

Natural England Board



Title: **Confirmed minutes of the sixtieth Natural England Board meeting on 23 February 2016**

Members attending	Senior Leadership Team
Andrew Sells (Chairman)	James Cross, Chief Executive
Julia Aglionby	Tim Hill, Chief Scientist
Andy Clements	Paul Lambert, Chief Finance and Governance Officer
Will Cockbain	Alan Law, Chief Strategy and Reform Officer
Teresa Dent	Julie Lunt, Chief Legal Adviser
David Hill	Guy Thompson, Chief Operating Officer
Joe Horwood	Ken Roy, Director Chairman and Executive Office
Simon Lyster	Invited speakers
Nigel Reader	Jim Seymour, Area Manager, Sussex and Kent
John Varley	Tim De Keyzer, Manager Terrestrial Biodiversity
	Emily Miles, Defra Group Director, Strategy
	Stephen Potts, Environment Agency, Deputy Director, Defra Business Planning and Performance
	Caroline Cotterell, Manager, Conservation Strategy
Apologies	Secretariat
None	Gill Hunt

Welcome from the Chairman

The Chairman extended his welcome and asked for declarations of interest. Declarations were received from:

- Nigel Reader noted his recognised responsibilities as a Board Member of Marine Management Organisation and Natural Resources Wales and added confirmation of his position on the Defra ARC Chairs Group as a standing declaration.
- John Varley declared an interest in respect of his Board membership of the Environment Agency.

The Board also noted the position of Natural England in relation to the EU

referendum, Natural England had no position on the EU referendum and any views expressed by Board members would be purely a personal view and not the view of Natural England.

1. Confirmation of the January 2016 Minutes and Matters Arising (NEB M59 01)

- 1.1 The minutes of the January Board meeting were confirmed subject to the correction of some typos.

Action: Board and Executive Services (BES) to produce confirmed January Board minutes.

- 1.2 The Board noted the majority of actions from the last meeting were completed, but actions 6 and 8 were still in progress and an update on the status should be carried forward to the March Board meeting. The Board asked that this general protocol should be followed at subsequent meetings.

Action: BES to include an update on the remaining January actions in the February Matters Arising paper and implement the requested protocol for 'in progress' actions at subsequent meetings.

2. Chief Executive Report (NEB 60 01)

- 2.1 James Cross introduced the report and welcomed Jim Seymour, Area Manager, Sussex and Kent. The board noted Jim's update on Area team activity and in discussion:

- 2.1.1 Noted the recent agreement to a project with a water company which will bring in income of £1.5 million over the next 4 years.

- 2.1.2 Recognised the responsibility for budgets given to the Area Team had significantly impacted on the cultural change within the team through empowerment to direct spend and by seeing the positive local impacts of attracting income through enabling additional resources including staff numbers.

- 2.1.3 Acknowledged delivery planning for 2016/17 focussed on locally-determined outcomes and not top-down targets or numbers and congratulated Jim on the infographic of his Area clearly showing the outcomes the team were hoping to achieve. The Board recognised the visual aid was useful in driving the cultural shift Natural England were looking for both internally and externally, including closer collaboration with other Defra group bodies.

- 2.1.4 Considered the response of the Area team to criticism in relation to some negative press coverage of a complex case and advised the approach taken by the team to rectify the situation and regain trust from customers and stakeholders had been the correct approach.

- 2.1.5 Advised the production of an infographic for each Area Team would be helpful for both staff and stakeholders and were reassured work to do this was already in hand.

- 2.1.6 Noted the Sussex and Kent team were at the forefront of cultural change but there were still staff who wanted to hang on to reactive work and pet projects, but strong leadership with openness and transparency could help in aiding staff through

change.

2.2 James drew the Board's attention to the performance risk and resource report and alerted the Board to the level of energy within the organisation at the end of a long year. He noted nonetheless the continuing appetite for further innovation and reform and for continued emphasis on local delivery.

