



Llywodraeth Cymru
Welsh Government

From:

Water Branch

Cleared by:

Clare Fernandes

Date:

2 May 2025

MINISTERIAL ADVICE

**For decision by: Deputy First Minister and Cabinet Secretary for
Climate Change and Rural Affairs**

Subject	Natural Resources Wales Funding for Improved Water Quality Compliance
100 word summary	You are asked to agree to fund Natural Resources Wales (NRW) to deliver a program of work to develop improved compliance, partnership working and water quality monitoring to deliver the Welsh Government 2025 – 2026 budget commitment.
Timing	Priority – NRW need to commence this work in May in order to complete it this financial year.
Recommendation	<p>The Minister is asked to:</p> <ol style="list-style-type: none"> 1. Agree to provide NRW with additional grant in aid funding to support a program of work to develop improved compliance and water quality monitoring of up to £2,722,759 from the Flood Risk Management & Water Policy Delivery BEL 2230 for financial year 2025 - 2026 (£803,468 for capital from WBS x.580.216wqc and £1,919,291 for revenue from WBS x.580.216016. 2. Note the budgets for the funding will be transferred to BEL 2451 (NRW Grant in Aid) from BEL 2230 for the 2025-26 financial year, at the earliest opportunity.
Decision report	This decision does require a Decision Report, which may be published at any point.

ADVICE

1. The Welsh Government budget for 2025 – 2026 made provision for up to £3.5 million resource funding and £1.5 million capital funding to support work to improve water quality and enable intelligence led compliance activity and follow up on incident classification. This included supporting investment to underpin systems, invest in enforcement staff and build on existing joint arrangements with the police. The funding is also to support multi agency partnership and strategic focus on water quality improvement.
2. NRW have developed a program of work to take this forward, and have requested funding to support this for staff and equipment (see breakdown at doc 1)
3. This is a long-term programme of work, and the funding to support this is for 1 year only, 2025-26. NRW will therefore use this funding to trial different approaches, and to procure equipment which will be used over the longer term. At the end of the period, they will prepare a report setting out options for a longer term solution and the resources required to support this.
4. The majority of the funding will support the establishment of an all-Wales Water Compliance Unit consisting of 12 people. From financial year 2025 – 2026, this will include their pay, training and travel costs. This team will be funded ongoing from charges following the charge review for water quality subsistence. The Unit will undertake the assessments of water company and other permit conditions under Environmental Permitting Regulations (eg Operator Monitoring Assessment and Operator Self-Monitoring compliance reviews, reporting on the current Environmental Performance Assessment, evaluation of compliance data returns (for event duration, flow and storm overflow assessment). Any subsequent enforcement action required will be undertaken either by the Unit or by other NRW regulatory officers in geographic teams.
5. This funding will enable NRW to continue its Police Seconded programme in place with Dyfed Powys, North Wales and Gwent Police forces and extend to a 1-year trial with South Wales Police force also. To support succession planning for enforcement staff, NRW will retain its current cohort of apprentices by creating extended training placements and creating placements within Development and Flood Risk to support work on enforcement of river damage from unauthorised works in river. Finally, a post in Enforcement Policy will continue to develop improved approaches to enforcement, reporting against regulatory metrics and commission research and assessment into the effectiveness of enforcement responses.

6. 3 pilot programmes will be established using bought in services to support environmental evidence for enforcement of in river damage (hydromorphological and habitat damage), the extension of use of drones in NRW's enforcement activities and development of a roadmap for improvement and integration of ICT systems for water quality and enforcement.
7. NRW will also purchase equipment to be used to gather evidence from incidents and permit breaches to support enforcement response, including sondes for in river monitoring, replacement of handheld meters for field analysis and licences for British Geological Survey data (used in assessment of hydromorphological damage). NRW recently completed a successful trial of body worn video equipment for Enforcement Officers and this funding will enable the roll out of the recommendations of the trial to all relevant officers.

Recommendation

8. This programme of work proposed by NRW closely aligns with the compliance and enforcement purpose of the additional resources made available in the 2025 – 2026 budget settlement and NRW advise it is deliverable within the current financial year. We therefore recommend you agree to this proposal.

