# P-05-941: Biodiversity remit for NRW

Y Pwyllgor Deisebau | 25 Chwefror 2020 Petitions Committee | 25 February 2020

Reference: RS20/11539-4

Petition Number: P-05-941

Petition title: Biodiversity remit for NRW

**Text of petition:** The Initiative for Nature Conservation Cymru (INCC) is calling on the National Assembly for Wales to urge the Welsh Government to explicitly include 'Biodiversity' when setting their strategic remit to Natural Resources Wales (NRW) for 2020 / 2021 and in future.

Specifically the remit should include:

NRW will ensure that biodiversity is central to its core purpose of pursuing sustainable management of natural resources by:

- 1. Working towards an overall improvement in the status of Welsh wildlife and preventing or at least minimising the risk of any further extinctions as a consequence of human activities.
- 2. Establishing sustainable, bigger and less fragmented areas for wildlife, this should initially focus on the consolidation and extensions to existing National Nature Reserves and other protected areas, followed by the establishment of new areas.
- **3.** Prioritising the need to obtain favourable or recovering status for conservation features on all statutory nature conservation sites (SPAs, SACs, SSSIs and NNRs).
- 4. Developing and improving an effective network of Marine Protected Areas which are sufficient to ensure the adequate protection of marine life and sustainable fisheries around Wales.
- **5.** Ensure that more people are actively engaged with biodiversity issues, and aware of the significance of biodiversity to their health and wellbeing.

Since the inauguration of NRW six years ago, there has been a steady and noticeable deterioration in Wales' commitment toward biodiversity and nature



conservation. Wales has been described as one of the most nature depleted areas of the world having already caused the extinction of many of its native plant and animal species. A great number of the species that do remain are now rare or threatened, surviving in fragments of their often isolated habitats.

INCC believes that the people of Wales and the wildlife they share their community with deserve better. Greater commitment from Welsh Government and NRW is required if Wales is to stand any chance of reversing the declines in biodiversity and preventing further wildlife extinctions from occurring.

An effective way of demonstrating this commitment toward reversing the decline in biodiversity would be to ensure that the Welsh Government explicitly includes 'Biodiversity' as part of the NRW strategic remit.

Given the continued losses to wildlife and the perceived lack of prioritisation toward nature conservation within NRW, it is clear that 'Biodiversity' cannot simply remain as an implied part of NRW's functions. It has to be made explicit and given the appropriate prioritisation.

If there is no change, future wildlife extinctions in Wales are inevitable

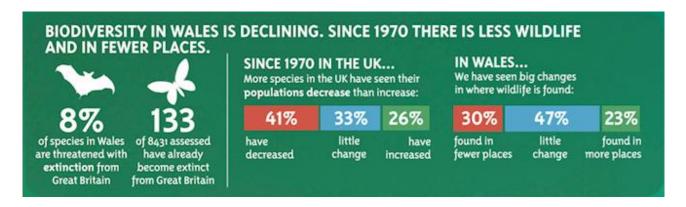
## 1. Background

## 1.1. Trends in Biodiversity

Biodiversity is defined in the *Environment (Wales) Act 2016* ('the Environment Act') as "the diversity of living organisms, whether at the genetic, species or ecosystem level".

The UK missed the <u>Convention on Biological Diversity (CBD) target</u> to halt biodiversity loss by 2010. In October 2010, at the 10th Conference of the Parties to the CBD, the Parties adopted a new "<u>Strategic Plan for Biodiversity 2011–2020</u>" along with 20 "<u>Aichi targets</u>". A 2019 <u>review</u> of the UK's actions on the Aichi targets showed that, for some targets, progress was at an "insufficient rate". The UK is therefore also likely to miss some of the Aichi targets.

Natural Resources Wales's (NRW) State of Natural Resources Interim Report 2019 cites the <u>UK State of Nature report 2019</u>; "since rigorous scientific monitoring began in the 1970s, of the 3,902 species assessed in Wales, 73 have been lost". It also provides the following infographic:



Source: State of Nature Report 2019 cited in State of Natural Resources Interim Report 2019

A **NRW Board paper** (PDF 3.2MB), from 21 November 2019, provides the following context:

...currently no ecosystem in Wales has been assessed as having good resilience and many will not be adaptable enough to be [Sic] deal with pressures including climate change and the impact of invasive nonnative species (INNS). Biodiversity continues to decline. The extent of some habitats has declined significantly and connectivity between habitats has reduced. Ecosystem condition, based on designated site features, is mixed, but 55% of species and 75% habitat features on Natura 2000 sites have been found to be in unfavourable condition.