2.3 The Board considered the issues outlined in Annex 3 of the report and the following actions were identified:

Action: Alan Law to prepare a briefing on the Pathfinder pilots to be included in the next edition of Board Round-Up.

Action: James Cross to raise the importance of the Wildlife Crime Unit and the relationship between wildlife crime and other types of crime with the Minister for the Environment.

Action: The Board was keen to understand Natural England's role in HS2 and to ensure adequate ambition regarding no net loss/net gain. Alan Law commissioned to undertake a review and report back at March Board.

2.4 The Board noted Julie Lunt's update on the legal issues outlined at Annex 4.

2.5 The Board considered the draft consultation text at Annex 5 in relation to the proposed licensing policies and advised more consistency in the language was required.

Action: Board Members to send comments on the draft consultation for proposed licensing policies to Alan Law.

3. 2016/14 Budget and Business Planning (NEB 60 02)

3.1 The Board noted the budgets outlined in the paper and agreed the Board should retain top level ownership of the income targets even if these were built up from Area Team estimates.

3.2 The Board acknowledged that Defra had asked for additional efficiencies and noted the key areas within the organisation where resource and cost flexibility remained.

3.3 The Board supported the continuation of Natural England's reform programme covering challenges such as Great Crested Newt and bat licensing and encouraged continued alignment with Defra's Transformation programme to help secure the efficiencies required.

4. Realignment of Area Team boundaries (NEB 60 03)

4.1 Guy Thompson introduced the paper and drew the Board's attention to the attached boundary map. The Board noted:

4.1.1 The 14 areas had been drawn up in accordance with the steer from the Secretary of State to use local authority boundaries with some minor exceptions aligned to catchments as the primary building block for outcomes.

- 4.1.2 Operational practicalities may require flexible management of the map where projects and landscapes cross Area Boundaries.
- 4.1.3 The next 12 months would give a chance for the boundaries to be tested and to identify further operational opportunities, costs and risks.
- 4.1.4 Some work within Natural England already takes place across team boundaries and it was important to focus in these cases on the outcomes and not the boundaries.

5. New approach to bat mitigation licensing – proposed pilots in Medway and Woking (NEB 60 04)

- 5.1 Alan Law introduced the paper and welcomed Mel Hughes, Director of Innovation. The Board were reminded that, in these cases, Natural England was proposing to move to more strategic solutions rather than focus on individual cases and individual mitigations. In discussion the Board:
 - 5.1.1 Noted Natural England currently dealt with 1500 licences per year across 17 species of bats but 60% of licences were for low risk species with simple mitigation being put in place yet all licence applications followed the same process.
 - 5.1.2 Recognised that for some species a simpler process could be followed allowing Local Authorities to issue a licence with planning consent.
 - 5.1.3 Acknowledged the work had already been examined in detail by the Board Innovation Group (BIG).
 - 5.1.4 Advised the project was transforming the way Natural England looked at bats through new and different data and acknowledged Tim Hill, Chief Scientist was visiting the British Trust for Ornithology (BTO) to look at technology already in use.
 - 5.1.5 Supported the approach outlined in the paper as better for the species overall and advised that the complete list of low risk species be included when the approach goes out for consultation.
 - 5.1.6 Recognised the current role of bat volunteers and advised early engagement with them was key and their future role must be considered carefully.
 - 5.1.7 Noted the Bat Conservation Trust was already being consulted and had expressed support in principle.

6. Countryside Stewardship and ES Payments Update (NEB 60 05)

- 6.1 Guy Thompson introduced the paper and welcomed Tim De-Keyzer. The Board noted:
 - 6.1.1 96% of mid-tier and 53% of higher tier applications had been processed and the projected figures for the end of February were 2% and 20% left to process respectively.
 - 6.1.2 The main reasons for delays in processing were due to complexities surrounding the IT system and the number of agreements which had to be done partially on the IT system and partially through a manual workaround.

