

Llyr Gruffydd MS
Chair, Climate Change, Environment
and Infrastructure Committee
Senedd Cymru
Cardiff Bay
CF99 1SN

By email: SeneddClimate@senedd.wales

20 February 2026

Annwyl Llyr,

Annual Scrutiny of Natural Resources Wales

Thank you for your letter of 29 January, following the CCEI Committee's annual scrutiny session with NRW on 14 January.

I am grateful for your reflections on our latest Annual Report and would like to express my thanks to you and the committee for the productive scrutiny you have provided throughout the Sixth Senedd. Your continued focus on our work has been invaluable in supporting transparency, challenge and improvement across our wide-ranging remit.

In particular, we want to thank you for your continued support in ensuring NRW has the tools to hold polluters to account and the resources required to deliver our core functions and statutory obligations effectively.

We share the Committee's commitment to ensuring strong delivery, continuous improvement and open engagement with scrutiny. As NRW enters what we hope will be a more stable and forward-focused period, we look forward to working closely with your successor committee, and the Seventh Senedd as a whole, to protect and enhance Wales' environment and communities.

As requested, we have provided further information on the specific matters identified in the annex below. Should you require any further information on the points raised, please do not hesitate to contact us.

Yours sincerely



Neil Sachdev MBE

**Cadeirydd, Cyfoeth Naturiol Cymru
Chair, Natural Resources Wales**

Croesewir gohebiaeth yn Gymraeg a byddwn yn ymateb yn Gymraeg, heb i hynny arwain at oedi.
Correspondence in Welsh is welcomed, and we will respond in Welsh without it leading to a delay.

Annex: Annual scrutiny of Natural Resources Wales

Chief Executive Recruitment

Thank you for your kind words on Ceri Davies' work.

In the scrutiny session, I advised that we were undertaking a recruitment process to make a permanent appointment to the CEO role. Following an unsuccessful process, we have agreed to continue and extend the search to ensure we appoint the right person to lead the organisation. In the meantime, Ceri has agreed to remain in post to provide stability and continuity and drive delivery of our operational objectives and ambition of nature and people thriving together.

We will ensure that your successor committee is kept updated on progress as our recruitment process continues.

HMRC Settlement

Our IR35 Lessons Learnt Review was undertaken to ensure that important learning from the matter is captured, fully understood and translated into practical improvements across the organisation. It drew on multiple independent assessments, including work undertaken by the Welsh Government Internal Audit Service and earlier external advisory reviews.

The review set out recommendations across six areas. We have developed a clear action plan to take these forward.

A number of the recommendations relate to strengthening our strategic governance. These cover clear escalation routes for regulatory and legal risks, introducing risk tolerance statements, updating the Board and Committee terms of reference, improving training for Board members, and putting in place more consistent approaches to challenge. Some of these steps – including new escalation protocols and refreshed Board training – are already in place, with others due to be delivered shortly. Together they will improve the visibility of key risks and support more consistent decision-making.

We have also made good progress in developing our risk management approach. Recommendations include increasing our risk maturity, embedding cost-benefit and scenario analysis for major decisions, carrying out regular functional risk reviews, and planning a formal risk maturity assessment in 2027. We have already introduced an Organisational Risk and Issues Log, a new Strategic Risk Register, and risk appetite statements that help bring greater clarity across the organisation.

The review also highlighted the need to improve information flow and internal communication. This includes clearer reporting on major external challenges, better documentation of how risks are being managed, and ensuring that sensitive Internal Audit findings are escalated promptly. We have already strengthened Board reporting, improved escalation processes, and continue to develop our organisational risk reporting systems.

Culture and behaviour are a core part of the recommendations too. These include ensuring constructive challenge is encouraged, that external advice is used thoughtfully, and that major risks receive robust peer review. We have built cultural assessments into our Internal Audit plan, updated contract management guidance to reinforce critical thinking, and set clearer expectations for challenge within governance settings.

