

NRW B O 23.14 Natural Resource Management Update – Annex 1
Draft Interim Natural Resource Management Position Statement

1. Introduction

- 1.1 Integrated Natural Resource Management is a key element of the Welsh Government's legislative programme. The policy position and legislative provisions will be confirmed in the forthcoming Environment Bill. Natural Resource Wales will have a central role to play in delivering the proposed new approach to Natural Resource Management.
- 1.2 This document sets out a proposed draft Interim Natural Resources Management Position Statement to help:
- Provide a common understanding of integrated natural resource management amongst Natural Resources Wales staff;
 - Clarify the interrelationship between integrated natural resource management, the ecosystem approach, green infrastructure and spatial and place based planning;
 - Clarify how natural resource management can deliver multiple benefits for the environment, economy and society through integration within Natural Resources Wales and with wider public service governance and delivery mechanisms;
 - Outline how Natural Resources Wales is currently managing the development, trialling and implementation of the new approach to integrated natural resource management; and
 - Provide a context for Natural Resources Wales' advisory work with Government and other stakeholders.
- 1.3 The document will evolve and be amended as the Government's legislative and policy programme is confirmed, informed by the learning experience from the trial areas and other processes such as the review of management plans for protected landscapes.

2. Background

- 2.1 The 2011 Welsh Government *Programme for Government* emphasises the importance of managing our natural resources in a more integrated way using sustainable development as its central organising principle. The Welsh Government has a longstanding commitment to make sustainable development the central organising principle in decision making. This commitment can be seen in the three Bills the Welsh

Government is preparing on Future Generations, Planning and the Environment. While the Environment Bill sets out a new statutory framework for the sustainable management of natural resources, it is the Future Generations Bill which will help set the overall national goals this management is intended to deliver.

- 2.2 This framework will build on the UN ecosystem approach guidance which seeks to provide 'an integrated strategy for the management of natural resources'. The Environment Bill will legislate for a more joined-up management process, focused on delivering lasting economic, social and environmental benefit. The table below shows how this new process can help deliver this range of benefits, using the shared outcomes agreed between Natural Resources Wales and the Welsh Government.
- 2.3 In particular the new approach will need to focus on the priorities for action announced by the Minister for Natural Resources and Food in 'Shaping a more Prosperous and Resilient Future'. These are;
- Green Growth
 - Using resources efficiently
 - Enhancing the resilience and diversity of our natural resources
 - Tackling Poverty.

Table 1: Some ways in which Natural Resources Wales' work on natural resource management contributes to our shared outcomes with Welsh Government.

WG 7 Outcomes	Natural Resource Planning Relevance – examples
1. Enhancing our environment	Integrated Natural Resource Management takes an integrated approach to planning the sustainable use of the Welsh environment, incorporating the principles of the ecosystem approach. It can do this by focussing on ecological resilience and thereby ensuring continued delivery of social and economic benefits.
2. Protecting people	NRW are exploring soft landscape scale (green infrastructure) solutions to flood management, such as river side tree planting, SUDS and salt marsh. Such solutions are more sustainable, lowering costs by relying more on natural processes.
3. Supporting enterprise and jobs	The environment was found to account for £9 billion pa of GDP in Wales in 2000. Natural resource management can set out environmental opportunities and steer development to areas with the capacity to accommodate it.
4. Improving the nation's health	NRW are looking at the management of natural resources to deliver health and social benefits. NRW can

	use its estate to deliver these benefits and advise local authorities on urban green infrastructure.
5. Viable and vibrant places	A spatial planning approach to managing natural resources can uncover the potential benefits from an area, highlighting opportunities and minimising conflicting uses and feed these into decision making e.g. LDPs, SIPs.
6. Delivering social justice	Work by the legacy bodies in SE Wales has shown how Natural Resource Management can increase social benefits to communities by providing a higher quality, accessible local environment.
7. Supporting skills and knowledge	Natural Resource Management will give us strategic knowledge to share with different sectors, steering development to the right place. We are leading the way in things like ecosystem service mapping to support this.

