



# Board Paper

<b>Paper Title:</b>	<b>DRAFT Performance Report 2019/20 - Quarter Four</b>
<b>Paper Reference:</b>	<b>20-07-B09</b>
<b>Paper Sponsored By:</b>	<b>Clare Pillman, Chief Executive</b>
<b>Paper Presented By:</b>	<b>Executive Team</b>

<b>Purpose of Paper:</b>	<b>Scrutiny / Decision</b>
<b>Recommendation:</b>	The Board is requested to scrutinise NRW performance for the final quarter of 2019/20 and specifically consider: <ul style="list-style-type: none"> <li>• Progress against each measure on the Performance Dashboard and the actions NRW is taking</li> </ul>

<b>Impact:</b>	How does this paper help NRW achieve the Well-Being of Future Generations Act ways of working in terms of: <p><b><u>Preventing issues from occurring:</u></b> Effective performance management is a key tool in understanding the work of NRW. It allows us to take preventative steps if performance and delivery is not where it should be.</p>
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## Issue

1. This year's final round of corporate performance reporting, for 1 January to 31 March 2020, has now been completed, and gives our position at the end of the year. The annexed performance report has been prepared for Board scrutiny. The impact of both flooding in early 2020 and of Covid-19 at the end of the Financial Year needs to be taken in to consideration.

## Background

2. The corporate performance report is one of the Board's principal ways of scrutinising our delivery.
3. The performance report (Annex 1) was developed as part of the process to prepare the 2019/20 Business Plan with the Board, the Executive Team and the Finance, Planning & Performance Committee of the Board. It consists of:
  - A **dashboard** providing an overview of performance against the 2019/20 measures set out by Well-being Objective
  - A **table** reflecting the link between our measures, our ten Business Plan priorities and our Well-being Objectives
  - Details for each dashboard measure on:

- why the activity related to each measure is important;
- whether we are meeting targets or not;
- what we are doing to meet targets if we are off track.

4. This is the final report against our Business Plan 2019/20: it is the second year of reporting related to our Corporate Plan to 2022.

## Assessment

5. Our performance for the final quarter of 19/20 is summarised below:

	Quarter 1 (1 April – 30 June 2019)	To Quarter 2 (1 April 2019 to 30 Sept 2019)	To Quarter 3 (1 October 2019 – 31 December 2019)	To Quarter 4 (1st January to 31 <sup>st</sup> March 2020)
'Green'	16	12	12	<b>10</b>
'Amber/Green'	0	0	0	<b>0</b>
'Amber'	6	9	11	<b>13</b>
'Red/Amber'	1	1	0	<b>0</b>
'Red'	3	4	3	<b>3</b>
On hold	0	0	0	<b>0</b>
<b>Total</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>

6. The Board is requested to scrutinise the performance report for the final quarter of 2019/20. During Quarter 4, the following improvements have occurred:

- Allocation of grant funding has shifted from Amber to Green
- Improving Wales' future land management has shifted from Amber to Green
- Monitoring and addressing tree and plant health has shifted from Red to Amber

However, several areas have declined over the quarter:

- Developing a shared vision for the natural environment for 2050 has shifted from Green to Amber
- Progressing SoNaRR2 has shifted from Green to Amber
- Creating new woodland and replanting felled sites has shifted from Amber to Red
- Deliver our renewable energy programme has shifted from Green to Amber
- Customer satisfaction has shifted from Green to Amber

Explanation for these changes and 'pathways to green' are given later in this paper. We have applied the RAG rating criteria rigorously for the sake of transparency: several of these shifts are due to in-year delays which will be rectified in future, or where our approach has changed due to changes in circumstance mid year. Some measures will take several years to become green - this is explained for the specific measure affected.

The last quarter of this year has also been unprecedented – with both serious flooding events taking place coupled with the early stages of the Covid-19 pandemic. This has inevitably had an impact on performance in this quarter.

7. The information on embedding of SMNR (Sustainable Management of Natural Resources) and the application of its principles, together with the application of the Well-being of Future Generations (Wales) Act 2015 has been included in this report, for reference. This has informed our annual report which needs to include reporting on progress against the Environment (Wales) Act 2016 (including the Section 6 Biodiversity duty) and the Well- Being of Future Generations (Wales) Act 2015.
8. Following the implementation of our Organisational Design, we are continuing to build expertise in our new teams, and we are working hard to fill our remaining vacancies. This has had an impact on many of our measures and across the whole organisation as new teams and their work become established: however, there will be clear benefits once these new structures are fully populated and staff upskilled.
9. For 2020/21, we have reviewed our approach to measures at this dashboard level as we have developed our new Business Plan. These have now been approved by the Board and we will be presenting fewer higher level measures with much of the detail to be found in reports at the level of our Business Boards. The Business Boards cover the services we provide – flood risk management, natural resource management, evidence and regulation for example.
10. Below we have outlined all of the measures, to give a balanced overview of NRW's performance: this is set out by Well-being Objective. This year we have set very ambitious targets. As a result of the impact of our organisational restructuring, uncertainties around leaving the EU and changes of circumstance mid year, together with the impact of flooding and, to some extent, Covid-19 at the end of the Financial Year, not all of our targets have been met.