Finally, the recommendations around external engagement and operational processes focus on improving access to specialist expertise, formalising the handover of complex issues, strengthening relationships with regulators, and improving our liaison with Welsh Government. Many of these steps – including a new handover protocol and improved sponsorship arrangements – are already in place and are helping ensure clearer oversight of significant risks.

So we have already made strong progress. By December 2025, 28% of these actions had been completed. We expect 83% to be completed by March 2026, with the remaining work planned and actively managed.

Case for Change

NRW commissioned this review to reflect on the organisational Case for Change process undertaken during 2024/25 and to support learning to assist with the planning and delivery of future change activity. The review was carried out by Local Partnerships and draws on documentation provided by NRW, alongside engagement with 103 staff and stakeholders through interviews and workshops.

The purpose of the review was to describe the processes, governance arrangements and supporting systems used during the Case for Change, and to capture observations that may help inform future organisational development. The review explores a series of themes, including strategic drivers, governance and leadership, programme management, HR and process design, communications, risk management, data handling, and transition to business as usual.

The review notes that the scale and timing of the transformation created operational pressures across the organisation and identifies areas where adjustments to structure or sequencing could be helpful in future programmes. It also records that some HR-related processes were delivered to a tight timetable, and that the use of temporary staffing in some areas contributed to variation in approach.

While early communication on the Case for Change was viewed positively, later stages were delivered in a fast-moving environment. The review suggests that continuing to strengthen organisational mechanisms for planning and change management would support NRW in responding effectively to future strategic and financial pressures. As part of its ongoing improvement work, NRW is already examining how to strengthen elements within its Corporate Services teams in light of the lessons identified through this review.

Visitor Centres

Timeline for Marketing Exercise

We successfully launched our marketing documentation packs for Coed y Brenin and Bwlch Nant yr Arian on 28 November. The initial bid stage closed on 28 February and our aim is still to identify a preferred bidder early in the 2026/27 financial year.

The timeline for reopening the visitor centre buildings will depend in part on the successful bidder and any additional investment they may wish to make on site. We remain committed to ensuring this happens as soon as possible.

In the meantime, paths, trails, car parks and toilet facilities remain open, managed by NRW, and our Land Management teams continue vital work to protect wildlife and maintain these special sites. We are also working in partnership with Consti, a local charity, to temporarily provide drinks and cold food to visitors at Bwlch Nant yr Arian from a unit on the site, and advertising a similar temporary opportunity at Coed y Brenin.

Visitor Numbers

We have reviewed visitor numbers at Bwlch Nant yr Arian, Coed y Brenin and Ynyslas using car-park count data for 2024 and 2025. The analysis shows that all three sites continue to attract substantial and seasonally consistent visitor volumes. Peak-season performance remains strong, demonstrating that these locations continue to function as well-used community assets and popular tourism destinations.

While some individual monthly totals vary, seasonal peaks remain robust. Collectively, the figures indicate that the visitor centres are continuing to perform well, with no evidence of reduced public interest and in some cases, signs of growing off-peak activity.

Bwlch Nant yr Arian

Bwlch Nant yr Arian continues to show strong and reliable summer demand. The site recorded 6,636 cars in August 2024, and 5,424 in August 2025, maintaining a high level of seasonal activity. Summer peaks in both years remain comparable to historic patterns, demonstrating that interest in the site has not decreased.

Winter figures also remain steady, with a notable increase in December 2025, which saw 1,994 cars compared to 1,078 in December 2024. This improvement suggests that the site continues to attract regular off-peak visitors and may indicate growing use of the site during traditionally quieter months.

Coed y Brenin

Coed y Brenin follows its established seasonal rhythm, with last summer demonstrating particularly strong performance. July and August 2025 saw visitor counts of 4,990 and 6,759 respectively, reinforcing the site's position as a consistently popular destination for outdoor recreation. The numbers reflect an uplift from 5,240 in July and 4,950 in August 2024. This slight year-on-year growth during peak season strongly suggest that Coed y Brenin continues to maintain a large, loyal visitor base.

