaborative tool to share information on designated site management measures.
- Have biosecurity improvement implementation plans in place.
- Have reported on our delivery of the Environment (Wales) Act 2016 Section Six duty.

We will also:

- Utilise additional National Nature Reserve funding (£0.3m currently) to deliver the annual programme of priority actions from reserve management plans. Including essential conservation management actions that contribute to wider ecosystem resilience and essential maintenance of infrastructure. Our adaptive approach to Nature Reserve Management Planning will allow us to track progress against the annual programme and demonstrate an audit trail between work carried out on the ground and the delivery of biodiversity or other gains
- Implement the outcome of the local enquiry on the introduction of Fishing Bylaws to promote the recovery of sustainable salmonid populations in our freshwaters alongside our work to promote better land management in vulnerable catchments.
- Provide a further £2 million to support action delivering benefits for biodiversity and building ecosystem resilience through our grants mechanisms.

## **9. Tackle illegal waste activity** as part of effective regulatory compliance and working with others to support impacted communities and legal operators.

Utilising Welsh Government funding, we will lead and deliver;



- An action plan which guides our approach and interventions in tackling waste crime and illegal waste activities. Working with other UK regulators and partners this will build on best practise and target disruption with innovative tactics at high risk activities to deter criminals from continuing to undertake illegal activities. Develop a joint approach to unauthorised disposals with the Welsh Revenue Authority.
- The Industrial and Commercial Waste arisings survey, providing an updated statistically robust estimate of waste generated by industry and commerce in Wales.

## **10. Facilitate the uptake of renewable energy and decarbonisation**

Work to support the delivery of Welsh Government decarbonisation and renewable energy targets by

- Using our Carbon Positive Enabling Plan to embed actions across our organisation, including retaining our Environmental Management System accreditation. We will apply our learning from the Carbon Positive project to support Welsh Government and the wider public sector in becoming low carbon.
- Work with WG to identify solar and wind energy opportunities which can potentially be reflected in the Welsh Governments Energy Atlas, our Area Statements, and the National Development Framework. We will publish guidance on Landscape Sensitivity Assessment to help ensure the right development in the right place.
- Develop and pursue opportunities for renewable energy, such as windfarms, solar, hydro, battery storage and energy parks, along with our own renewable energy programme.
- Provide advice on the delivery and implementation of the Wales National Marine Plan including ensuring our advice on marine renewables is proportionate to the potential impact.

## **Resources**

We know finances and resources will continue to change in the future; we have built flexibility and resilience into the design of the organisation so that any resource changes will be focussed on team sizes rather than wholesale restructuring. 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.

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 £205m, £175m revenue and £30m capital. That will be funded by Grant in Aid (£96m), charges (£39m), commercial income and external funding (£41m) and income brought forward from 2018-19 (£29m).

The Budget has been distributed across Directorates. That distribution has been agreed between Directors and Leadership Teams working together on organisation design and the

Business Plan, with additional funding allocated where gaps were identified. This has ensured that resource has been allocated where it's most needed.

Until organisation design becomes operational, budgets will be distributed in line with the existing organisational structure. After implementation, the operations budget will then be distributed between the places, who will have the accountability and the funds to deliver against the priorities set out in this Business Plan. The operations budget of £101.7m is completely allocated to place, and this is further supplemented by elements of the Evidence, Policy and Permitting budget.

The budget will be distributed across Directorates as outlined in the table below:

Directorates	Revenue (£m)	Capital (£m)	Total Budget (£m)
Chief Executive	0.6	0.0	0.6
Finance & Corporate Services	27.2	6.5	33.7
Operations	96.8	23.1	119.9
Evidence, Policy and Permitting	45.4	-0.1	45.3
Corporate Strategy & Development	2.1	0.0	2.1
Customer, Communications & Information	2.9	0.0	2.9
<b>Total Budget</b>	<b>175.0</b>	<b>29.6</b>	<b>204.5</b>

As a delivery organisation, we need to be able to demonstrate how well we have performed. Using this plan, and its descriptions of our ongoing work and priorities, we will develop a performance dashboard which our Board will use four times a year to scrutinise delivery and hold our Executive Team to account. We will publish this dashboard on our website. We will work to develop how we further align resources with delivery of our priorities in our planning, budgeting and performance management. This will include how we assess value in what we deliver.