### **Champion the Welsh Environment and the sustainable use of Wales' natural resources**

#### **11. Amber - Working with others to develop a shared 2050 vision for Wales' natural environment**

This work has shifted from green to amber in the last quarter, as we have not been able to engage with key stakeholders as we had hoped by the end of the year.

However, we have a detailed programme plan, centred around four strands of work. For the evidence work, we have been trialling approaches to thinking about the future with both adults and young people: in communications we are planning how we will use social media and electronic engagement approaches such as Citizen Space. The stakeholder workstream is considering ways to engage with new stakeholders and the general public, particularly when face to face engagement is not possible at the moment, while the content workstream is scoping out the structure of a shared vision document.

We have recently appointed a new member of our Leadership Team to take this work forward. The shared vision is due to be delivered in autumn 2021.

## **12. Green - Working with others to develop our Area Statements**

The first iteration of our Area Statements was published on 31<sup>st</sup> March 2020 on the NRW website. Following the advice of the Board, we have adopted a soft launch – using Twitter posts to drive traffic through to the website. We have a process in place to monitor, record and act upon any feedback.

We are now reviewing this work and collecting and sharing lessons learned from the programme, including around engagement. We will be working with Future Generations Office colleagues to continue using Area Statements with Public Services Boards (PSBs) as they develop the next round of Well-being Assessments. We will also be using Area Statements to help inform opportunities for grant funding.

## **13. Amber– Reducing our carbon footprint and enabling Welsh public sector decarbonisation in support of the declaration of climate emergency**

We have completed most of the elements of this measure by year end. However, the measure is amber due to delays in some of our work, including our roll out of some of our renewable energy initiatives and opportunity to work with stakeholders.

The development of the Electric Vehicle (EV) charging delivery plan has been delayed, with approximately 60% of the solar Photo Voltaic and energy efficiency works planned for Q4 postponed due to Covid-19.

We have held workshops to stimulate and assist decarbonisation in local authorities (LAs) and PSBs within North Wales (6 LAs/4 PSBs) and through Climate Ready Gwent (5 LAs/PSBs): workshops planned across Dyfed (3 LAs/PSBs) however have needed to be postponed for now due to Covid-19.

Other areas of work are continuing to progress, including further discussions with the new Welsh Government Climate Change Tsar. This will set out the full scope of decarbonisation actions that NRW could deliver in future that will both reduce our own emissions and facilitate the reduction of emissions by others.

While the CoP26 UNFCCC event (the UN Climate Change event due to be held in Glasgow later this year) has been postponed, we are leading a UK-wide collaboration among climate change leads to discuss inter-agency collaboration on nature-based solutions and the role of ecosystems in achieving a net zero UK. This will provide input to the rescheduled CoP.

We have worked extensively with Welsh Government (WG) to establish the case for a national peatland action programme and have now been tasked with developing this programme for delivery over 5 years. The New LIFE for Welsh Raised Bogs Project is now fully commissioned and operational.

During 2020/21 we will be continuing to progress the Carbon Positive programme, including work with our Procurement team and a contractor to develop an approach for effectively decarbonising our supply chain and our procurement process using key contracts as case studies.

#### **14. Amber- Progressing the second State of Natural Resources Report.**

We published the interim SoNaRR2 in December as a web based report. So far it has been very well received.

During Q4, we continued to assess the extent to which SMNR is being achieved for each of the 8 Broad Ecosystems and 8 Themes, including reviewing and agreeing the key messages: this work was to include stakeholder engagement. We held an internal workshop by Skype on the 31<sup>st</sup> March to discuss the emerging key messages.

Our planned work to write the chapters, review the findings and to share these findings with stakeholders has been delayed by at least a month. Covid-19 has impacted on both NRW staff and how we share with the work with stakeholders.

We are working hard to get this back on track so the full SoNaRR2 can be published by the end of December 2020 as planned. Our ICT team is helping us identify appropriate ways to engage with stakeholders online, linking this to our developing SMNR portal. We will also agree with Welsh Government how the report will be structured to ensure it meets their needs.

