

Natural England Board



Title: **Confirmed minutes of the sixty second Natural England Board meeting on 11 May 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	Robbie Fisher, Manager Chairman and Executive Office
Simon Lyster	Guests
Nigel Reader	Brad Tooze, Area Manager, Northumbria (Items 1 and 2)
Apologies	Amanda Craig, Operations Director (Items 1 and 2)
John Varley	Sonia Phippard, Defra Director General Environment and Rural (Item 4)
	Shirley Trundle, Defra Director for Natural Environment Policy (Item 4)
	Secretariat
	Emily Finnie

Welcome from the Chairman

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

- Nigel Reader in respect of his protocols as a member of MMO and NRW.
- Julia Aglionby over Subberthwaite and Birkbeck Commons, and also an update to her published Register of Interests.
- Teresa Dent over the Southern Hen Harrier Scheme.

1. Confirmation of the March 2016 Minutes and Matters Arising (NEB M61 01)

1.1 The minutes of the March Board meeting were confirmed.

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

1.2 The Board noted actions from the last meeting were completed, discharged or carried forward to future Board agendas.

2. Chief Executive Report (NEB 62 01)

2.1 James Cross introduced the report and welcomed Brad Tooze, Area Manager, Northumbria, and Amanda Craig, Director Operations. The Board noted the update on Northumbria Team's activity in the planning process for 2016/17, and in discussion:

2.1.1 Were encouraged and impressed with how the Area Team had embraced the mandate provided to them through the proactive stance taken to address focus areas, and the triaging of reactive work.

2.1.2 Received copies of the high level infographic summaries of the 14 area plans('It's In Our Nature'), and welcomed the opportunities presented by the area plans to demonstrate how our core business contributed to delivery of the Defra 25 Year Environmental Plan, through leading by example, and in working with FC and EA within aligned area boundaries.

2.1.3 Explored the reasons why the excitement of staff in the planning process was contradicted by the morale result in the staff survey which it was noted that, in Northumbria, could be explained by a high volume of Countryside Stewardship Higher Tier agreements and a team restructure coincident with the staff survey.

2.2 James Cross introduced the performance, risk and budget outturn reports for the year ending 31 March 2016. The Board:

- Welcomed good performance against KPIs compared with the previous year, particularly in relation to the first improvement in the number of SSSIs in favourable condition for some years.
- Commended excellent financial management to deliver the budget within 0.25% variance despite in year cuts.

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

Action: Joe Horwood to participate in the HS2 QA process before the draft report is presented to the June Board and the final to the July Board meetings.

Action: Alan Law to report on Countryside Stewardship capacity modelling to the June Board.

Action: Alan Law to communicate proactively with all expiring HLS agreement holders on gaps between HLS agreements and new Countryside Stewardship agreements, and the decision on conversions.

Action: Nigel Reader to raise Natural England's budget at Defra ARC as appropriate.

Action: Paul Lambert to review the staff survey conclusions to include reference to the scores for the performance management system.

Action: Board members to promote Natural England's message on bats in churches whilst the HLF bid is being prepared for resubmission.

- 2.4 The Board approved the cessation of Board Round Up with immediate effect.
- 2.5 The Board noted Julie Lunt's update on legal issues outlined at Annex 7. The Board confirmed its agreement with the legal advice on the Hand-Arm Vibration Syndrome (HAVES) case. The following actions were identified:
- Action: Julie Lunt to brief Defra on the HAVS case.**
- Action: Julie Lunt to provide a distinction between cases for decision or update in future legal reports**
- Action: Julie Lunt to follow the Board's steer on the Birkbeck Common case.**
(Julia Aglionby having declared an interest took no part in this discussion)
- Action: Paul Lambert to ensure appropriate disclosure in the Annual Report and Accounts of any anticipated financial implications from legal cases.**
- 2.6 The Board noted the decision taken by the Chief Executive in Quarter 4 2015/16 for a SSSI notification under the Non-financial Scheme of Delegation. The Board welcomed the publication of pipeline SSSI cases on GOV.UK.
- 2.7 The Board noted the Management Protocols and draft example of a Class Licence relating to the Eurasian Beaver and agreed to provide Alan Law with any comments they might have on the draft licence.
- Action: Board members to provide Alan Law with any comments they might have on the draft Class Licence for the Eurasian Beaver.**
- 3. 2016/17 Business Plan and Our Vision Towards 2020 (NEB 62 02)**
- 3.1 James Cross in introducing the 2016/17 business plan and our vision towards 2020 invited the Board to note progress made and to provide a further steer on the development of this work.
- 3.2 Alan Law described the relationship between the four work areas and the overarching vision as our approach to live with a declining budget and yet at the same time reform our business to deliver our Conservation Strategy.
- 3.3 The Board offered congratulations on an imaginative and provocative approach. In discussing the Vision for 2020 the Board accepted the direction of travel and advised it would provide further motivation for staff if it:
- Highlighted that energetic and motivated staff were key to delivery.
 - Included a summary of the Area Team work to make it more explicit about delivery.
 - Placed emphasis on the importance of mobilising partnership working and recognised the need to develop tools to do this.
 - Removed reference to 'not aspiring to lead the conservation sector' since this did not acknowledge Natural England's responsibility to the nation. Instead this section should reflect Natural England's convening role for the conservation sector being at the heart of working collaboratively.
- 3.4 The Board noted the work covered in the Organisational Development programme. The Board advised Natural England should ensure that while its own Target Operating Model (TOM) should be designed to deliver better outcomes for the natural environment, it would

also need be in alignment with Defra's TOM.