3. Why a New Approach?

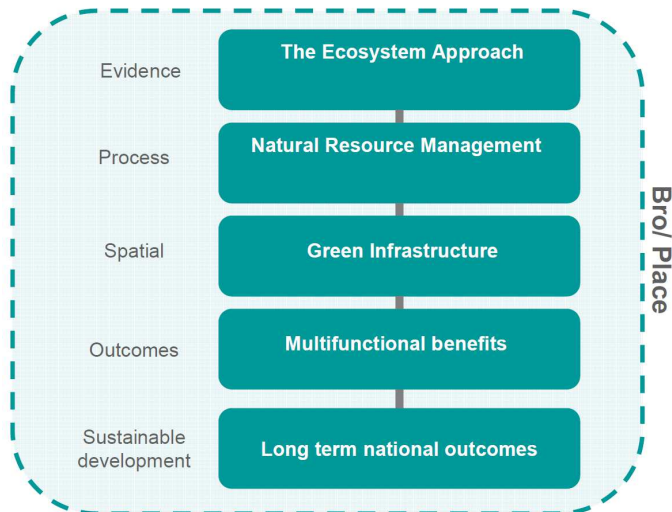
- 3.1 Environmental legislation has been built up since mid Victorian times, reacting to different issues and addressing them on a sectoral basis, one industry or use at a time. This has left us managing the environment through a variety of measures, such as development control and land use planning, agri-environment payments, regulation of pollutant emissions and designation of areas of land and sea. The problems arising from this approach were set out in the Environment Bill White Paper, *Towards the Sustainable Management of Wales' Natural Resources*:

“...an array of UK and EU legislation has been developed to address changing pressures and specific focus and so often has a narrow focus. This approach to regulation – reactive and often viewed in isolation from the economic and social policy – has led to a complex mix of regulation that doesn't always work together towards a common aim of improving Wales' long term future”.

4. What does this mean for Natural Resources Wales?

- 4.1 The Environment Bill will provide Natural Resources Wales with the legal framework to enable us, working with others, to design a new integrated natural resource management system. Building on the principles of the ecosystem approach, it will provide a framework for policy decisions to take account of competing land and sea uses at a strategic level helping ensure the right activity at the right place.

4.2 The ecosystem approach objectives and principles set out an approach around improved collaboration and decision making, such as deliberative governance, co-production and stakeholder participation.

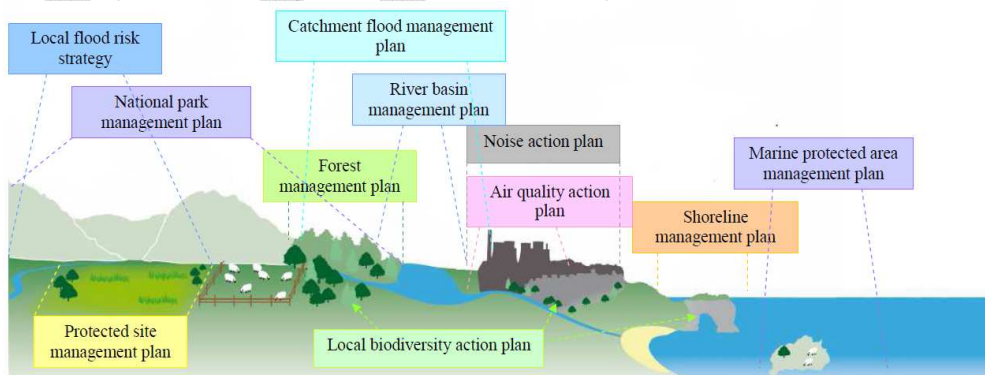


4.3 The vision is for proactive, positive planning, feeding information into all relevant decisions, enabling others to make the most of opportunities and avoiding adverse impacts. The Environment Bill also provides us with a mechanism to ensure the environment is taken into account in the plans of others, for example the Local Authority Single Integrated Plans (SIPs) which currently lack a strong environmental component.