Ynyslas

Ynyslas remained the most visited site across both 2024 and 2025. In August 2025 we recorded 9,959 visitors, narrowly missing August 2024's exceptionally high count of 10,173. Strong performance is also seen outside the peak summer months. In May, visitor numbers remained high, with 7,619 cars in 2024 and 7,301 in 2025, reflecting consistent spring use and a widening spread of demand beyond the core summer months.

Flooding

Improving Flood Forecasting and Flood Warnings service

NRW operates a flood forecasting service for river and coastal flooding, using locally-calibrated catchment or coastal models which take forecast data from the Met and produce community-scale forecasts of river flow/depth, sea heights, wave heights and wave overtopping. These models are run in near-real time (up to every half hour for river flooding) within our flood forecasting system.

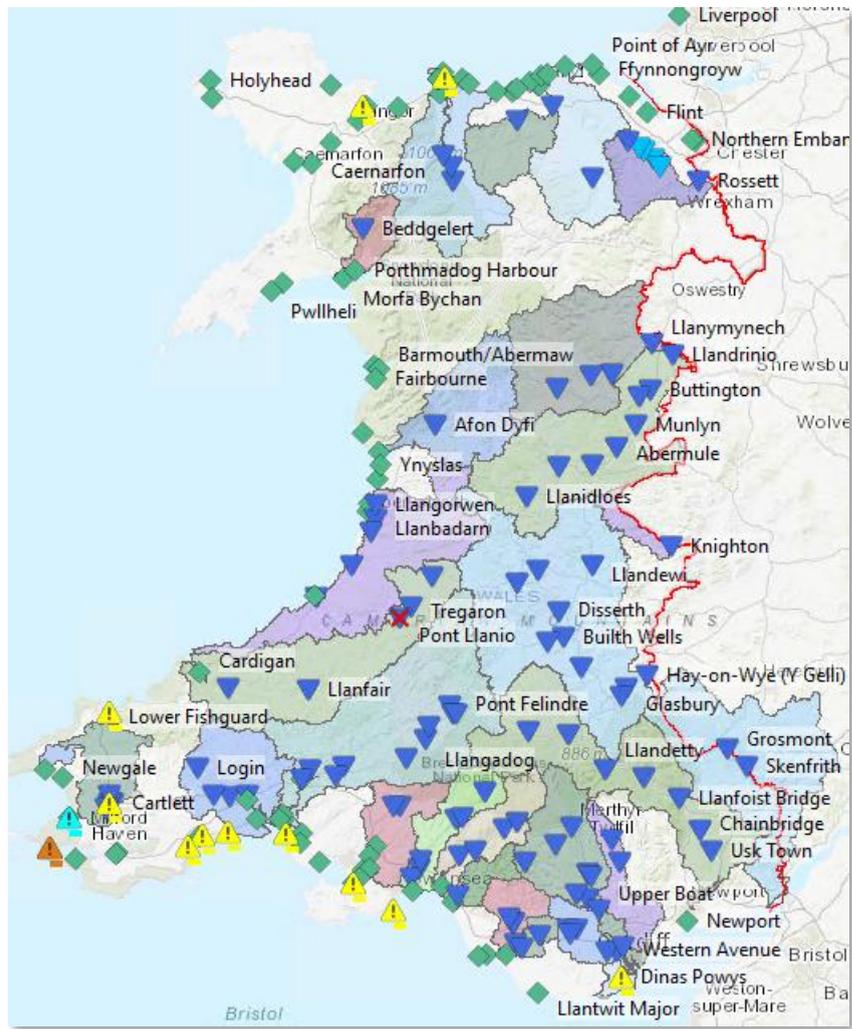
Since 2005, when our legacy body invested in delivering a flood forecasting service for Wales, we have developed local models based upon risk, shaped by our Communities At Risk Register (ie. prioritising catchments and locations where the risk is greatest). We provide forecasts for 104 river and 80 coastal locations. The service provides coverage of all coastal Flood Warning Areas and 78% of river Flood Warning Areas, as shown in Table 1 below.

