Lesley Griffiths AC/AM Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs



Sir David Henshaw Chair Natural Resources Wales Ty Cambria 29 Newport Road Cardiff CF24 0TP

Chair.Office@naturalresourceswales.gov.uk

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Dear Sir David,

Remit Letter for Natural Resources Wales 2020-21

I wish to set out the objectives we have agreed for 2020-2021, which takes account of the unprecedented situation Covid-19 presents us with. These objectives will take us to the end of this Term of Government.

However, I would like to start by thanking you and the staff of Natural Resources Wales (NRW) for the professionalism and dedication you demonstrate. I was particularly impressed by how hard the staff worked during the floods earlier this year. You have led the organisation through a period of change which has included challenging audit outcomes. This appears to be drawing to a close with NRW moving to a position where it is able to respond imaginatively and creatively to our challenges.

NRW has a set of core work which it continues to do well. However, the situation surrounding Covid-19 will impact on all organisations, and NRW particularly as a Category 1 responder under the Civil Contingencies Act. Whilst this letter has been co-produced with your staff over the past few months, several changes have been made to reflect the changing picture ahead.

However, it is likely we will need to review priorities in light of this ongoing situation. Please work collaboratively with my officials in the Partnership Team in order we can address any required changes.

This letter sets out the substantial strategic challenges I would like NRW to deliver. NRW provides fundamental strategic management and protection of the environment throughout Wales, from regulation and enforcement to maintaining the Welsh Government Woodland Estate (WGWE). It is vital NRW maintains this core remit which protects our natural environment.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

Gohebiaeth.Lesley.Griffiths@llyw.cymru Correspondence.Lesley.Griffiths@gov.wales

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA

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

The Welsh Government's Programme for Government "Taking Wales Forwards" sets out how this Government will deliver more and better jobs through a stronger, fairer economy, improve and reform public service, and build a united, connected and sustainable Wales. NRW makes a major difference to the quality of the environment and therefore an important contribution to the delivery of the Programme. This Government would like to see the people of Wales benefiting from the natural environment.

It is important to acknowledge there will be a new Government, with a new Programme of Government, established after the Senedd elections in May 2021. Current plans, as set out in the 'Delivering Together" Report, are to move towards term of Government remits for arms length Bodies in Wales which will provide a high-level, strategic vision for the delivery of Government objectives. I ask you to consider the longer-term requirements on NRW, particularly as we **respond to the climate emergency**.

It is imperative NRW continues to respond to our climate emergency and the increased ambition for at least a 95% emission reduction by 2050. I would like to see NRW playing a leading role in disseminating the learning from the Carbon Positive Project. The UK will be on the world stage in the United Nations Conference of the Parties (COP26) in Glasgow. We want to work with NRW and others in using the COP as a vehicle to gain real momentum for change, but we will need to reflect on this when we are clearer on the timing.

Delivering actions across multiple sectors aims to ensure Wales' environment will be resilient to climate change impacts such as flood, drought, high temperatures and sea level rise. Whilst NRW already responds effectively to environmental emergencies, building and improving our network of flood defences is a key strategic response to the adaptation required to tackle the effects of climate change. I expect NRW to maximize the delivery of its new flood programme in the coming year and in future years, including more emphasis on natural alleviation measures in collaboration with Local Authorities in Wales and the public.

NRW plays an invaluable role in managing and expanding the WGWE. I am encouraged NRW has started work on a programme to create new woodland which compensates for woodland removed due to renewable developments. I want to see further progress towards our ambition to ensure the woodland area of the WGWE is bigger in 25 years than it was in 2018.

The UKCCC has set out its vision for the role of land management in Wales in helping us to mitigate the effects of continued emissions. It is clear we need to increase the size of the carbon sink in Wales through bringing increased amounts of woodland into management, restoring peat bogs to favourable condition and crucially by meeting our target to increase woodland cover by 2,000 hectares per annum, rising to 4000 hectares p.a. in the near future. As the regulator of woodland creation, NRW has a crucial role to play in enabling this scale of tree planting to take place. I expect NRW to work with Welsh Government colleagues to adopt a proportionate, evidence based approach to verifying proposals for planting and for processes to be tailored towards accelerating progress in delivering new woodland in a way that meets or exceeds WG targets.

NRW will also need to continue to work with my officials to create a National Forest, including by undertaking work to improve access to and restore some of our ancient woodland sites, as well as identifying sites which may be considered exemplar sites to form a part of the National Forest. .