4.4 Taking a forward looking, proactive approach, we can link the range of approaches (e.g. a partnership or information sharing approach; a Payment for Ecosystems Services Approach; or a traditional regulatory approach) and establish with a clear set of priorities and options for environmental management.

4.5 Place based, planning and management will enable the design of an integrated system encompassing all activities in an area and linking their management with the agreed public sector outcomes.

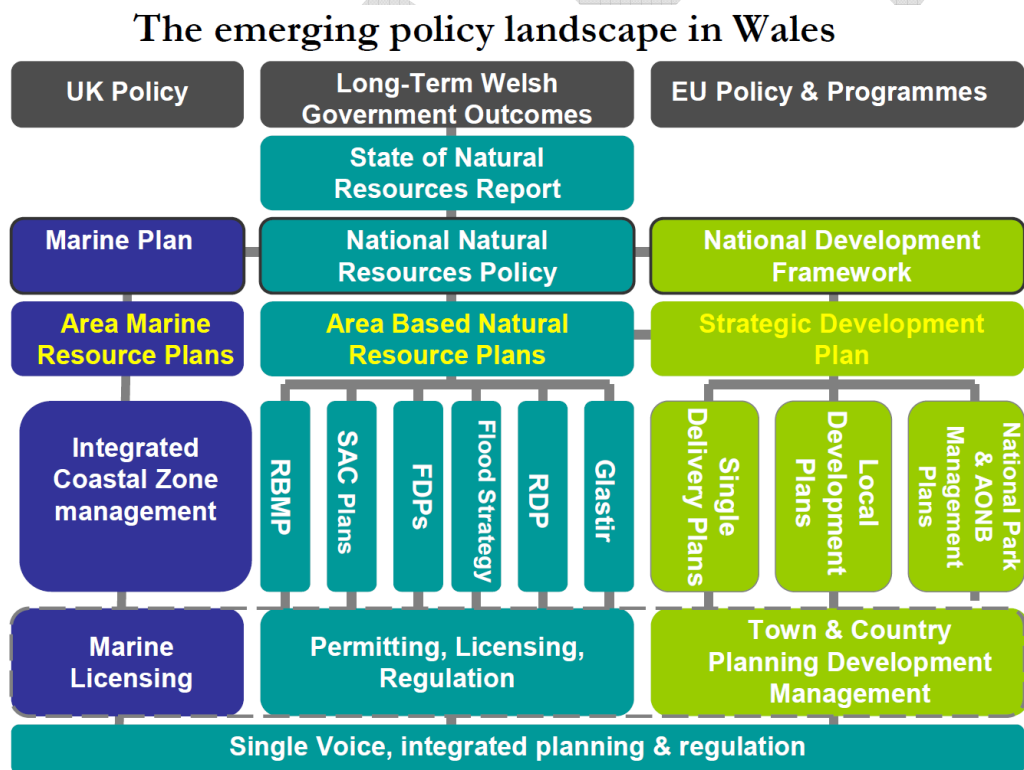
The Range of Existing Area Based Planning



4.6 This would move us to a position where the area based natural resource management approach provides the place based mechanism to integrate and identify priority outcomes for natural resource management in a format capable of working with mechanisms for wider economic and social outcomes thereby delivering multiple benefits for the environment,

the economy and society. Relevant delivery mechanisms include the proposed National Development Framework, the Marine Plan, the Rural Development Plan and Single Integrated Delivery Plans. Consideration will need to be given to the interrelationship between the Natural Resources Wales led area based approach to natural resource management and the role of the protected landscape management planning process, which covers 25% of the land area of Wales.