- 6.1.3 Complex agreements such as those involving commons or dual use needed to be completed off the IT system which caused delays as well as requiring full compliance cross checks be carried out which took extra time.
- 6.1.4 Teams were trying to clear the backlog as quickly as possible to allow claims forms to be generated in March 2016 but there was an impact on staff through working excessive and unsociable hours to complete cases.
- 6.2 The Board noted the impact on potential funding from changes to exchange rate assumptions and requested further information on this..

Action: Tim De-Keyzer to provide the Board with further detail on exchange rate assumptions and the impact on the CS budget.

- 6.3 The Board noted the revised strategy for early conversions had now been amended to a more selective approach for exceptional cases.
- 6.4 The Board agreed that updates on CS should now be done at a more strategic level on a quarterly basis.

Action: Alan Law to bring strategic quarterly updates to Board on CS.

7. Defra Strategy to 2020 (NEB 60 06)

- 7.1 Board Members welcomed Emily Miles and Stephen Potts to the meeting and noted their update on the Defra Strategy work. Emily drew the Board's attention to three main areas where Natural England might be involved:
- Page 10, Objective 1 – the description of the approach – Modern, Integrated, Local, Open (MILO).
 - Page 15, Objective 6 – the 5 design principles of reform which ExCo had completed and
 - Page 9 – the cross cutting themes in particular the data theme and gave thanks to Natural England for what the organisation had contributed on data so far.
- 7.2 Stephen Potts drew the Boards attention to page 18 which is where explanation was given as to how the Strategy would be realised and would link through to Natural England's business plan.
- 7.3 In discussion Board Members:
- 7.3.3 Advised there were strong links between a healthy natural environment and the food and farming plan and the nature plan should dovetail with the food and farming plan to encourage sustainable farming businesses in line with other private sector industry.
- 7.3.4 Acknowledged whilst Natural England was part of the Defra family on occasion the organisation did deliver for other government departments and there should be provision for this in any action plan.
- 7.3.5 Advised Natural England had a role to play in providing consistency of approach of the delivery of any long term strategy.

- 7.3.6 Agreed the inclusion of behavioural change towards biodiversity was a key element and advised this should be included in the key outputs of the strategy.
- 7.3.1 Recognised the ambition for integrated local delivery had a good fit with the Natural England local team model and acknowledged as Board Members each had an Area team they were nominated to look after this would give them opportunity to lead the thinking and drive development of local plans.
- 7.3.2 Noted there was scope within CS to tweak the targeting to allow for the development of a local vision.
- 7.3.7 Fully supported the elements of giving power to local people and having local plans and advised it might be challenging to quantify engagement and behavioural outputs as 'soft' targets.

8. Health, Safety and Wellbeing Update

- 8.1 The Board welcomed the verbal update on Health, Safety and Wellbeing impacting on staff working on bTB policy delivery including the issues involved in having staff lone working in areas with little or no mobile phone signal.
- 8.2 The Board recognised the hard work of the bTB team in difficult circumstances and agreed Chairman would write and thank them for their continued effort into an effective licensing and monitoring programme.

Action: Chairman to write to the bTB team to give thanks for their continued effort into an effective licensing and monitoring programme.

9. Audit and Risk Assurance Committee (ARAC) Update (NEB 60 07)

- 9.1 Nigel Reader gave a verbal update on his activity as Chair of ARAC and the Board noted the formal minutes of the December meeting, and Nigel's regular contact with the Head of Internal Audit (KPMG).

10. Natural England Science Advisory Committee (NESAC) Update

- 10.1 The Board noted the meeting planned for 10 February had now been moved the 11 March.

11. Remuneration Committee (Rem Com) Update (NEB 60 08)

- 11.1 The Board noted the paper on recent activity.

12. Board Innovation Group Update (NEB 60 09)

- 12.1 David Hill drew the Boards attention to the summary of the February BIG meeting. Chairman gave thanks to David Hill for his chairmanship of BIG and the Board appointed Simon Lyster as Chair of BIG in light of the end of David Hill's tenure in May 2016.

13. Conservation Strategy Group (CSG) Update (NEB 60 10)

- 13.1 Teresa Dent introduced the paper and welcomed Caroline Cotterell to the meeting.