	Wales Total	Forecast Model Available	Forecast Service Coverage
River Forecasting			
Flood Warning Areas	233	182	78%
Properties in Flood Warning Areas	75,464	57,914	77%
Coastal Forecasting			
Flood Warning areas	110	110	100%
Properties in coastal Flood Warning Areas	77,000	77,000	100%

Table 1 – Flood Forecasting Service Coverage

Despite strong progress, there are still gaps in service coverage for some significant river catchments including the River Dee, Lower Wye (Monmouth), Ebbw, Sirhowy, Lwyd and Llanelli rivers (Map 1 below).

Map 1 – NRW Flood Forecasting Service Coverage (blue triangles and green diamonds are locations where forecasts are available, shaded areas are catchments with local models)



The maximum coverage we could achieve through filling these gaps with new catchment models is around 90%. To do this would require additional sustained investment to complete the necessary maintenance and increase capacity in our forecasting team and duty forecasting rota.

Furthermore, limitations on the availability of local observational data needed for model calibration (we do not have river gauges on every small watercourse), combined with the rapid response of small catchments to rainfall, mean it is not possible to have full coverage with the traditional approach of a local catchment model.

To address the remaining gaps, we have been exploring alternative tools. The Grid to Grid broadscale hydrological model, currently used by SEPA in Scotland and the EA and Flood Forecasting Centre in England, could provide a suitable tool to fill this gap where a locally bespoke model is not available, with the appropriate investment to configure, maintain and operate the model. However, locally-calibrated models are the preference across the flood agencies where there is the data to build and calibrate them.

Our indicative estimate of the revenue investment needed to expand our river forecasting coverage using locally-calibrated models and Grid to Grid (for other smaller catchments where it is not practical or possible to build locally-calibrated models) is £200,000 per annum. This is largely an investment in permanent skilled staff resources and some ongoing software licence costs.

The one-off capital investment required to support this would be relatively modest (around £100,000). Without the revenue investment as well, any benefits of capital investment would not be realised.

Forecasting Trials

NRW is actively involved in the EA's trials with the Met Office, and emerging evidence is helping to shape how we could introduce this capability in Wales. The EA is not yet using ensembles operationally and significant further work is required before they can deploy them within their local forecasting service.

We are working with the Met Office on the ensemble rainfall data they may be able to supply and expect to begin using trial data later this summer. NRW, the EA and SEPA are also collaborating with the Met Office to define common requirements and shared data products to support a more efficient UK-wide approach.

We have also been working closely with the Flood Forecasting Centre to improve the rainfall forecast scenarios used for NRW's event preparedness and the Flood Guidance Statement. A funded change request is now underway to provide both Best Estimate and Reasonable Worst Case catchment rainfall scenarios within our forecasting system, enabling us to generate river forecasts for each scenario. This will strengthen our assessment of flood likelihood and impacts, and improve the advice we provide to Local Resilience Forums.

This will be an interim two-year service whilst we progress toward full probabilistic ensemble forecasting, which will allow us to assess uncertainty and attach likelihood scores to forecasts. We are currently assessing how to deliver fully probabilistic ensemble forecasting into our river and coastal forecasting, guidance and warning.

We estimate it will take a minimum of two years, and more likely three (around autumn 2029) to develop a basic probabilistic forecasting capability suitable for event preparation, the Flood Guidance Statement, and Local Flood Advisory Service briefings. Fully integrating probabilistic forecasting into the public flood warning service will take longer, as is also the case for the EA and SEPA. All three countries are exploring the potential, but none have the capability at present to use probabilistic forecasts for warning the public.

Moving to probabilistic forecasting will require significant system, data and process changes, as well as extensive user research with the public. It may also necessitate UK-wide changes to Flood Warning Codes to maintain the consistency that partners and at-risk communities expect.

