

# Our corporate plan - Nature and People Thriving Together Draft impact statements and strategic indicators

## Annex 1 – Methodology

Our corporate plan up to 2030, *Nature and People Thriving Together*, sets out our vision, mission, and well-being objectives to 2030.

In the plan we committed to strengthening our performance management framework, to ensure we effectively monitor delivery of the corporate plan. We have designed a performance management framework that monitors progress towards our well-being objectives in 2030 and beyond, while also showing the line of sight to what is happening in our day-to-day business. Ensuring this alignment has been central to our approach, so that we can demonstrate progress and tell the story over the lifetime of the plan and beyond.

We have designed our performance management framework to integrate the strategic and the operational, opening to more detailed, granular information as we move through to understand the drivers of performance:

**Strategic** - focussed on the long-term to 2030 and beyond. Used to monitor and report on progress in delivering the impacts associated with our well-being objectives

**Operational** – focussed on the short to medium-term to 2030. Multi-year planning used to monitor and report on progress in securing the outcomes of the steps to take. Sequencing will inform prioritisation in the annual business plan.

- **Annual Business Plan** – focussed on the short-term annual commitments. Used to monitor and report on progress in delivering annual commitments aligned to sequenced steps to take priorities from the multi-year plan.

Together, these provide a clear line of sight from the corporate plan to departmental, team and individual plans.

Diagram 1 below outlines the attributes of strategic and operational monitoring.

**Diagram 1: Attributes of strategic and operational monitoring**

<p style="text-align: center;"><b>STRATEGIC</b></p>	<p style="text-align: center;"><b>OPERATIONAL</b></p>
<p style="text-align: center;"><b>Impacts (with strategic indicators)</b></p> <ul style="list-style-type: none"> <li>• Monitor progress or trends toward our vision, mission and WBOs – the impacts we want to see by 2030</li> <li>• <b>Impacts</b> - outward facing and greater than NRW alone. <b>Strategic indicators</b> – show progress toward the impacts (those NRW can influence). <b>Narrative</b> draws out details and context</li> <li>• For high level strategic decisions not for diagnosing and analysing operational problems.</li> <li>• Monitored over time to get a picture of progress, not monitored with great regularity.</li> <li>• Remain for the duration of the corporate plan</li> </ul>	<p style="text-align: center;"><b>Multi-year planning and Annual Business Planning (with performance metrics)</b></p> <ul style="list-style-type: none"> <li>• Assessing NRW business - within our direct control</li> <li>• Provide certainty and clarity to become effective and efficient in delivering our priorities.</li> <li>• Diagnosing and analysing to take corrective action quickly, solving issues before they escalate into problems.</li> <li>• Carried out on a regular basis. Linked to, but not for monitoring strategic progress.</li> <li>• Metrics can and should change over time with the variation in conditions, influences, completion of tasks, etc.</li> <li>• Reactive to a changing picture.</li> </ul>

The remainder of the methodology will focus on the ‘Strategic’ element – the development of the Impact Statements and Strategic Indicators.

## Strategic performance monitoring - impacts and strategic indicators

To provide an integrated perspective on strategic performance we are using impact statements and strategic indicators together. These have been deliberately designed to avoid functional silos and facilitate connections as we strive to maximise the benefits of our work on nature, climate and pollution minimisation for people’s well-being.

**The impact statements** sit below the well-being objectives and define the ambition of what we want to see by 2030 and beyond - the destination or the ‘ends’. They provide a detailed description of what success looks like. The impact statements are outward facing and recognise that collective action will be required across the public, private and third sectors to realise change.

**The strategic indicators** focus on those things NRW can directly influence, using its levers and tools, and are intentionally ambitious and stretching. We have chosen indicators where we can monitor progress over time, tracking progress against the things that need to change by 2030 (the ‘curves we need to turn’). We have chosen strategic indicators that provide an integrated assessment of progress, painting a picture of the corporate plan in its totality. Each one is designed at a high level to ‘pull along’ other data and should be measurable and transparent. Each strategic indicator contributes to several impact statements highlighting the cross-cutting and holistic approach we are taking to monitoring and reporting.

The combination of impacts; quantitative and qualitative indicators; and supporting narrative provide a strategic perspective of progress towards our well-being objectives and the multiple benefits that flow from our work. The three parts will be used together to tell the complete story.

## Principles for development

- In line with our commitment in the corporate plan, we adopted a ‘blank sheet of paper’ approach, to avoid being skewed by focussing on those areas which are easy, rather than important to monitor. We challenged ourselves to ensure we explored what we need to know and recognised in some areas we will need to develop new data sources to support the strategic indicators.
- Led by the Corporate Strategy Team a cross directorate working group, with involvement of Board members Calvin Jones and Mark MacKenna, has taken forward development of the strategic indicators. The methodology and progress in the development has been scrutinised by the Planning and Resource Group (PRG) and Executive Team (ET). Leadership and Management Teams have also had briefing sessions. Welsh Government officers have also been briefed on progress to date.
- We committed to focussing on a small number of impacts and strategic indicators that provide an integrated assessment of progress painting a picture of the corporate plan in its totality.
- No one team or department will be responsible for an individual impact statement or strategic indicator. They are to be owned collectively by the Executive Team and the NRW Board.
- The impacts and strategic indicators will be tested through to Autumn 2024 with the intention of finalising and signing off for use in 2025-26. They will then remain for the course of the corporate plan through to 2030 (and beyond). Testing will include: engagement with partners to explore insights and opportunities to refine; progression of a development agenda where we have identified gaps; use in real-time to frame and shape four set piece strategic discussions at ET and Board.

## Approach

A deliberative and iterative approach was taken to the development of the impacts and strategic indicators. Diagram 2 illustrates the process of development.

**Impact Statements** are what we want to see by 2030.

- Impact statements have been developed to set the ambition. They will be stretching but achievable, showing the difference we want to see for both the environment and people.
- The Impact statements are outward facing and clearly recognise NRW cannot achieve these ‘ends’ alone.
- Through a series of internal workshops, we have visualised where we want to be in 2030 identifying what success would look like. We have considered this for each WBO, including the steps to take, alongside the other commitments in the plan. From this we identified an initial long list, which has been refined to a short-list giving a holistic view of what the impacts of our actions will be.