#### **15. Green - Allocation of grant funding to support the sustainable management of natural resources.**

There has been significant progress since the last quarter in developing and implementing our new grant processes. Our grants strategy has been launched on our website and letters have been sent to all those partners who secured a grant from NRW in the last commissioning round, as well as to networks such as the Wales Land Management Forum, Fisheries Forum and the Wales Environment Link.

As a result of Covid-19, we have provided a targeted briefing to staff and our partners on the availability of additional funding from the National Lottery Heritage Fund. We are also meeting with environmental NGOs to explore funding opportunities.

Our Competitive funding approach has been developed and we have an agreed timeline for the rolling out of a competitive funding programme in 2020/21.

The 2018/19 funding round review has not yet been fully completed, due to our extension of grant funding for projects to the end of March 2020 to support our partners. A summary report on the outcomes and benefits realised from the projects we funded in the last commissioning round will now be produced in the first quarter of

20/21. This will ensure we capture information related to those projects that were extended from December 2019 to 31 March 2020.

In 2020/21 we will be completing the 2018/19 review and finalising the due diligence process for our competitive grants, training relevant staff. The shared outcomes request process for grants is now open for use and is ongoing. So far four applications have been submitted and are being processed.

## **Ensure land and water use in Wales is managed sustainably and in an integrated way**

### **16. Green - Improve Wales' future land management.**

We continue to advise and provide technical support for Welsh Government in the Development of Future Land Management Schemes as a key advisor to WG Policy.

New Water Regulations were originally due to be launched on 1<sup>st</sup> January. Although this has been delayed, we continue to support WG and the agricultural sector ahead of a Ministerial announcement. We also continue to evaluate the impacts and plan how we will deliver a new scheme in the light of the regulations.

Work progresses with the Wales Land Management Forum sub-group on agricultural pollution, although this has slowed, mostly due to the delayed announcement on the new water regulations. We continue to work hard to keep the group focussed on the aims and outcomes and in moving this agenda forward.

### **17. Red - Creating new woodland and replanting felled sites.**

This measure is made up of many elements. While there has been progress in several areas, the overall measure is red due to limited restocking on sites where there has been previous *Phytophthora ramorum* infection.

By the end of the year, the total area restocked in 2019/20 was 1,260 ha, which is 70% of the 1,800 ha target. The reasons for the shortfall were delays while we secured compliance with the Workplace (Health, Safety and Welfare) Regulations 1992 in respect of welfare provision, availability of contractors and Covid-19 impacts on plant availability. We have continued planting in March and April to complete as much of this season's planting as possible. This will add between 100ha and 200ha to the restocked area.

We will review our land bank position in June, when all the relevant information is available to assess after the planting season. We are continuing with a programme of 1,800 ha in 2020/21, although there are concerns about the impact of Covid-19 on the future availability of plants from tree nurseries. We will be monitoring this work carefully.

The project to acquire land for woodland creation to form part of the Welsh Government Woodland Estate is underway including delivering the plan for replacement woodland as a result of our energy delivery programme.

Our broader woodland creation programme is developing effectively; we are progressing woodland creation via a programme with a number of different strands such as Plant! and Centenary woodland planting. This includes detailed discussions with Welsh Government regarding the expansion of the next round of Glastir Woodland Creation and the development of a National Forest for Wales.

#### **18. Red – Implement River Basin Management Plans.**

This measure continues to be red: although we are making progress, we continue to have staffing issues. We presented a 'deep dive' on this measure to the Board in January, and there is a clear 'pathway to green' to get back on track by the end of 20/21 subject to securing the required staff to achieve this.

We agreed a way forward focusing on opportunity catchments, driving improvement through our governance and using the additional resources secured in 2020-21 to drive work forward.

We have struggled to fill the posts that were funded from Welsh Government (7 additional staff across NRW operational Environment Teams until the end of March 2020) as these were short term FTAs (fixed term appointments). We were not successful in bidding for the extension of the FTAs who would have prioritised local measures and this remains as a significant gap. We are working within the business to address how the measures can now be met in 2020-21.

We will ensure that Water Framework Directive (WFD) priorities are reflected in our Service Plans to align resources and ensure long term commitment to WFD.

We are continuing to work through the Wales Water and Land Management Fora and sub groups' work programme to secure the longer-term changes required to support improved status.

#### **19. Amber – Ensure continued safe and responsible reservoir management.**

Steady progress has been made and our overall risks associated with reservoir safety have been reduced. Over the year, we have implemented 34 safety measures at 10 reservoirs and decommissioned two reservoirs, all certified by an independent Inspecting Engineer.