## 1.2. Background to NRW

NRW was established on 1 April 2013 when the responsibilities, assets and staff of the Countryside Council for Wales, Environment Agency Wales and the Forestry Commission Wales were brought together.

Alongside a wide range of operational and regulatory responsibilities, NRW is the principal adviser to the Welsh Government on issues relating to natural resources. NRW, as a Welsh Government Sponsored Body, is accountable to the Welsh Ministers through the Sponsorship Minister (currently the Minister for Environment, Energy and Rural Affairs, Lesley Griffiths) and subject to scrutiny by the relevant Assembly Committees.

## 1.2.a. NRW's general purpose

<u>Section 5</u> of the Environment Act re-aligns NRW's general purpose to pursue the 'sustainable management of natural resources' (SMNR) in relation to Wales and apply the principles of SMNR.

The SMNR principles are introduced in <u>section 4</u> of the Environment Act and help to guide and underpin the way SMNR should be interpreted. They include (emphasis added):

take account of the resilience of ecosystems, in particular the following aspects—

- (i) diversity between and within ecosystems;
- (ii) the connections between and within ecosystems;
- (iii) the scale of ecosystems;
- (iv) the condition of ecosystems (including their structure and functioning);
- (v) the adaptability of ecosystems.

However, the definition and objective of SMNR in the Environment Act do not explicitly refer to "biodiversity".

The Welsh Government has produced a <u>guidance document on the purpose of NRW</u> under the Environment Act, which states that:

Action on biodiversity is embedded in the sustainable management of natural resources delivery framework, ensuring that biodiversity is considered as an essential element to contribute to the resilience of ecosystems.

The guidance document states that, in particular, action on biodiversity is embedded:

...in the principles of SMNR (the attributes of ecosystem resilience include biodiversity) and the Natural Resources Policy which sets out the requirement for resilient ecological networks as a priority for action.

Information on the Natural Resources Policy is included in section 2 of this briefing.

## 1.2.b. Biodiversity and Resilience of Ecosystems Duty

Welsh Government's guidance document on the purpose of NRW also refers to **Section 6** of the Environment Act, which (emphasis added):

introduced a stronger biodiversity and resilience of ecosystems duty for public authorities in Wales, which includes Natural Resources Wales.

Section 6 of the Act places a duty on public authorities, including NRW, to:

... seek to maintain and enhance biodiversity in the exercise of functions in relation to Wales, and in so doing promote the resilience of ecosystems, so far as consistent with the proper exercise of those functions.

Under the Environment Act, a public authority other than a Minister of the Crown or government department must prepare and publish a plan setting out what it proposes to do to comply with this duty. Welsh Government's <u>reporting guidance</u> (PDF 444 KB) for section 6 states that:

...for NRW, action for biodiversity is embedded in their statutory requirements for the sustainable management of natural resources, so reporting on that in their annual report fulfils the requirement for a section 6 report.

#### 1.3. NRW's remit letter

NRW received its <u>2019-20 remit letter</u> from the Welsh Government in March 2019. The letter sets out the Welsh Government's strategic remit for NRW during 2019-20.

The letter reiterates NRW's core purpose as being 'to pursue the sustainable management of natural resources'. It does not explicitly refer to "biodiversity".

The letter highlights the development of <u>Area Statements</u> as a priority, which need to be produced by March 2020. Area Statements are a requirement under the Environment Act and must identify priorities, risks and opportunities for SMNR. NRW must take all reasonable steps to implement an Area Statement, and encourage others to take such steps.

NRW's remit letter also highlights the development of the second State of Natural Resources Report, which is also a requirement of the Environment Act. This report is an assessment of the state and trends of natural resources in Wales and considers the extent to which sustainable management of natural resources is being achieved. An interim report was published in December 2020.

