

Diane McCrea  
Chair  
Natural Resources Wales

8 December 2017

Dear Diane,

**Committee report on the Welsh Government's Draft Budget 2018–19**

Thank you very much for attending our Committee meeting on 16 November with Ceri Davies and Kevin Ingram. It was useful for our members to have a better understanding of the issues facing Natural Resources Wales (NRW) and your approach to legislation and policy changes.

I would like to draw your attention to our report on the Welsh Government's Draft Budget 2018–19 which touches on some of the resource issues we discussed during the meeting. The report notes that the Committee is concerned by the divergence in opinion about the impact of reductions in funding for NRW and the assurance from the Cabinet Secretary that the reduced funding for staff costs would not affect NRW's resilience.

We have also noted the Cabinet Secretary's view that NRW should increase its revenue from commercial opportunities. In response, the Committee expressed concerns about NRW's capability and expertise in this area.

Our report recommends that the Welsh Government must, in discussion with NRW, keep under review the capacity of NRW to fulfil its responsibilities and statutory functions. Also, that the Welsh Government should provide an initial report on this matter to the Committee within six months.

If you have any comments on our report I will be happy to receive them.



We are hoping to meet your newly appointed Chief Executive, Clare Pillman, once she is in post. Please can you forward an invitation to her to join us from **9.30 until 10.30 at our meeting on 1 February 2018?**

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive style with a large initial 'M'.

**Mike Hedges AM**

**Chair of Climate Change, Rural Affairs and Environment Committee**