We expected non-compliance at two reservoirs as a result of re-scheduling to avoid the risk of having vulnerable works exposed over winter. This work restarted in Q4 but got delayed due to Covid-19, disrupting our contractors and supply chain. Our additional safety precautions worked well during the winter storms and they remain in place. The inspecting engineer has assessed the risk and has advised us not to proceed with the works without certainty of completion to avoid mid-work vulnerabilities.

Two further reservoirs were predicted to return to compliance in Q4 based on the implementation of a significant telemetry project. This was also due to particular resourcing challenges regarding the February floods as it needed input from several sectors of NRW staff. However, interim arrangements have been made (April 2020) and we expect compliance in Q1 2020-21 subject to satisfaction of the supervising engineers. This has now been agreed with the Supervising Engineer.

Our 'pathway to green' on our current inspection schedule is achieved through the work on the four reservoirs discussed above. Therefore at year-end, we were at 90% compliance rather than the 95% planned. We plan to be fully compliant for all statutory reservoirs by the end of September 2020 as outlined in Strategic Risk SR02 (with one reservoir being discontinued and needing further work to ensure that that can happen). There will be ongoing work beyond this financial year in order to maintain compliance.

## **Improve the resilience and quality of our ecosystems**

### **20. Amber – Implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity.**

While we have delivered against many of the elements of this measure, and returned to green status for our biosecurity component, this measure has been set at amber primarily as the protected sites annual programme is below target. Work has been progressing with the ecosystem resilience and biodiversity measures, but we have reported these elements as amber due to delays affecting the ability to complete our Q4 milestones.

61% of our 2019-20 plan of action to address conservation management issues affecting favourable condition of habitats, species and geology of designated sites are reported as underway or complete. Although Amber on the dashboard there are significant delivery projects included/concluded as part of that 61%. To help address this issue, more Land Agent resource has been secured to support this work. Their focus has been on getting up to speed to become fully functioning alongside dealing with the associated workload backlog.

The NRW Biosecurity task and finish group has been established. The intended NRW Biodiversity audit is being progressed; piloting an all-staff survey began in March. While further progress has stalled because of the Covid-19 disruption, the methodology is ready to be picked up when post Covid-19 conditions allow.

We are continuing to work to streamline our approach to management agreements, and associated site improvement actions looking at priorities, workload objectives and resources for improved delivery in 2020/21.

### **21. Amber – Monitoring and addressing tree and plant health.**



We have achieved a significant improvement on the last quarter and the trends are positive: the measure has shifted from red to amber and was continuing to improve at year end.

During Q4 we issued 21 Statutory Plant Health Notices (SPHNs), 90% within the 60 day target. Failure to meet the target was due to difficulties in establishing ownership on some private sites.

We have now inspected 102 sites with a compliance date of 31st March 2019 and a further 58 sites with a compliance date of 31<sup>st</sup> August 2019. This is split between Public and Private woodlands, with 114 sites on WGWE (70%) and 46 Private sites.

The percentage of compliant sites on the WGWE rose to 95% during Q4. A further 17 sites were considered as 'minor non-compliant' sites, mainly due to changes in the strategic response to the disease. 23 sites that had been chemically treated will require re-assessment in summer 2020.

None of the non-compliant sites require enforcement action, further time has been granted to carry out the work. The same approach is taken on both the WGWE and private woodlands using agreed criteria under NRW's Enforcement and Prosecution Policy.

As part of our 'pathway to green', we have reviewed how we issue SPHNs. We have increased the amount of staff time dedicated to them. As a result, some other functions have been stopped, reduced or passed to external contractors, where this is possible. We have also needed to become more stringent on issuing notices. This should give us greater confidence of hitting targets in 2020/21.

## **22. Green - Manage and implement our programmes for sustainable fisheries**

During the last quarter, we have received all our commissioned Fisheries Habitat Restoration Plans, completing annual programme and exceeding our original target (plans for 16 rivers have been received in 19/20). Our programmes of fish passage and habitat schemes have also been completed.

Work was completed on Alternative Mitigation grant funding (our strategic allocated funding) to Afonydd Cymru, and from there on to appropriate rivers trusts, for delivery of annual programmes on the Wye, Dee, Seiont and Mawddach. Although delays in providing funding and the adverse weather has led to some outstanding works due in 2019/20, it has been agreed to deliver remaining work in 20/21 together with the existing 20/21 targets. Some Alternative Mitigation work was retained in-house in North Wales and targets have been met.

We completed the main phases of 'Fishing in Wales' – an angling promotion partnership project (with Visit Wales and the Angling Trust) to promote angling in Wales. The formal launch was postponed due to COVID-19 constraints on fishing. We have also completed the 'Plan of Action for salmon and sea trout', requested by the Minister following her approval of the all-Wales rod and net fishing byelaws. This was approved by WG at the end of Q4 and will now be distributed widely to stakeholders.