- 4.7 This will enable us to establish a clear set of priorities for environmental management and help ensure the right activity is directed to the right place. The ultimate outcome for the area based approach must be a clear, prioritised and focussed approach to delivery leading to tangible change 'on the ground'. The over-riding requirement must also be to maximise the added value of the new framework and to increase the efficiency and integration of decision making.
- 4.7 The approach will have failed if it simply adds another layer of complexity or another set of plans. Instead the framework needs to be designed to link up existing processes, plans and policies in order to strengthen linkages between different elements of strategic governance:



- 4.8 An integrated approach requires new thinking and new ways of working by all those whose actions, decisions or funding mechanisms impact on natural resources. Natural Resources Wales will clearly be a key player and can support the process as far as our evidence and influence allows, but others will also need to develop their thinking and ways of working.

4.9 The Commission on Public Service Governance and Delivery identified key principles to inform a step change in the performance and delivery of public services in Wales. These include

- Leadership, culture and values
- Maximising synergies - collaboration and partnership
- Boundaries should help, not hinder - operating at an appropriate scale
- Improved performance, process and procedure
- Communication and engagement
- Governance, accountability and scrutiny.

4.10 A new approach to natural resource management will need to reflect these principles if we are to integrate natural resource outcomes with economic and social outcomes.

5. Governance of Natural Resources Wales' work on the Ecosystem Approach and Natural Resource Management

5.1 The Ecosystem Approach and Natural Resource Management (EA&NRM) Programme Board has been established to oversee the work required within Natural Resources Wales.

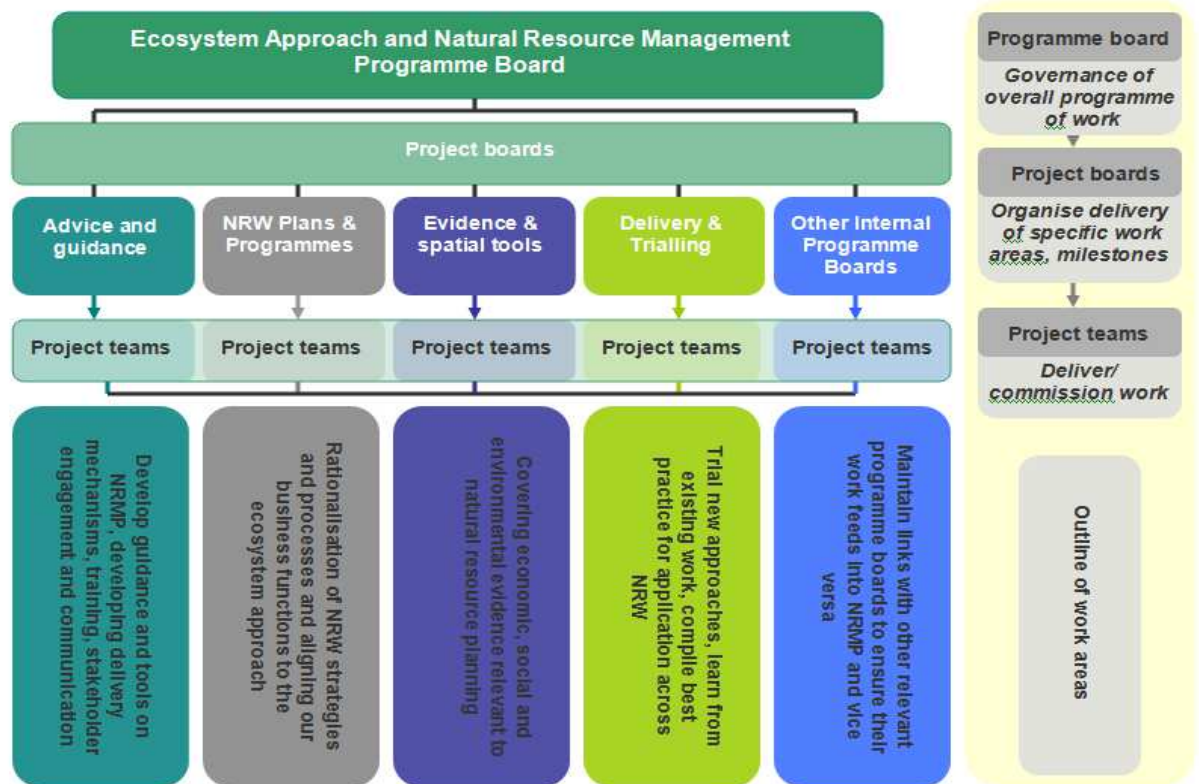
5.2 The EA&NRM Programme Board will nest under the Good for Knowledge Programme delivering the Corporate Plan, which contains the following commitments:

(K1) We will develop Wales' approach to integrated natural resource management, using the ecosystem approach as a basis for decision making by, for example:

- *Working with Welsh Government and other partners to develop the overall approach*
- *Developing a 'toolkit' to embed the ecosystem approach and integrated natural resource management and planning in our work, and running three trials in areas around the Dyfi, Rhondda and Tawe rivers*
- *Advising on sustainable land and water use and integrated natural resource management to embed good practice*
- *Working with Welsh Government to help ensure that integrated natural resource management provisions in the proposed Environment Bill are supported in other legislation, such as the Future Generations, Heritage, and Planning Bills, as they are being developed.*

5.3 The key objectives of the EA&NRM Programme are to:

- develop a **strategic vision** on implementing the ecosystem approach in NRW with **clear objectives**;
- develop a new approach to integrated **natural resource management** through practical delivery;
- seek to **simplify** the language used around ecosystem approach and natural resource management
- **integrate** our plans, strategies and processes where possible via natural resource management plans;
- ensure the ecosystem approach is **evidence-based**;
- **identify** any cross-cutting projects which are relevant to implementing the ecosystem approach and **influence** to deliver agreed objectives;
- **inform organisational changes** required within the organisation to more effectively embed the ecosystem approach.
- **monitor** and **review progress** of implementation and impact on decision-making.



5.4 The programme has been broken down into five packages of work:

i. Advice and Guidance

This work package will focus on preparing advice and guidance on natural resource management both for internal and external use. This includes the development of tools to assist and inform the process and the development of delivery mechanisms. This workstream will also cover training and stakeholder engagement.

ii. Natural Resources Wales Plans and Programmes

As part of our work on integrated natural resource management we need to ensure our own plans and processes are aligned to the ecosystem approach. This workstream will focus on rationalising our strategies and processes in order to avoid duplication and on aligning our business functions to the ecosystem approach. The findings from this process will be tested in the Dyfi, Tawe and Rhondda trials (see point 4 below)

iii. Evidence

This work stream will support the natural resource planning process by bringing together relevant evidence, such as data on ecosystem services, habitat connectivity and environmental constraints and opportunities as well as social and economic data.

It will be essential that this information is made available both within Natural Resources Wales and shared with external partners. To facilitate this, the workstream will work closely with the transition team to ensure that the Natural Resources Wales GIS webportal, which is currently being developed, is able to support the natural resource management planning process.

iv. Delivery and trials

This workstream will focus on trialling the natural resource management approach and compile best practice for application across Natural Resources Wales based on these findings.

To inform the work, natural resource management trials have been set up in the Dyfi, Rhondda and Tawe catchments. In addition to the findings from these trials, the workstream will also bring together best practice from the wide range of ongoing programmes of work which are relevant for natural resource management. Examples include our work on finding natural solutions to flooding (Clwyd-Elwy catchment), our work on helping local authorities consider ecosystem services in planning (SCCAN), our work on forest resource plans and the pilot on marine planning and fisheries (Pen Llyn fisheries pilot).

v. Other internal programme boards

Other programmes of work, such as marine spatial planning are running alongside the work carried out on the Ecosystem Approach and Natural Resource Management Programme. This work stream will maintain links with other relevant programme boards to ensure their work feeds into the Ecosystem Approach and Natural Resource Management Programme and vice versa.

