

Board meeting draft minutes January 2021

Unconfirmed Minutes

Title of meeting: NRW Board Meeting – Public Session
All Attendees via Skype

Date of meeting: 20th January 2021

Present Board Members: Sir David Henshaw, (Chair)
Clare Pillman, Chief Executive
Prof Steve Ormerod, Deputy Chair
Karen Balmer
Chris Blake
Catherine Brown
Julia Cherrett
Geraint Davies
Howard Davies
Dr Elizabeth Haywood
Zoë Henderson
Dr Rosie Plummer
Prof Peter Rigby

Present Executive Team Members: Prys Davies, Executive Director of Corporate Strategy and Development
Ceri Davies, Executive Director of Evidence, Policy and Permitting (Absent 11-12)
Rachael Cunningham, Executive Director of Finance and Corporate Services
Martyn P Evans, Head of South West Wales Operations (Deputising for Gareth O’Shea, Executive Director of Operations)
Sarah Jennings, Executive Director of Communications, Customer and Commercial

Additional Attendees Present: Colette Fletcher, Head of Governance & Board Secretary (all items)
Naomi Lawrence, Head of Customer Experience Item 6
Catrin Hornung, Head of Communications Item 6
Kate Evans, Public Affairs/Private Secretary to CEO Item 6
Steve Morgan, Head of South East Wales Operations Item 7
Jon Goldsworthy, Operations Manager Item 7
David Letellier, Operations Manager Land and Assets Item 7

Observers: Berry Jordan (Vattenfall)
Gareth Wardell

Declarations: There were no declarations.

Apologies: Gareth O'Shea, Executive Director of Operations.

Secretariat: Natalie Williams
Rhiannon Spencer

Item 1. Open Meeting

1. The Chair opened the meeting and welcomed everyone. There were no declarations of interest.

Item 2. Review Minutes and Action Log

2A. Review Minutes from Public 26th November meeting

2. The minutes from the public November meeting were reviewed and agreed.

2B. Review Action Log

3. The action log was reviewed and agreed.

Item 3: Chair's Business

4. The Chair updated the Board on the Ministerial meeting that had taken place on 18th January; a range of issues had been discussed including flooding. The River Special Areas of Conservation Report was due to be published this week.
5. The Auditor General had commented on the positive progress made on timber sales compliance at the Public Accounts Committee. Funding had been made available to support Green Recovery initiatives and there would be a request for a second round of schemes in February.

Item 4: Chief Executive's Report

6. The Chief Executive noted that this had been a challenging period for NRW. The report focussed on the three areas of incidents: flooding, Covid and the EU Exit.
7. There was an update on flooding from the Executive Director of Evidence, Policy and Permitting, who was acting as the Duty Strategic Manager. There were 58 flood warnings currently in place around the country and modelling and information was being shared with partners. Welsh Government was being briefed in advance of the COBRA meeting.
8. The challenges of the EU Exit were outlined. Current activity was focused on ensuring that partners and stakeholders understood the changed landscape, supporting Welsh Government with the necessary legislative changes, and considering long term implications. The two main areas of risk were the consequences of the Internal Market Act for the devolved settlement, and the Office for Environmental Protection because, unlike the rest of the UK, Wales had no temporary measures in place.
9. The latest Covid update was relayed to the Board. Due to the move into tier four restrictions just before Christmas there had been issues over land use for the general public. There had been an increase in NRW staff impacted by Covid and many were

home schooling. NRW's priority was ensuring staff, partners and the public remained safe.

10. NRW had received a formal request for mutual aid from Gwent and was expecting further requests from elsewhere. A process had been established to facilitate volunteers and the first staff had been transferred to assist with track and trace last week. This was being managed using a risk-based approach to ensure that NRW could still maintain its category one responder capability. Covid-19 was also affecting contractors, for example those undertaking tree planting. NRW was having to prioritise, like many other stakeholders, based on protecting the public and the economy. Some areas of work would need to pause, for example follow up discussions around the Area Statements.
11. Despite all the challenges, a number of significant projects had been completed. Cwmcarn Forest Drive would reopen in Spring and the Crindau Flood Scheme had been finished. The Judicial Review on species licencing concluded last week and found that the licences were lawful. The SoNaRR Report would launch next week.
12. Board members raised queries about adequate capacity to provide local authorities with planning advance and updated flood maps and queried how prepared NRW were for upcoming flooding events. The Board were assured that there was ongoing proactive work to give advice to local authorities. The learning from the recent Flood Review was being utilised and this could be seen in the change in tone and frequency of the flood warnings, which now alerted people sooner and clarified what appropriate action should be taken within the three categories. Other preparations had included holding conversations with partners to help them be prepared and double-staffing rotas.
13. Board members asked for assurance that long-term issues were being considered alongside short-term incident management on the EU Exit. The Chief Executive explained that there were two strands of concurrent work happening that covered both issues. NRW would continue to communicate clarity of operations and any changes to stakeholders and staff.
14. Board members raised that they would appreciate some consideration of the balance of risk and resource and governance implications of ensuring appropriate oversight of mutual aid.

Item 5: Update Reports of Committees

15. Evidence Advisory Committee (EAC) – The Chair of EAC reported back on the committee's inaugural meeting and noted it had been well attended by external members. The attendees had been advised how the knowledge and evidence function worked and presentations had provided an overview of what work was being done at NRW.
16. Flood Review Management Committee (FRMC) - The Chair of FRMC reported back to the Board from the last two meetings. The Flood Programme Board would continue with the Executive Director of Evidence, Policy and Permitting as Senior Reporting Officer and were pleased with the progress being made. Not all activity could be delivered without additional resources and FRMC have made a recommendation for seven additional members of staff. NRW had successfully secured an additional £3.5m of flood funding.
17. The Committee did a deep dive on the Effective Incident Management risk. A paper on Capital Flood Schemes would come to March Board. The Board complimented all the staff involved. It was noted that the new Welsh Government strategy on flood required NRW to lead a number of new areas, which would need extra resources. NRW could not undertake this work alone and would need to be clear about what was possible.