In addition, further priorities specified in the remit letter include:

- Preparation for EU exit;
- Renewable energy production and investment in technology;
- Flood alleviation, coastal adaptation and climate change;
- Woodland management, regulation and creation;
- Waste:
- Brexit and our Land;
- Agricultural pollution and enforcement;
- Clean Air Bill; and
- Access to green spaces.

As discussed, "biodiversity" is not explicitly listed.

### 1.4. NRW's action on biodiversity

### 1.4.a. Vital Nature Report

Vital nature: Making the connections between biodiversity and the people and places of Wales is NRW's strategic steer for biodiversity to 2022; it is a statement of its priorities, direction of travel and ways of working. The report states that the actions it proposes "will need to be built into our annual business planning processes. They will be translated into more detailed and prioritised annual programmes of work, with resources allocated and clearly defined outcomes, responsibilities and milestones".

#### 1.4.b. NRW's Business Plan

NRW's <u>Business Plan 2019-2020</u> lists "reversing the decline in biodiversity" as a priority for the period of the plan. It states that by the end of 2019/20 it will have:

- [Completed] 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.

NRW's Business Plan dashboard tracks progress against a number of measures. It uses a traffic light system to show progress against the measures. The <u>2019-2020</u> <u>dashboard, as set out in the NRW Board Paper</u> (PDF 3.2MB) (21 November 2019), provides a performance update up to Quarter 2. A measure "implement 'Vital nature' - restoring, creating and improving habitat and enhancing biodiversity" is included in the dashboard.

Overall, the paper reports that, for this measure, NRW is (emphasis added):

...reporting at amber. While we are on target with the protected sites annual programme and National Nature Reserves project delivery work and we are working across our Operations, Enabling Services and Environment Policy and Planning teams on developing an integrated delivery programme for our Vital Nature commitments, we are reporting Amber overall because of delays associated with the biodiversity / ecosystems resilience and biosecurity measures.

## 2. Welsh Government action

As highlighted, the Welsh Government is responsible for producing NRW's remit letter. As NRW is a Welsh Government Sponsored Body, the Welsh Government provides funding to NRW (see section on budget scrutiny). In addition, the Welsh Government has produced:

- A <u>guidance document on the purpose of NRW</u> under the Environment Act;
  and
- Reporting guidance (PDF 444 KB) for public bodies under the Biodiversity and Resilience of Ecosystems Duty (section 6 of the Environment Act).

#### **Natural Resources Policy**

The Welsh Government is <u>required to publish</u> a [National] Natural Resources Policy (NRP) under the Environment Act. The first NRP was <u>published in August 2017</u>. The NRP has been designed to guide how NRW creates Area Statements.

The <u>Climate Change</u>, <u>Environment and Rural Affairs Committee</u> held a brief inquiry into the NRP after its publication and <u>wrote</u> to the Welsh Government regarding its findings on 16 October 2017. The letter states:

Generally, stakeholders were concerned that the NRP is aspirational, with an absence of clear outcomes to achieve the sustainable management of natural resources. There is a lack of clarity about how those aspirations will be translated into actions.

#### Nature Recovery Action Plan

The Welsh Government's <u>Nature Recovery Action Plan</u> (NRAP) is aimed at addressing the underlying causes of biodiversity loss. It sets out how Wales will address the commitments of the <u>UN Convention on Biological Diversity</u>.

Evidence submitted to the <u>Climate Change</u>, <u>Environment and Rural Affairs</u> <u>Committee</u>'s inquiry into <u>Biodiversity – public goods scheme</u> (11 December 2018 to 18 January 2019) highlighted some concerns about the NRAP. For example, <u>Wales Environment Link</u> wrote "as it stands currently, the NRAP is neither ambitious nor focused enough on implementation to have a real impact and ensure the recovery of Wales' marine and terrestrial environments."

#### Section 7 lists

Under <u>Section 7</u> of the Environment Act, the Welsh Government is required to prepare and publish a list of the living organisms and types of habitat which are of principal importance for the purpose of maintaining and enhancing biodiversity in Wales. Before publishing this list, the Welsh Ministers must consult NRW as to the living organisms or types of habitat to be included in the list. It must also, take all reasonable steps to maintain and enhance the living organisms and types of habitat included in the list, and encourage others to take such steps.