Board members noted:

- 13.1.1 Good progress was being made by the group through a complex subject.
- 13.1.2 Papers produced for the CSG were available to all members on request.
- 13.1.3 A recent workshop with staff and key external stakeholders had yielded a positive response and good feedback.
- 13.3.4 A member of the Conservation Strategy team had now been seconded into the Defra Strategy team to ensure good linkages between the two.
- 13.2 In discussion Board members considered how the Board wished to discuss the Conservation Strategy in future and the level of involvement and agreed only a finalised version of the plan should come to Board for comment and agreement and not numerous drafts.

14. Board Flood Group (BFG) Update

- 14.1 James Cross gave a verbal update on the BFG and the scope of the group which had been agreed. In discussion the Board:
 - 14.1.1 Noted the group will examine 6 projects across England and undertake analysis into the role of green infrastructure, the cost, social science and then give a view on each project and work to look at where best to apply the learning.
 - 14.1.2 Noted Natural England's NNR estate would be reviewed for flood alleviation opportunities and benefits and previous data collected through the upland vision project would be revisited.
- 14.2 The Board agreed the group should meet face to face soon to draw up the Terms of Reference for the group which would have a 6 -12 month life span.

15. Upland Working Group (UWG) Update

- 15.1 Julia Aglionby gave a verbal update on the work of UWG. The Board noted Julia's update on three points:
 - 15.1.1 Progress of the outcomes approach on uplands and the successful recent workshop with staff where it was clear that implementation needed to happen quickly in order to support staff on the ground.
 - 15.1.2 Evidence and its complexities mean it is not always easy to show what needs to be done on sites and there is a challenge to bring together evidence from the Upland review and practitioner evidence.
 - 15.1.3 EU legislation and burning – there is a risk of infraction which Defra is keen to avoid and work must continue in order to be smarter and more strategic to show what Natural England is doing to implement the outcomes approach and prove it works in practice.
- 15.2 The Board emphasised the importance of Natural England's conservation advisers building confidence in the outcomes approach as the way forward.

16. Any Other Business

- 16.1 The Chairman requested a short report in relation to the Suffolk Coast AONB at the March Board meeting.

Action: The CEO report for March to include a report on the Suffolk Coast AONB.

Actions log

No	Agenda Item/Paper	Ref	Action	Owner
1	Confirmation of the January 2016 Board Minutes and Matters Arising (NEB M59 01)	1.1	Produce confirmed January Board minutes.	BES
2	Confirmation of the January 2016 Board Minutes and Matters Arising (NEB M59 01)	1.2	Include an update on the remaining January actions in the February Matters Arising paper.	BES
3	Chief Executive Report (NEB 60 01)	2.3	Prepare a briefing on the Pathfinder pilots to be included in the next edition of Board Round-Up.	Alan Law
4	Chief Executive Report (NEB 60 01)	2.3	Raise the importance of the Wildlife Crime Unit and the relationship between wildlife crime and other types of crime with the Minister for the Environment.	James Cross
5	Chief Executive Report (NEB 60 01)	2.3	The Board was keen to understand Natural England's role in HS2 and to ensure adequate ambition regarding no net loss/net gain. Alan Law commissioned to undertake a review and report back at March Board.	Alan Law
6	Chief Executive Report (NEB 59 01)	2.5	Send comments on the draft consultation for proposed licensing policies to Alan Law.	Board Members
7	Countryside Stewardship and ES Payments Update (NEB 60 05)	6.2	Provide the Board with further detail on exchange rate assumptions and the impact on the CS budget.	Tim De Keyzer
8	Countryside Stewardship and ES Payments Update (NEB 60 05)	6.4	Bring Strategic quarterly updates to Board on CS.	Alan Law
9	Health, Safety and Wellbeing Update	8.2	Chairman to write to the bTB team to give thanks for their continued effort into an effective licensing and monitoring programme.	Chairman
9	Any Other Business	16.1	The CEO report in March to include a report on the Suffolk Coast AONB.	BES