Financial implications

9. The revenue and capital funding will be met from the Flood Risk Management & Water Policy Delivery BEL 2230 budgets, (WBS X.580.216016 for revenue and WBS X.580.WQC for the capital funding). The revenue and the capital funds will be transferred to the NRW BEL 2451, NRW Grant in Aid budget, at the first opportunity (most likely at 1st Supplementary budget).
10. The £1,919,291 revenue costs will be met from within the £5.5 million Water allocation for WBS x.580.216016. The table below provides a summary of commitments to date.

Revenue Spending Commitments 2025 – 2026 wbs x.580.216016	Amount 2025 – 2026(£)
MA/ HIDCC5907/24 & MA/ HIDDCC/ 0681/25 ROSPA Bathing Water Safety Contract inv VAT % £40k website	160,000
MA/JJ/2683/24 & MA/HIDCC/04721/25 NRW DWMP support	90,000
MA/HIDCC/10412/24 & MA/HIDCC/ 05625/25 - staff to support work on the water review, legislation and water quality	562,500
MA/HIDCC/05625/25 - progress water quality delivery focused Summits	182,400
MA/HIDCC/10255/24 fund research fellow to review & evaluate measures Water Framework Directive measures	105,000
MA/HIDCC/-0758/25Vale of Glamorgan Bathing Waters Project will require a budget of £225,000 in 2025/26 & £177,000 in 2026/27, covering staff costs and essential project activities, including stakeholder engagement, assessments, misconnection work and nature-based solutions. The Strategic Bathing Water post will require £75,000 per year over two	300,000

years, 2025/26 and 2026/27, to support a dedicated policy post and the development of a prioritised programme.	
Total Revenue Budget	5,500,000
Total Commitments to Date	1,399,900
MA recommendation if agreed	1,919,291
Total Commitments to Date if this MA agreed	3,319,191
Total Revenue Remaining for Programme Delivery if this recommendation agreed	2,180,809

11. The capital costs of £803,468 in this MA will be taken from the outstanding uncommitted £1.5 million from WBS x.580.216WQC. The table below provides a summary of commitments to date.

Capital Spending Commitments 2025 – 2026 wbs x.580.216wqc	Amount 2025 – 2026 (£)
MA/HIDCC/10217/24 committed £16 million to grant fund the mining remediation authority and NRW to deliver a programme to improve water quality	
Total Water Capital Budget	17,500,000
Total Commitments to Date	16,000,000
MA recommendation if agreed	803,468
Total Commitments to Date if this MA agreed	16,803,468
Total Revenue Remaining for Programme Delivery if this recommendation agreed	696,532

Communication or media handling

13. No communication or media activity is planned or expected. However, officials will provide lines if necessary.

Annex 1: ASSURANCE AND COPY RECIPIENTS

CLEARANCE TRACKING

Aspect	Tracking	Yes	No	N/A	Clearance no.
Finance	Financial implications over £50,000?	☒	☐	☐	
	Cleared by Group Finance?	☒	☐	☐	CCRA/25/016
	Cleared by Budget & Government Business Division?	☐	☐	☒	

	Cleared by Local Government Finance?	☐	☐	☒	
Legal	Legal issues?	☐	☐	☒	
	Cleared by relevant lawyers?	☐	☐	☒	
Governance	Novel and contentious issues?	☐	☐	☒	
	Cleared by Corporate Governance Centre of Excellence?	☐	☐	☒	

DEPUTY DIRECTOR, STATEMENT OF ASSURANCE

In clearing this MA, I confirm that I, Clare Fernandes, have quality assured this advice, ensuring it is provided on the basis of evidence, accurately presents the options and facts and I am accountable for the recommendations made

I am satisfied that the recommended decision or action, if agreed, would be lawful, affordable and comply with all relevant statutory obligations. Welsh Government policy priorities and cross portfolio implications have been fully considered in line with delivery of the government objectives.

I have fully considered the statement of assurance contained in the MA guidance to ensure all relevant considerations have been taken into account, appropriate impact assessments have been undertaken and that the actions and decisions take account of regularity, propriety and value for money.

COPY LIST

All mandatory copy recipients (Mandatory CC – MA – DFMCCSCRA)). Additional copy recipients specifically interested in this advice:

- Clare Fernandes
- [REDACTED]
- [REDACTED]
- Water and Flood / Dŵr a Llifogydd