6. Environment White Paper Summary

6.1 The Environment White Paper sets out the three elements of Integrated Natural Resource Management:

6.2 Natural Resources Policy

Welsh Government will set out the strategic direction for all policy related to natural resources, including actions required by them, NRW and others. This policy will include targets, measures and priorities for natural resource management. These will complement other agreed Welsh Government outcomes. In particular, the policy will be led by the high level, long term national outcomes being developed under the Sustainable Development Bill.

6.3 The Area-Based Natural Resource Management Approach

NRW will develop and implement an area based approach to the management of natural resources and ensure the evidence feeds into delivery plans. This will be a planning and priority setting process, co-ordinating resource use to optimise benefits for people, the environment and the economy. This process will help bring aspects of these planning processes together and drive the alignment of their actions.

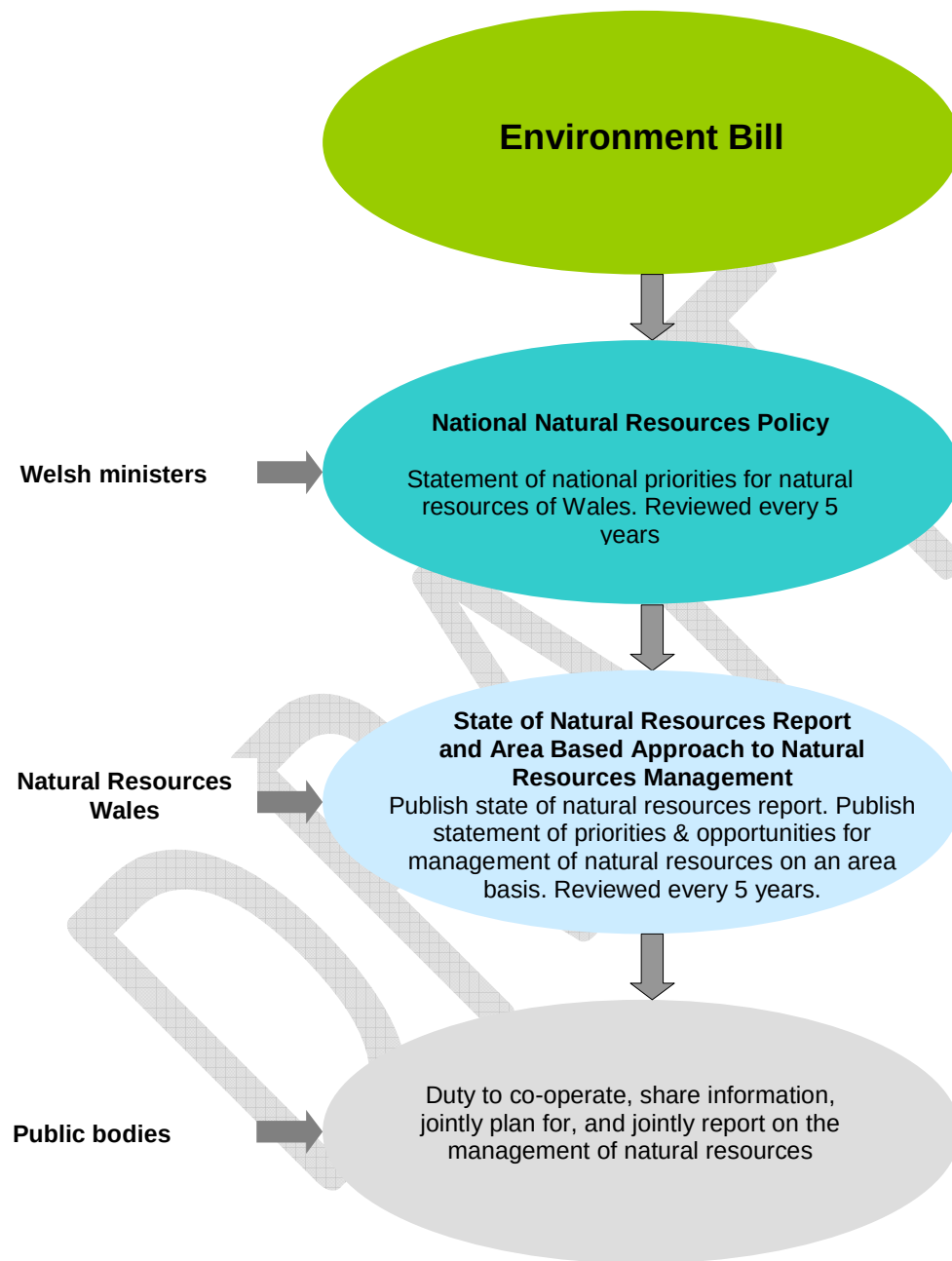
NRW will advise on what the strategic priorities are in the context of local needs. The aim is to provide clarity for stakeholders in relation to opportunities, risks and challenges for the management of natural resources, informing relevant delivery plans.

