**WRITTEN STATEMENT**

**BY**

**THE WELSH GOVERNMENT**

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| **TITLE**  | **Natural Resources Wales (NRW) Annual Report and Account 2023-24** |
| **DATE**  | **21 October 2024** |
| **BY** | **Huw Irranca-Davies, Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs** |

The Auditor General for Wales, Adrian Crompton and I have today laid Natural Resources Wales’ Annual Report and Accounts for 2023-24 before the Senedd in meeting the duties set out in the Natural Resources Body for Wales (Establishment) Order 2012.

Members may want to note that Natural Resources Wales’ Annual Report and Accounts for 2023-24 include details of HM Revenue and Customs’ (HMRC) investigations into NRW’s historic compliance with off-payroll working (more commonly known as IR35) requirements, and the extent of the potential liability that maybe owed.

NRW and HMRC are continuing to discuss this matter in order to bring about a resolution. The Welsh Government will continue to work with NRW and provide the necessary support as it goes through this process.

Since becoming aware of the matter, the Welsh Government has increased its engagement with NRW to track and monitor its progress in resolving the issue and to learn lessons from how the position came about.

I have asked my officials to work with NRW to develop enhanced monitoring arrangements to provide assurance and confidence in the oversight and financial and risk management arrangements in place. I have also asked the Chair of NRW to take a number of steps to further enhance capacity and capability within NRW.

There is no doubt that the professional and passionate staff within NRW work hard every day to help to protect our environment and the health and wellbeing of people in Wales. The Welsh Government continues to support NRW in undertaking their crucial role and to hold them to account in that delivery.