It is important NRW continues to help ensure the WG delivers its strategic aim to achieve a more circular economy. NRW has pivotal roles to play in driving resource efficiency in the industries it regulates, supporting the WG in the provision of data to monitor resource use, waste production and management to tackle illegal waste activity.

NRW has a pivotal role in supporting the transition to renewable energy. I want to see NRW build on this work to develop a positive approach to both enabling and delivering renewable energy development, on and offshore, in line with the Welsh Government (WG) planning frameworks, including the marine plan. This should also include delivery of our renewable energy targets and policy on increasing local ownership of energy generation which means investing in the skills required for the green economy, to promote growth and inspire innovation. Area Statements will support energy priorities and NRW has already made progress in developing proportionate consenting of energy applications.

We are progressing towards our goal of improved air quality, reducing greenhouse emissions and protecting and enhancing biodiversity and local ecosystems. NRW has a major part to play to **halting and reversing the decline in nature.** Working closely with officials, I would like to see NRW make strides to restore its own Natura 2000 sites and to take forward the planned programme for restoration of degraded peatlands to create healthy functioning wet bogs. Alongside this, I would like to see NRW working with WG in promoting a programme of engagement, awareness raising and effective biosecurity practices, to minimise the impact of plant pests and diseases and Invasive Non-Native Species (INNS) outbreaks.

The Area Statements which commenced on 1 April will enable the place based implementation of the priorities in my Natural Resources Policy. Implementing this new way of working across NRW, in conjunction with local communities, public service delivery and other stakeholders provides a vital opportunity to tackle the climate emergency and deliver tangible benefits for people and places across Wales. This year is also crucial for production of the second State of Natural Resources Report (SoNaRR) which is due for publication during 2020.

Wellbeing of Future Generations Requirements

The WG requires all of its public bodies to work in line with the five ways of working set out in the Wellbeing of Future Generations Act 2015. In accordance with the Act, NRW has published a Well-being Statement and objectives. You will be aware of the role of the Future Generations Commissioner on this, and are likely to need to provide evidence to meet the Commissioner's obligations.

Engagement with communities and other stakeholders is crucial for the successful delivery of a number of these priorities and your projects. In line with the Wellbeing and Future Generations Act and the Environment (Wales) Act I would like to see NRW build on the relationships with its partners to ensure co-creation and harmonious management of natural resources.

You will be aware of the WG's priority to take action to safeguard equality and human rights, particularly in the context of Brexit. The First Minister has made a commitment to enacting Part 1, Section 1 of the *Equality Act 2010* – the socio-economic duty. Whilst NRW is not one of the bodies to which this will apply statutorily, I would like to thank you for agreeing to volunteer to undertake the duty.

Funding

The Covid-19 crisis is making extraordinary demands on all areas across Government. With the need to focus efforts on our response to the crisis, I will, as soon as I am able, set out NRW's funding for 2020-21 In any event, I reserve the right to consider this figure again when we have a better understanding of the resources required by the Welsh Government to combat effectively the Covid-19 pandemic.

As you are aware, we are working towards the consolidation of your accounts into the WG's accounts and more details on this will follow as the project progresses. A letter will follow, setting out my requirements for use of the Flood and Coast Erosion Risk Management (FCERM) element of your Grant in Aid. I anticipate this to include work on accelerating delivery, putting resources back in place and new measures expected in the forthcoming National Strategy.

I am pleased in 2020-21 we have secured substantial capital reserves to deliver our environmental agenda through improvements to water quality, enhancing biodiversity and restoring peat. NRW will be a key delivery partner and it will need to ensure maximum expenditure in year, on all aspects of natural resources management across the core and strategic remit. This was agreed prior to the Covid-19 crisis and we will need to work in partnership to respond to this.

Oversight Arrangements

Your WG Partnership Team is headed by Tim Render and the normal point of contact within the team is Ruth Studley. I look forward to receiving your business plan setting out how you will achieve these objectives and would be grateful to receive this as soon as possible or by 30th June 2020.

NRW meets regularly with its Partnership Team to discuss oversight, reporting arrangements and to ensure the effective use of public money. As you are aware, the Welsh Government operates a risk-based approach to oversight. The Partnership Team will work with NRW periodically to undertake assessments of the risk assurance available to it. The Team will also consider, on an annual basis, the need for a Tailored Review.

This letter should be considered in conjunction with the Framework Document, annual funding confirmation letter and annual FCERM letter. These arrangements will remain for the lifetime of this administration (Term of Government), although the remit may be amended if Ministerial priorities change. At the end of this Term of Government, these arrangements will roll forward until the next administration has developed its strategic agenda.

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