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04 February 2019

Mr N Ramsay
Public Accounts Committee

By email: SeneddPAC@Assembly.Wales

Dear Nick

As interim chair of Natural Resources Wales, I want to add a personal reflection and assurance to you in commending the Grant Thornton report to your committee.

I took up post at the beginning of November 2018 and sought to quickly assess the challenges facing NRW. Clearly there are a range of issues which we are taking forward at pace, but commercial forestry and connected matters are at the top of our immediate concerns. I am giving this the highest priority and I have set up a Board oversight group to advise, guide, scrutinise and challenge the project managing delivery of our action plan.

When the Chief Executive took up post and faced the challenge of accounts qualifications arising from the timber sales issues I believe she took the right decision to bring Grant Thornton in to undertake a full review.

This report, which makes very difficult reading, gives me the assurance that we are getting to the bottom of the issues. I believe we now have the full picture on which to act decisively and with pace to make sure that this never happens again within NRW.

It is crucially important that the Board of NRW fully satisfies itself that all the issues brought out in the report are examined in the context of the wider organisation's operations, not just forestry. We are also giving that high priority.

Our action plan is making sure that major changes and improvements are made. Delivering change on such a scale is critical in making sure this does not happen again. We are putting matters right, are on plan to deliver and will be open about our progress.

I have chaired a number of challenged organisations. With focused leadership at Board and Executive levels, a team of people who are willing to succeed and with dogged determination, I am confident that we can quickly put the reforms in place that ensure the future success of NRW in serving the people of Wales.

We are also resetting our relationship with the forestry industry in Wales and I look to all those partners to work with us in delivering a set of transformed business relationships.

I look forward to meeting you on 11 February and to giving you further assurance on the issues raised in this report and how we are addressing them.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. Henshaw', with a horizontal line underneath the name.

Sir David Henshaw
Cadeirydd, Cyfoeth Naturiol Cymru
Chair, Natural Resources Wales