18. People and Remuneration Committee (PaRC) – It was noted that only two out of four Board members were present at the meeting which had highlighted a need to review quoracy requirements. PaRC had been pleased with the support to employees provided through the Pulse Survey and Wellbeing Health & Safety work. Succession planning had also been discussed.

Item 6: Customer Experience and Engagement Strategy

Naomi Lawrence, Head of Customer Experience, Catrin Hornung, Head of Communications, Kate Evans, Public Affairs/Private Secretary to CEO

19. The Executive Director of Communications, Customer and Commercial provided context for the Strategy, which was articulated, and the Board was asked to approve the high-level Strategy implementation and agree to support progress and development through PaRC.
20. The Head of Customer Experience presented the background and overview of the Strategy to the Board.
21. The Board supported the Strategy and the next steps, which would be external engagement and consideration of metrics. There were plans to gain external benchmarking through the Institute of Customer Service, and NRW would be enrolling for the next UK benchmarking and accreditation exercise.
22. There was a discussion about the benefits of a strong Strategy. Board members commented that they would like to see something more explicit about the Welsh language and involvement in stakeholder mapping and management, which was welcomed by the team.
23. It was suggested that in parts the balance between stakeholders' objectives and NRW's needed to be reviewed to ensure that there was sufficient flexibility.
24. The Board welcomed the Strategy and praised the approach taken. It was noted that in future the Board would need to debate the balance of its role as regulator versus campaigner.

DECISION: The Board endorsed the Customer Experience and Engagement Strategy.

Item 7: Place Presentation: South East Wales

Steve Morgan, Head of South East Wales Operations Jon Goldsworthy, Operations Manager and David Letellier, Operations Manager Land and Assets

25. The Head of South East Wales Operations introduced the Place presentation to the Board. It reflected the aspirations and then the progress made over the last two years since presenting at Board in January 2019.
26. The Operations Manager described some incidents and events that the team had responded to over the past year, including pollution incidents, unauthorised river works, and waste regulation issues. There were more than 1,000 incidents in South East Wales last year and there were 109 permitted waste sites. The team looked after 47 industry regulated sites in the region.
27. The Operations Manager Land and Assets described water management activity in the region and flood defence maintenance. Land management was an important part of the

team's activity, including forest operations. Successful projects this year included Cwmcarn Forest Drive, which was due to reopen in Spring.

28. The Chair commented that the presentation reflected the complexity of what NRW dealt with and the challenges, and that all aspects of work were connected. The Board discussed what could be done to help landowners and farmers deal with water quality and quantity issues. The Board showed interest in visiting the Gwent Levels during a Board meeting in the near future.

ACTION: Secretariat to arrange a Board visit to the Gwent levels in the future once current restrictions lift.

ACTION: Head of South East Wales Operations to respond outside of the meeting to Zoe Henderson's question regarding what might be driving the increase in unauthorised river alterations.

Close of Board Meeting

Item 8. Public Q&A Session

29. The Chair introduced the public session and the Head of Governance and Board Secretary invited the members of the public to read their questions to the Board.

30. The Board received a question from Gareth Wardell:

"The neutral NRW budget for 2021-2022 is understandable in light of the Government's funding priorities for the NHS, our Social Care services and our Educational system. Does the Board accept that the unintended consequence of this continuous annual underfunding undervalues the long-term benefits that flow from our environmental infrastructure, thereby frustrating the capacity of NRW to deliver the targets that are specified in the Remit Letter from the Environment Minister?"

31. The Chief Executive highlighted that although it is technically a neutral budget, NRW would in effect see a £15m (£10m revenue and £5m capital) gap as a result of a technical accounting change. NRW was in daily discussions with Welsh Government and the Chair had raised the issue with the Minister on Monday.

32. A supplementary question followed:

"The Cabinet is about to accept the advice from the Climate Change Committee on actions to address climate change, but Wales can only reach the net zero target if NRW helps to plant 21,000 hectares of trees on the Welsh Government Woodland Estate (WGWE) by 2025. Isn't this unrealistic?"

33. The Chief Executive responded that there was a plan in place to increase the planting of trees on the WGWE, but this would not fully meet the target. Another route would be for NRW to support other land managers to increase the planting of trees.

34. Geraint Davies highlighted that the planting of hedgerows would make a significant contribution to achieving the net zero target, rather than focusing only on tree planting.

35. A further supplementary question followed:

"Of the 21,000 hectares that need to be planted what is the percentage of new planting that will be on the WGWE?"

36. The Chief Executive reported that NRW was seeking to extend the WGWE by 1,700 hectares.

37. The Board received a question from Berry Jordan (Vattenfall):

“Who within Welsh Government will decide on when the Welsh Government Woodland Estate will be put to tender for renewable energy development?”

38. Berry Jordan had already left the meeting, so the Executive Director of Communications, Customer and Commercial would provide a written response. The Welsh Minister would take the decision. There was a clear signal and a desire to look at new models through the Brechfa Dau pilot site and NRW was part of a joint steering group with Welsh Government to develop a coordinated single framework for Wales.

ACTION: Executive Director of Communications, Customer and Commercial to write to Berry Jordan to answer the question.