The Welsh Government has approved our application for confirmation of the cross-border (Wye and Dee) byelaws in Wales. Although progress has been delayed in England, the application is now understood to be with the DEFRA Minister. We anticipate a delay in this final step due to COVID 19.

For 2020/21, we have developed a package of capital projects including in-house delivery and preparation of technical fish passages and, mainly through our Memorandum of Understanding with Afonydd Cymru, practical habitat restoration by the rivers trusts. We will also carry-out the scheduled review of net licence regime structure and duties, a light-touch review of European eel exploitation in Welsh waters and contribute to the WG development of a fisheries evidence plan.

### **Reduce the risk to people and communities from environmental hazards like flooding and pollution**

#### **23. Amber – Deliver an effective and efficient incident management response.**

We have made considerable progress with this measure with further improvements in assessing and responding to high category incidents. Incident closure remains below target possibly due to the storms in February; for the time being we remain at amber.

We have maintained our high performance for Incident Assessment (exceeding the target) on the incident assessment within 1 hour measure, thanks to the introduction of triage (as reported in Q1). We continue to improve our performance for the response to 'high category' incidents within 4 hours, this can be seen by the 4% increase in performance since the last quarter.

However, we have had a decrease in performance for the measure for incident closure (within 30 days), partly due to February's figures (56%), which were lower than December (65%) and January (62%) – possibly due to reports related to the February Storms and how they are dealt with in our recording systems.

In 2020/21, we will need more focus on the third indicator (Incident Closure) where performance has remained Amber over the year, with performance ranging from being just over 60% to a maximum of 65%. We are taking action to better understand the performance for this measure and to understand why closure within 30 days may not have been possible for some. This will help identify what process changes the Incident Management Team need to consider to address the issues.

#### **24. Amber - Maintain NRW flood risk management assets in high risk locations in target operating condition.**

Our target is set at a deliberately high level at 99%. This means that at any one time we can have up to 35 assets of the 3,490 in high flood risk systems not meeting their

target condition. Current performance is at 97.6% (amber), a similar level to previous quarters' performance.

At the start of 19/20, we needed to do 41 fixes to meet the target. Due to more failures as a result of inspections, and a comparable lower number of fixes in the period, at the end of this quarter we now need to do 50 fixes to meet the target. There is a programme of continuous asset inspections and failures are identified through these routine inspections. So, the position is dynamic, and the number of assets below target condition will fluctuate during the year, with the fixes being delivered counteracted by the failures being identified.

There has been an increase in assets Below Required Condition during Q4 following the impacts of named Storms Ciara, Dennis and Jorge, which affected large areas of Wales. The Winter Floods Recovery and Review project is underway and includes workstreams on the assessment of damages and the repair of affected assets. Asset inspections are continuing, and it is possible we could see more failing assets surface in Q1 20/21, which may well affect performance against this target in 20/21.

The findings of the Deep Dive Review were reported during Q4 to the Board. The Board agreed to the rationale for a reduction of the target to 98% for 2020/21 with a further review at the end of the year, as 99% target can drive the wrong behaviours of diverting resource to fix assets too quickly and does not allow for the volatility in the number of asset inspections.

## **25. Amber - Tackle the impact of industry and waste sites.**

This measure continues to be amber: this is mainly due to the need to recruit and train new staff. We are actively pursuing both internal and external recruitment, and while some posts have been filled, training is required before new officers can fully undertake their roles.

All non-compliances for 2019 have now been entered onto our system and the final banding report for the year produced (Jan-Dec). There are ten sites which are persistent poor performers, four waste operation sites and six installation sites (including landfills): all have either an improvement plan and/or enforcement action underway. Of these sites, 2 are currently in the lowest performance band (F) – a landfill site with significant long-term problems and steel works; issues are being addressed by enforcement action and required improvements. Based on the final compliance banding for 2019, there are 48 operational sites overall that are rated as poor performers. Of these 30 are waste operations and 18 are installation sites, including landfills.

All category 1 & 2 non-compliances from earlier in the year have appropriate regulatory responses in place, apart from one waste operation which is outstanding for three Cat 2 non-compliances: the follow up hasn't yet been completed. This is a different site than the one identified in earlier reports, the two outstanding issues at a site in the previous quarter have regulatory responses determined and are being resolved.

At present there are 23 sites with long-term issues, all have improvement plans in place to tackle the major problems, that require significant time and investment to resolve.