Delivering this capability will require sustained capital and revenue investment, including skilled staff to develop and maintain such a service, which will place more focus on interpretation and communication of information with the public and partners.

Our estimate of establishing a basic capability in two to three years is dependent on additional, sustained investment from the 2026/27 financial year. We estimate at least £300,000 permanent revenue investment would be required to maintain and continuously improve a probabilistic service, with up to £200,000 capital investment to develop our digital systems. These costs may increase depending on partner and public demand for access to probabilistic forecasts and guidance.

Promoting our Flood Warning Alerts

We delivered our Be Flood Ready week in October 2025, promoting three key preparedness actions – checking flood risk by postcode, signing up for free warnings and knowing what to do when flooding is forecast. The campaign was launched alongside the opening of our largest flood-alleviation scheme at Stephenson Street, Newport with contributions from the Deputy First Minister.

We have also updated our suite of social media assets, which we use to promote the flood warning service. These are used on our social media channels and those of partners when there is stormy weather, as we know people are more likely to check their risk and sign up to warnings when there is an imminent threat of bad weather.

In addition, we have been working with the Welsh Local Government Association and local authorities to develop a suite of social media assets that local authorities can use to communicate local impacts and response in relation to warnings issued by NRW.

At a local level, we have taken part in a Welsh Government-funded pilot with the Gwent Public Service Board, testing paid local campaigns and alternative trusted voices to increase registrations. We are now exploring further local engagement approaches in South Wales Central, including materials in commonly-spoken community languages.

NRW attended the Senedd 'Y Farchnad' in October 2025 to provide support for Senedd Members and explain our role and the information available to help them support constituents. We engaged with over a third of MSs (or their teams) at the event and we plan to repeat this again, later this year, to engage with newly elected MSs.

It is worth noting that it is increasingly difficult to measure the uptake of flood warnings, as many people prefer not to register directly with NRW and instead choose to access warnings through online platforms or third-party providers. Registration alone is no longer a reliable measure of the reach of our service.

To respond to these changing behaviours, we have worked with the EA and SEPA to agree how the current UK flood warning codes map to the international Common Alerting Protocol (CAP). We are currently undertaking work to make our live flood warning data available in CAP format. This will enable our live flood warnings to be published on platforms such as Google and Apple services. Exposing our data via these channels means we can increase the reach of our flood warnings to those who haven't signed up directly to the NRW flood warning service, along with those who may be travelling through a flood risk area they do not reside in. We expect to go live with our new CAP data feed this spring, at which point it will be available via third party platforms.

At the same time we continue to make our warnings available to those who are digitally excluded. Flood warnings remain available via voice messages to traditional telephone land lines and the floodline telephone service provides a single telephone number for Wales, England and Scotland with access to flood information and advice, as well as sign up for our flood warning service by speaking to a dedicated helpline operator.

Strengthening understanding within communities

Notwithstanding ongoing improvements and promotion of our flood warning service, we need the public to recognise their flood risk and take personal responsibility by signing up for free warnings, preparing for floods and considering personal or community flood plans. Evidence across the UK, including recent research by the British Red Cross, shows awareness of flood risk remains relatively low despite decades of devastating flooding and regular engagement campaigns.

We support a network of over 65 community flood plans across Wales, where flood plan volunteers have stepped forward to help their communities be more resilient to flooding. We continue to welcome any community into this network and run network support events to share learning and experience between partners and volunteers.

While we can promote key messages and support partners at an all-Wales level, direct engagement with local communities is often best delivered by local authorities and/or town and community councils. They have stronger community connections and are better placed to address wider resilience needs, of which flooding is only one part. NRW does not have the resources to provide sustained local engagement, nor are we the organisation best placed to do so. Our value comes from the enabling advice we provide and being able to bring others together to share and learn in this challenging space.

