

Nick Ramsay MS
Chair
Public Accounts Committee

By email:- SeneddPAC@senedd.wales

21 December 2020

Dear Nick

I hope that you and your colleagues are keeping safe and well.

[Our latest annual report](#)¹ has now been published so I thought it thought it would be useful to send it across to the committee, and provide an update on our Timber Sales Governance progress following the recommendations of the Grant Thornton review which we have discussed with you on a number of occasions.

The Timber Sales Governance project came to an end in June 2020 having been transitioning into Business as Usual since the start of December 2019. As you will be aware, NRW's Board instigated a number of checks to ensure continued robust oversight and due diligence against the objectives set as part of the project, and an Internal Audit progress review undertaken in June 2020 identified that further work was required to ensure that the improved ways of working were fully embedded.

We took immediate action to address this, including strengthening the team, providing additional training and maintaining Board scrutiny of this area of our work through our Audit and Risk Committee and an oversight group chaired by Sir David Henshaw. I am particularly pleased that Sarah Jennings, our new Executive Director of Communications, Customer and Commercial is leading this area at Executive Team level, and Rachael Cunningham, our new Executive Director of Finance and Corporate Services will also provide a degree of independent assurance.

We continue to work closely with Welsh Government and the forestry sector. Our endeavours to support the industry and keep operations running safely and within Government guidelines during lockdown meant that production continued without interruption in 2020, unlike elsewhere in the UK. All timber processors are now back up

¹ <https://cdn.cyfoethnaturiol.cymru/media/692608/annual-reports-and-accounts-2019-2020.pdf?mode=pad&rnd=132513842060000000>

and running, and we have been able to maintain our regular timber sales. In our 2020-21 Business Plan, which was revised and published in September, we were forecasting timber income of £29m. At the time of writing, we are on track to realise that forecast. The improvements in our relationships with the sector have been very evident during the Covid pandemic and we are determined that this will continue in 2021.

I hope that this will provide the Committee with assurance that NRW is progressively overcoming the challenges faced in recent years, and that we are on a steady course to creating a better future for Wales through the sustainable management of our environment and natural resources.

Best wishes



Clare Pillman
Prif Weithredwr, Cyfoeth Naturiol Cymru
Chief Executive, Natural Resources Wales

c.c. Sir David Henshaw, Chair, NRW
Lesley Griffiths MS, MEERA