The number of high fire risk sites with Fire Prevention and Mitigation Plans (FPMP) is currently 34/36 (94%). Of the two without a plan, one was operating illegally and has been abandoned, so it is not possible to agree a plan and the site will remain non-compliant until it is cleared. The second site is awaiting a review to decide if it still meets the high-risk criteria, as it predominantly stores inert waste. An FPMP has now been submitted but does not yet meet the requirements of our guidance.

We are actively recruiting to our regulatory teams, training new starters and we are working on developing training packages. Teams are focusing on sites with the highest environmental risk, and relating to our core performance measures and key regulatory priorities.

## **26. Red – Deliver our flood risk management capital programme.**

As reported earlier in 19/20, we knew early in the year that we were not going to meet our headline in-year target (of 136 properties with reduced level of risk) for this financial year due to the three construction projects that were expected to conclude in 2019/20 having experienced delays – Cadoxton Outfall (Barry), Crynant (Neath area) and Parc yr Onnen (Aberystwyth). These projects are now likely to be completed in 2020/21.

In 20/21, our plan is that we will achieve protection for approximately 800 properties as current and new schemes are completed, this however will be dependent on any disruption caused by Covid-19 to our construction work.

Whilst the headline target has not been met for the first time in many years due to the fluctuations in capital construction work, the capital programme overall continues to deliver important work. There are over 200 projects in the capital programme, including capital maintenance projects that sustain the current level of protection: this work will benefit 800 properties this year. The programme also includes mapping & modelling studies, natural flood management implementation schemes, and projects that improve the resilience of our flood warning network – not just construction projects.

It is recognised that the number of properties with increased levels of protection is one indicator of performance. We have discussed this with the Flood Risk Management Advisory Group and agreed to look at a wider range of indicators via our Flood risk management (FRM) Business Board such as Sustained Property numbers through our maintenance work and project milestone tracking to evaluate the programmes performance.

## **Help people live healthier and more fulfilled lives**

### **27. Green – Tackle the impact of Air pollution**

This measure continues to be green. Discussions on our role in air quality at the March Board focussed on sharing best practice and looking for opportunities to add value beyond our current role. It was decided that Air Quality monitoring during incidents will remain in our remit.

We have responded to the Welsh Government's Clean Air Plan for Wales which was released for consultation in December and will seek to help WG deliver the plan and any requirements that are placed on us.

We have completed a project assessing ammonia emissions from pig, poultry and dairy farming in Wales which will now be used as the basis of informing future policy decisions about regulating these sectors. The results are being analysed and the analysis will be fed back to the Wales Land Management Forum.

For 20/21, expansion of our current role will be dependent upon funding.

## **28. Green - Deliver the Wales Coast and National Trails Programme**

This is a well-defined programme which is well established. There has been significant progress against all of the measures.

All grant applications and payments have been made on time. All 3 planned condition surveys to inform 2019/20 Regional Management Plans have been completed. Surveys to inform 2020/21 Management Plans are underway but have now been suspended due to Covid-19. All 3 planned Regional Management Plans have been completed in final draft format.

We are meeting our target commitments set out in the Wales Coast Path Promotion Strategy 2018-2021 and the Visit Wales Regional Tourist Engagement Fund (RTEF). The final report, for the New National Trails Wales Promotion Strategy and Action Plan was completed in March 2020.

Due to the withdrawal of promotion partner, Walk Unlimited, from the Concession Agreement with Natural England and Natural Resources Wales, both NE and NRW are working to ensure the continuity of the National Trails website whilst we work towards long term website and other promotion developments.

We will now be considering Wales Coast Path development funding proposals for 20/21 and making our 20/21 grant offers.

## **29. Green – Develop our joint working agreement with Public Health Wales and Sports Wales.**

We have made good progress in this area of work despite the Covid-19 outbreak.

The Wales Physical Activity Partnership (WPAP) continues to make progress. It has four priority areas: Communications; Physical Activity Observatory; Educational Settings; and a Healthy and Active Fund.

The Educational Settings group have now set clear priorities and timescales. A joint proposal to support the professional development of the teaching profession related to the Health and Wellbeing Area of Learning and Experience (HWB AoLE) within the Curriculum for Wales has been developed. The proposal was accepted as a clear example of support to realise the Curriculum for Wales and will be developed further during 2020/21.

The Healthy Weight, Healthy Wales Strategy and initial 2-year Delivery Plan is being used to inform existing plans and develop future opportunity across NRW and with the WPAP. NRW's activity plan is integrated with the Healthy Weight Healthy Wales Strategy.

Organisation of a joint stakeholder event in May 2020 has now been postponed until further notice due to Covid-19. Work to start reviewing the Healthy Schools Scheme (which is WG/PHW led) was due to start in Q4 but has now been delayed due to Covid19 (initiation of work will be reviewed in May/June).