Protected Sites

Improvements in SSSI Designation

In response to the SSSI audit, we are currently developing a strategy for nature recovery and a single integrated delivery programme. The programme will bring together, prioritise and direct resources for the range of activities within NRW that contribute to the 30x30 commitment. The strategy will focus on action to support, deliver and secure for the long-term spatial protection and effective management in a range of forms, including SSSIs and other protected sites, other area-based measures (Naturfa sites), and flexible approaches that allow us to respond to pressure such as climate change. We are drawing on and drawing together all our relevant tools and functions, including regulation, advice, evidence, advocacy, finance, data management, digital systems, corporate governance and direct land management.

We have allocated an additional £3m to invest in our most important strategic priorities next year and expect a meaningful proportion of that funding to be attributed to this work area and plan to have a costed, prioritised programmes in place for April 2026.

Alongside this strategic planning, we have also recently completed a review of the current SSSI series and a review of opportunities for SSSI notification; developed criteria for prioritising SSSI notification; updated our protected sites database software and commenced scoping further improvements; proposed a pilot Naturfa site on the land in our care; and refreshed our terrestrial monitoring strategy.

Biodiversity Monitoring

We have recently completed a refresh of our terrestrial monitoring strategy, the purpose of which is to ensure we are well placed to respond to the changing biodiversity policy landscape and the introduction of statutory targets. By evolving our approach to biodiversity monitoring we intend to deliver monitoring at a greater scale to improve coverage across the protected site series. This will involve greater use of rapid survey methods, the onboarding of innovative monitoring and analytical techniques, and extensive collaboration with partner organisations and programmes to enhance the collective capability for monitoring and assessment of our protected sites.

We have allocated an additional £290,000 of NRW budget to these work areas and will have a fully costed service model for delivery of biodiversity monitoring and assessment requirements by April 2026. As a component of this, we are scoping the work required to develop and upgrade our biodiversity data systems. This is essential work to ensure we have the necessary systems in place to store, process, and make readily accessible our biodiversity data assessments.

Tree Planting and Timber

Welsh Government's Timber Industrial Strategy

We recognise the value of greater adoption and use of Welsh timber in the higher end valued products for house building, as an enabler to a foundation economy and facilitator for a circular economy in Wales.

Our role as manager of the Welsh Government Woodland Estate (WGWE) includes the provision of timber to the marketplace, wood processors and sawmillers across Wales, and we have a major role to play in complementing the Welsh Government's Timber Industrial Strategy. This strategy identifies key actions to support the sector in greater use of Welsh timber.

Our action, identified as Priority 4 – instilling confidence in demand – encourages our role in increasing the timber supply from the WGWE, which offers to facilitate the greater availability of timber for house building in Wales.

Our current review and upcoming publication of our timber sales and marketing plan, which underpins our growth and value strategy, is our commitment to the wood processors in Wales and an assurance of round timber supply from the WGWE. This five-year commitment of supply to the marketplace gives a confidence for the timber sector in Wales for investment and security of supply, whilst complementing our delivery of SMNR (Sustainable Management of Natural Resources) across the land in our care.

Priority 5, developing sector, and Priority 6, underpinned by behaviour change, of the timber industrial strategy facilitates the creation of an industry leadership group, led by Confor, which we will contribute to and complement.

Our involvement in this group will support the Welsh Government and industry-led group to engage with developers and house builders, further complementing the work already

delivered by Wood Knowledge Wales, The Home Grown Homes Project2 and Tai ar y Cyd.

NRW's Growth and Value Strategy

During our scrutiny session, we referred to the ongoing work on our Sustainable Growth and Value Strategy. We want to highlight that we are now seeking views and ideas on the draft Sustainable Growth and Value Strategy 2027-2031, and supporting draft Timber Sales and Marketing Action Plan. We aim to grow and value resources to allow investment back into our core mission so that by 2030 nature is recovering, communities are resilient to climate change and pollution is minimised. Areas for focus include business development, commercial recreation, renewable energy and timber sales. The document is available on our website, [here](#).