

RSPB paper for the Climate Change, Environment and Infrastructure Committee session on 20 January:

Scrutiny of Welsh Government draft budget with the Minister and Deputy Minister for Climate Change

Annual scrutiny of Natural Resources Wales

This short paper is provided as a supplement to RSPB Cymru's response to the Finance Committee's pre-budget consultation (also provided). Having now had the opportunity to consider the Welsh Government's draft budget, we suggest a number of areas the Committee might wish to explore with the Minister, as well as with the Chair and CEO of NRW.

1. NRW's capacity to respond to the nature and climate emergency

During its recent inquiry into Biodiversity and Ecosystems, the Environmental Audit Committee requested evidence from Natural England in relation to its funding and particularly, details of the work that Natural England had curtailed or reduced investment in due to budget constraints. The evidence provided by the Chair of Natural England provided these details and stated that the current funding at the time was below the level required to deliver all of its statutory duties to a good standard. It also stated the risks resulting from this situation.

In light of NRW's funding <u>falling</u> in real terms by 35% from 2013-2020, the Committee may wish to ask whether NRW has made a similar assessment of the impact of budget constraints on its ability to deliver across the full range its statutory duties and responsibilities.

NRW's <u>baseline evaluation</u> of terrestrial protected sites (published in 2021) prompted <u>concerns</u> due to the clear paucity it showed in terms of available data and staff resource to assess the condition of the site features (species and habitats), as well as the overall results of the evaluation showing only 20% of features at these most important places for nature are in favourable condition. During the Committee's <u>evidence session</u> on 9th December 2021 on marine environmental management, NRW gave evidence on funding needs for an adequate programme of marine monitoring. This stated that NRW's funding for marine monitoring had decreased over the past nine years, and that the favoured option from working with JNCC and Welsh Government identified a need for a five-fold increase in funding to enable an adequate programme.

The Committee may wish to ask NRW what assessment it has made of the budget needed for an adequate programme of monitoring covering all protected sites – for terrestrial as well as marine sites, including SSSIs – and how this compares to the budget currently available for site monitoring.

During the Committee's 9th December session NRW referred to the need to revise conservation advice packages for marine SPAs and SACs, making them more detailed and prescriptive; <u>SoNaRR</u> <u>2020</u> reported that only 5.47% of SSSIs are covered by management agreements between NRW and their owner/occupiers.

The Committee may wish to ask NRW, and the Minister, to what extent they consider funding allocated in the draft budget will plug the gap in terms of securing appropriate management for terrestrial and marine protected sites.

2. Nature conservation

The Committee may wish to explore more detail about how nature conservation funds may be spent on different programmes and priorities. For example:

What is the level of funding anticipated for protected sites and wider habitats under the Nature Networks Fund, and what funding will be available for species recovery projects?

While allocations in the draft budget are extremely welcome, a significant gap in finance for nature's recovery remains.

The Committee may wish to explore what steps the Welsh Government is taking to develop innovative funding approaches, enabling well-regulated private investment to play its part.

3. Nature based solutions

The Committee may wish to explore to what extent nature recovery may benefit from other budget lines within the Climate Change portfolio. For example:

Will the budget allocation on flood risk management be used to deliver nature-based solutions to flood risk, and in what proportion?

To what extent will the forestry allocation in the budget contribute to the management and creation of wildlife-rich habitats to contribute to resilient ecological networks?

Given the importance of peatlands in contributing to both mitigation of and adaptation to climate change, what level of investment does Welsh Government anticipate making in restoring degraded peat?

4. Marine renewable energy

The recent <u>deep dive on renewable energy</u> identified the need to invest in NRW's regulatory and advisory capacity as well as in addressing evidence gaps and improving spatial planning.

The Committee may wish to explore with the Ministers whether the budget line for marine renewables is to incorporate these wider costs of delivering marine energy ambitions.

5. National Nature Service

In our submission to the Finance Committee, we flagged the opportunity of a National Nature Service (NNS), in linking environmental needs with Welsh Government priorities around jobs and skills.

The Committee may wish to ask for an update from the Minister on whether the Welsh Government plans to take forward the development of an NNS in line with proposals submitted by the Food, Farming and Countryside Commission and the Future Generations Commissioner's Office.

For further information please contact Annie Smith – annie.smith@rspb.org.uk