The Welsh Government produced <u>interim lists</u> of species and habitats under Section 7. These state that "this interim list, which is exactly the same as the previous list under Section 42 of the <u>NERC Act</u>, is under review in consultation with NRW". Work started in 2016 on revising the list, however an updated list has not been published.

# 3. National Assembly for Wales action

## 3.1. Annual scrutiny of NRW

The <u>Climate Change</u>, <u>Environment and Rural Affairs (CCERA) Committee</u> undertake annual scrutiny of NRW. Following its last annual scrutiny session on 13 February 2019, NRW <u>wrote</u> (722 MB) to the Chair with further information. Of particular note to this petition, the letter stated that a (emphasis added):

reduction in Grant in Aid has meant we have had to reduce work across a range of services including... reduction of monitoring of terrestrial and marine biodiversity...

Where possible we have changed our delivery or used evidence to help our decisions, so that we are mitigating the impact of reducing these services but we are aware that even so there will be a lower level impact that will become more visible in the longer term.

In paragraph 54 of our <u>written evidence</u> we indicate that additional money has been released to support the new ways of working in our operational teams. In particular additional resource is targeting the work of teams leading engagement with PSBs, implementing the Sustainable Management of Natural Resources and biodiversity enhancement. In addition, our **Board has committed an additional** £800,000 over the next financial year to support biodiversity outcomes plus £2 million through our grants programme.

## 3.2. Scrutiny of the Welsh Government's draft budgets

NRW Chief Executive, Clare Pillman, <u>wrote to the CCERA Committee</u> on 12 October 2018 as part of the Committee's scrutiny of the 2019-2020 draft budget. The <u>letter</u> (PDF 829MB) stated (emphasis added):

These budget reductions have come at a time when we are striving to fully implement the spirit and actions of the Well-being of Future Generations and Environment Acts. Our ambition will be restricted, and we plan to submit a business case early in the next calendar year to properly fund the impact of this legislation from 2020-21 within our baseline.

The CCERA Committee's draft budget 2019-2020 report conclusions included:

NRW will submit a business case in early 2019 "to properly fund" its implementation of the Well-being of Future Generations Act and the Environment Act in 2020-21. This implies that NRW believes its funding will not be sufficient to deliver its statutory responsibilities in the near future.

We are pleased that NRW and Welsh Government officials are exploring opportunities to increase NRW's income and to provide longer-term certainty over funding. We welcome the Cabinet Secretary's commitment that any further requirements placed on NRW will require an increase in funding.

The Welsh Government responded to the report on 15 January 2019. However, the Welsh Government did not comment on these specific points in its response.

The CCERA Committee's <u>report</u> on the draft budget 2020-2021 was published on 31 January 2020. With regards to NRW's funding, it states:

This year, NRW will have a "flat-line" budget, which is a reduction in real terms.

This funding settlement should be seen in the context of year-on-year reductions in funding and increases in its responsibilities and duties.

## 3.3. Plenary

On 27 March 2019, the Minister for Environment, Energy and Rural Affairs was asked to comment following the publication of a letter from nine retired and ex-NRW staff expressing their concerns for the future of Wales' National Nature Reserves (NNR).

The Minister said:

I was copied in to the correspondence, and I think yesterday I wrote back to the man who did the original letter. I did note the concerns; I wouldn't say I share them. However, when anybody writes to me with concerns of that nature, I always ask my officials to look into them on my behalf initially, so they will be discussing the points that he raised with NRW. And certainly, if there are any concerns that I think I need to address, I will raise it with the chair and chief executive of NRW at my

regular monthly meetings. Obviously, NRW do manage our NNRs. I think, again, they're very transparent in how they approach the management of them. I also think they set out very clearly in their strategies how they can improve the management of them. So, I will be keeping a very close eye, and if I feel I need to take steps, I will do so.

A response from NRW to the article was quoted in a news article:

Looking after them [NNRs] remains a vital part of what we do...what is changing is the way we manage our NNRs with the resources available in the context of our purpose as an organisation – this is unavoidable...We cannot prioritise NNRs over flood risk management or industrial regulation or timber production – or the other way around. They are all important and we must manage them all as best we can.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.