### 30. **Amber – Prepare a Green Infrastructure steer and programme**

As set out in our report for Q3, our Green Infrastructure (GI) Strategy has been paused as we have reprioritised our resources to ensure GI evidence is appropriately considered in SoNaRR2, and to maximise a strategic opportunity to influence how GI is considered in the land use planning system.

We have prepared the draft chapter on urban ecosystems for SoNaRR2 to deadline and this chapter is subject to review.

Our draft Evidence Guide to support local planning authorities is almost ready to share with Welsh Government. We have also been developing a complementary Good Practice Guide for local planning authorities undertaking Green Infrastructure Assessments. We have begun testing it with selected planning authorities and will continue to do so during early 2020/21. We will then submit both Guides to WG for feedback.

We have also contributed information to Area Statements. This will be updated periodically during 2020/21 as we develop further tools and advice to help planning authorities make best use of the Statements, and other evidence we hold.

We have shared opportunity and connectivity maps to inform Welsh Government's National Development Framework. This was scheduled for publication in summer 2020, but this has been postponed in light of Covid-19 response. We are in discussions on a revised timetable.

Our priority for 2020/21 is to complete our Evidence Guide, and Good Practice Guide together with helping to ensure Area Statements effectively inform future local development plans. We will also work with WG to explore the relationship between Area Statements, Green Infrastructure and the National Development Framework.

## **Promote successful and responsible business using natural resources without damaging them**

### **31. Green – Bring sustainably managed timber to market**

By the end of the financial year we have been able to bring to market and award timber sales to the volume of 889,000m<sup>3</sup>. Whilst the volume has exceeded the annual programme, this has mitigated against last year's performance, and against the timber sales marketing plan 2017-2022 published commitment.

The timber market stabilised in December 2019 with no significant changes in product prices for the last quarter trading. Whilst despatch and subsequent income from timber sales improved in the last quarter, the final outturn of timber despatched is 656,000m<sup>3</sup>. Our end of year income was £25.2 million, from an original budget prediction of £24million.

We have retained UK Woodland Assurance Standard (UKWAS) accreditation for the 12 months to October 2020. The 5 year certification audit was carried out in July by the Soil Association, our new auditors appointed this year. Work continues to close out the 2019 minor Corrective Action Requests and Observations and prepare for the 2020 audit, with the main attention being on Forest Resource Planning.

All contracts issued since November 2019 exhibit the new Soil Association accreditation certificate for sustainable timber sold from the Welsh Government Woodland Estate.

### **32. Amber – Deliver our renewable energy programme.**

Our Renewable Energy Programme is helping Wales meet Welsh Government's decarbonisation and Green Growth agendas and contributes to the delivery of Welsh Government's renewable energy targets.

Our Onshore wind measure target of 440MW has been met as the 96MW Clocaenog Forest windfarm became operational in the last quarter.

This measure is rated as amber due to not achieving the 1.7MW small-scale hydro target. 1.5MW was operational by the end of Quarter 4: the target has not been met due to slippage in developer construction timelines into FY20/21, which is outside NRW control. This is a very small proportion of the overall target - as the small-scale hydro was missed by 200kW - 0.05% of the overall target of 442MW.

We are currently working closely with our place-based teams to take forward the next large-scale onshore wind / energy park marketing opportunity (50MW+) on NRW managed land.

### **33. Green - Deliver our tackling waste crime action plan.**

This work is continuing to make good progress.

The Tackling Waste Crime (TWC) action plan is being implemented. At year end we are well placed to move forward with activities in 2020/21, particularly once operational restrictions are able to be lifted due to Covid-19.

We now have approval to undertake proactive inspections at exempt waste facilities processing a challenging waste stream. Our Communications Strategy has been finalised and the developing tackling waste crime branding has been developed. Key audiences have been identified and messaging has been developed. A draft intelligence awareness training package has been developed: this is being passed to Safety Media to create an online course, which will be hosted on the NRW e-learning system.

TWC has established new links with the DVSA (Driver and Vehicle Standards Agency) and we have carried out a joint day of action at the DVSA checkpoint in Holyhead targeting waste carriers / hauliers. We are also continuing to discuss approaches with the Welsh Revenue Authority and the Joint Unit for Waste Crime and expect to take collaborative action to tackle waste crime during 2020/21.

Work will continue into 20/21 including ongoing discussions with social media and internet retailers regarding the removal of advertisements and posts connected with suspected unauthorised waste services.

The masterclass on evidence based problem solving to tackle waste crime, delivered by the University College London we hoped to hold this year will be rescheduled in the future. Welsh Government have now clarified that the deadline for our annual report should be mid-May and not the end of March as indicated in the table.