The evidence base will be developed with a broad range of stakeholder groups, using participatory processes, helping to embed a common vision for the sustainable management of natural resources in the area.

6.4 State of Natural Resources Reporting

NRW will be required to report, at least every 5 years, on the state of natural resources in Wales, reporting on trends and the on-going successes and challenges of integrated natural resource management including legislative barriers

The Natural Resource Management Governance as set out in the White Paper



7. Natural Resource Management Issues arising for Natural Resources Wales from the White Paper

- 7.1 The scope and definition of natural resources will need to be broad and the respective roles and responsibility of Government, in Wales and Westminster, and Natural Resources Wales clearly defined.
- 7.2 Government will need to ensure that the other public bodies, whose activities and decisions impact on natural resources management are also required to deliver the national natural resources policy objectives. The Welsh Government's National Natural Resources Policy will have a key role in this respect.
- 7.3 Similarly, there needs to be synergy between the Environment Bill and other legislation coming forward, particularly the Planning (Wales) Bill and the Future Generations Bill. It is essential that these separate pieces of legislation are complementary and mutually supportive. Natural Resources Wales' response to the draft Planning (Wales) Bill, for example, highlighted the need for Section 60 of the draft Bill to make provisions for the proposed National Development Framework, Strategic Development Plans and Local Development Plans to have regard to the national natural resources policy and to the area based approach to natural resource management.
- 7.4 The proposals for a National Natural Resource Policy and the area based approach for natural resource management represent a key opportunity to deliver a coordinated approach to climate change mitigation that will help ensure that the right solutions are deployed in the right places. The proposed national natural resource policy should set out the links to the Sectoral Adaptation Plans (SAPs) and the Welsh Government's emission reduction targets, while the delivery of most adaptation measures will be at a local scale and should be reflected in the proposed area based approach. The recommended link between the Planning (Wales) Bill and natural resource management will help integrate climate change adaptation and mitigation with the land use planning system.
- 7.5 The proposed National Development Framework under the Planning (Wales) Bill will set out proposals for how to proactively accommodate change for the benefit of the nation over a minimum period of 20 years. Notwithstanding the need for periodic reviews on a shorter timescales, it will be important for the national natural resources policy and the area based approach to adopt a similarly long term perspective.
- 7.6 The relationship between the new area based approach and existing planning processes for the management of land, water and other natural resources, and the Marine Plan process, will need to be clarified. It should be clarified that the Marine Plan and process will be the mechanism to deliver natural resource management for the Marine area.