## **Develop NRW into an excellent organisation delivering first class customer service**

### **34. Green – Continue to progress organisation development.**

Our first Workforce Plan was approved by our Executive Team and People and Remuneration Committee (PaRC) in March 2020 as planned. We have identified the priorities to be addressed and have already begun work, in collaboration with our People Management team, to address some of the short-term key risks and priorities identified. A second iteration will be developed for March 2021.

All our 2019/2020 Leadership events were delivered as indicated. Development events were also delivered for Board and Executive Team.

An approach was also agreed at PaRC (our People and Remuneration Committee), in March, for developing our Performance Management process.

We continue to offer experienced, confidential support to staff affected by any smaller change programmes, or whose contracts may be ending if they are on a fixed term. We are also currently considering ways to continue to deliver training as well as welcome new staff into NRW without our newly launched face to face Induction events.



### 35. **Amber - Implement the recommendations for governance of our timber sales.**

This measure is reported as amber as some training and the full embedding of the new ways of working needs to be completed. Out of the 6 original workstreams, one, the policies and process workstreams closed in January and all the work transferred to business as usual with clear accountability for identified policies and processes established.

Of the other workstreams, three of them, Finance, Relationship Management and Communication and Wider Organisation closed at the end of March. Our Communications team have put in place a dedicated communications advisor to ensure continued and improved communications with the wider forestry sector over the next 12 months.

All contracts have been renegotiated where appropriate: three contracts with a restock liability have been allowed to continue. One contract with the restock liability removed is being drawn up and one thinning contract has been extended to the end of May with a further contract extension.

Governance training has been rolled out to our Leadership and Management teams and some whole team training has taken place. Further efforts to roll out the training to all our staff is ongoing.

To ensure completeness against the recommendations in the Grant Thornton report, all the workstreams are completing close down reports. From these we are identifying any actions not completed and those areas where full embedding still needs to happen. Further scrutiny will be provided by the Board and Audit and Risk Assurance Committee (ARAC) via regular reporting which will be reviewed after 6 months to consider format and regularity.

### 36. **Amber – Customer Satisfaction (with their NRW interactions)**

The amber rating for this quarter has been due to long term sickness of key staff within the programme team, plus general capacity issues and availability of staff and teams across the business. This has resulted in delays on planned development and rollout of a number of areas. Two key ones were establishing an evaluation framework and running the External Customer Survey in conjunction with the Institute of Customer Services. These are key in allowing us to capture and analyse levels of customer involvement and satisfaction from all touchpoints across the business, in turn providing greater customer insights to inform future business planning and steer of resources.

Despite the challenges, improvements and progress were made against the 6 customer programme improvement projects agreed as priority areas of work last year (out of the total 13 in the programme). These concentrated on 'getting the basics right', implementing new and improved systems, increasing training on complaints and improving online and customer hub interactions for customers. Improvements to internal quality standards and approaches have been implemented following

publication of the 'Write guide' for NRW staff and the Tone of Voice engagement training sessions.

Priorities for 2020/21 focus on increasing customer involvement externally (for the public, stakeholders and partners), as this will result in increased customer satisfaction levels, as well as actively demonstrating our SMNR principles and wellbeing objectives in action. Establishing the Customer Involvement Forum will provide customers the opportunity to work with us in a number of ways that suit their needs and deliver our corporate plan commitments. A strong focus on internal customers (staff in NRW) will continue with learning from three co-production pilots with Permitting, Visitor Centres and Area Statements informing future delivery across NRW. Establishing the Engagement Practitioners Group, access to dedicated training programmes and rolling out the new toolkit for engagement and involvement will also support staff. This toolkit includes Citizen Space and Dialogue online engagement tools and co-production approaches.

37. The Chief Executive will provide a verbal summary of achievement at the Board meeting and members of Executive Team will be available to answer questions.

### Recommendation

38. The Board is requested to scrutinise and agree the performance report for quarter four, prior to its submission to Welsh Government.

### Key Risks

39. If the performance information provided does not accurately reflect progress towards Business/Corporate Plan Objectives, then the Board will be unable to fulfil their role to scrutinise NRW's delivery.

### Next steps

40. The performance report will be submitted to the Minister of Environment, Energy and Rural Affairs and it will be published on the Natural Resources Wales website.

### Financial Implications

41. There are no significant financial implications in providing the performance report itself, however part of our quarterly review obviously considers allocation of our resources and the finance and performance papers are therefore closely linked.

### Equality impact assessment (EqIA)

42. The relevant equality impact assessment covers our Well-being Statement, Business Plan 2019/20 and Corporate plan up to 2022, and was updated in March 2019.

### Index of Annex

43. Annex A – Quarter 4 Dashboard