- 7.7 In the first instance, it seems likely that the process of setting out priorities and opportunities for natural resources on an area basis would be substantially informed by the content of existing plans and the evidence underpinning them. Therefore, it may be preferable in the short term for us and others to explore options for integrating the contents of existing plans with one another and/or with the new area based framework, with a longer term objective of reducing the complexity of natural resource related planning processes.
- 7.8 It would seem most practical for Natural Resources Wales to plan internally on the basis of catchments but to package evidence and advice to fit the governance and delivery boundaries of partners. The conclusions of the Commission on Public Service Governance and Delivery is of particular relevance here since local authorities will be key to delivery and the Environment White Paper directs Natural Resources Wales to work through the Single Integrated Plans. This would move Natural Resources Wales to a position where the area based approach to natural resource management provides a place based mechanism to identify priority outcomes for natural resource management in a format capable of integration with delivery mechanisms for wider economic and social outcomes thereby delivering multiple benefits for the environment, economy and society.
- 7.9 The timetable for the area based approach should align closely with the national policy statement. This would suggest that a review of the area based statements follows the review of the national policy statement. However it could also be desirable for the review cycle for the area based statements to tie with the six yearly timescale for the review of River Basin Management Plans under the Water Framework Directive particularly if the area based approach in relation to Wales' land area is to be organised on a river catchment basis whilst delivered within the governance framework of partners.
- 7.10 It will also be necessary to address the resource implications, particularly for Natural Resources Wales in the short to medium term, while we develop the new approach alongside continuing to deliver our existing functions.

8. Components of natural resource planning:

The principles of the ecosystem approach and sustainable development are an important starting point for natural resource planning. The following translates these principles into what we consider to be essential components of the natural resources planning process.

The Natural Resource Planning process needs to:

i. Be area- based

Many existing environmental plans are aimed at addressing either a specific problem or a small number of issues. This narrow focus means it can be difficult to assess the wider impact of a particular proposal or to identify opportunities where solving one issue has the potential to have wider benefits.

By looking at an area, rather than individual issues or sectors, this spatial approach will enable us to move beyond addressing issues reactively and in isolation and start looking at an integrated proactive approach addressing opportunities and constraints in whole system cross-sectoral, way.

ii. Involve stakeholder engagement throughout

Natural Resources Wales only manages a relatively small percentage of Wales, so it is essential that we involve stakeholders, including local authorities, developers and industry, throughout the process of drawing up the area based approach to integrated natural resources management. To ensure the long term buy that is needed for the approach to be successful, it is essential that the plans are underpinned by co-production to ensure joint development and ownership.

iii. Plan and present at the most appropriate scale

The natural processes we are working with and the management processes we are aiming to influence tend to work at different scales. The Natural Resources Policy and area based natural resources management process should reflect this and aim to manage ecosystem services at the most appropriate scale, whilst taking into account the best management mechanisms for doing so.

Natural resource planning also needs to have a degree of flexibility when it comes to working across boundaries, for example working across terrestrial and marine boundaries and across boundaries with other countries.

iv. Plan for the long term

To create a sustainable Wales, we need to consider the opportunities and constraints Wales will face in the long term. The White Paper proposes a review every five years, which will be essential to keep them up to date, but the plans themselves need to consider and plan for the medium to long term.

To achieve the long term vision, the plans need a certain degree of flexibility. Monitoring the impacts of the plans and adaptive management, where the plans are amended if they are not delivering the desired result, will be essential components in this.

v. Plan to deliver multiple benefits

The new approach for the joined up management of our natural resources will need to plan to deliver multiple, longer term benefits for the environment and also for the economy and society, therefore contributing to the delivery of overarching Government priorities including the Programme for Government. Ensuring the resilience of the underpinning / supporting ecosystems and their functioning will be key to ensuring long term sustainability of the services and benefits they can provide.

vi. Be evidence based

To inform the development of the area based approach we need to use the best available evidence from a range of sources, building on both our knowledge and that of our stakeholders and local communities. We will take a pragmatic approach to evidence and apply the principle of collect once, use many times.

We will need to recognise that the process will be iterative and reflect an adaptive management approach. We already know that we need to further develop our understanding of the use, demand and value of resources if we are to develop successful interventions.

vii. People focussed

The process will need to reflect the principles of co-production and stakeholder engagement. It will be need to deliver outcomes that are equitably distributed and focus on delivering benefits for the people of Wales.

Natural Resources Wales
April 2014