- 3.5 The Board suggested the Reform programme should be pursued through and stood over by the Board Innovation Group which would in turn report to the Board.

Action: BIG to provide programme oversight of work on the Reform programme through regular updates to the Board.

- 3.6 In response to Paul Lambert's invitation the Board endorsed the 2016/17 revised budget, having in discussion:
- Noted the cuts to Defra's budget.
 - Noted the increased risks that Natural England would need to manage within these budgets.
 - Noted the need for a Voluntary Exit Scheme.
 - Noted the need for further clarification on the Defra Transformation Programme savings.

Action: ARAC to continue to stand over the Defra Transformation Programme risks and savings.

- 3.7 Board members were offered the draft Action Plan for 2016/17 and agreed Chairman and Chief Executive sign off of the Action Plan for 2016/17.

Action: Executive to sign off the Action Plan for 2016/17.

4. Corporate Services Update (NEB 62 03)

- 4.1 The Board noted Paul Lambert's update on future Defra group Corporate Services which had been communicated to all staff affected.

5. 25 Year Environment Plan (NEB 62 04)

- 5.1 The Chairman welcomed Sonia Phippard and Shirley Trundle who gave an update on the latest position with the development of the Defra 25 Framework Year Plan on which they sought Board engagement over further refinement.
- 5.2 The Board noted Defra's timescales and proposals for consultation and publication of the framework plan and their appreciation of Natural England's contributions particularly in relation to the development of pathfinders, alignment of boundaries and input to key themes.
- 5.3 On behalf of the Board the Chairman thanked Sonia and Shirley for joining the Board and for the opportunity to comment. He reiterated Natural England's advice that further action was needed including reference to Lawton principles and biodiversity ambitions, our contributions to connecting people and nature, reflecting landscape as well as catchment scales, and fleshing out the potential supporting mechanisms, although acknowledging that some of these issues had now been addressed. He reported that Natural England was working on its own Conservation Strategy as our contribution to the Defra 25 Plan and offered to share our emerging narrative with Defra.

Action: Alan Law to send our emerging Conservation Strategy to Defra.

- 5.4 In responding to the invitation to comment on the plan, the Board welcomed the direction of travel and confirmed its commitment to Defra in helping to develop and deliver the plan's outcomes for the environment. In discussion the Board:
- 5.4.1 Noted Defra's proposed modifications to the plans for Environment Commissioners, the proposals for pathfinders being used first to test joint working at different scales and in

different environments, and plans to include wide consultation on the framework before publication of a final plan.

- 5.4.2 Recognised that Area Team Plans were the mechanism to effect delivery of area alignment with the opportunities to bring in key external stakeholders, and the contribution they could make as Board members with responsibilities for Area Teams in helping to close the gap between the 25 Year Plan and local plans.
- 5.4.3 Advised there was scope to make the language more positive by referring to the ambition, despite challenges, to reverse the decline and have a better environment in 25 years than we have now, with Natural England's role being to help Defra deliver this.
- 5.4.4 Welcomed the inclusion of big initiatives noting the grounds for the final selection, and offered to contribute to Defra's further work on a final list of flag ship actions.
- 5.4.5 Supported the description of the new approach as being modern, integrated, local and open and advised there should be reference to evidence informed decisions and to defining the environmental analysis unit.
- 5.4.5 Advised that plant and animal health and non-native invasions should be added to the hazards the plan needed to address, that there should be a marker for international work, and requested reference to better land and wildlife management.
- 5.4.6 Welcomed the ambition of some targets but advised more consistency was needed. It was noted outcomes targets were being worked on in workshops with the Minister, and that defining 5 year targets in the context of 25 year targets would be the subject of wider consultation at area workshops to be held over 4-5 months.

6. Income from Fees and Charging (NEB 62 05)

- 6.1 Alan Law introduced the update on work to grow Natural England's income from fees and charges. The Board considered the issues highlighted for its consideration and in discussion:
 - 6.1.1 Expressed disappointment about the rate of progress towards meeting our projected income targets because of issues outside Natural England's control, and requested a project plan with milestones which could be used to put pressure on those responsible for delivery at critical stages.
 - 6.1.2 Agreed the Board Innovation Group could stand over minor charges and report these to the Board for endorsement, but major decisions on charging needed to remain with the Board in accordance with the Schedule of Delegation.
 - 6.1.3 Supported charging for consents in the circumstances described, and noted consideration was being given to a flat rate charge at some date in the future.

7. Biodiversity Compensation/Accounting (NEB 62 06)

- 7.1 Alan Law introduced an update on biodiversity compensation which identified a range of options for increasing Natural England engagement. In discussion the Board:
 - 7.1.1 Explored reasons for lack of progress in adoption of this approach which included lack of statutory basis, neutral response from other Departments and not demonstrating a competitive advantage.
 - 7.1.2 Suggested options to encourage engagement could include pilots with sympathetic local authorities, a more visible track record, and simple literature, but recommended that it was

important to get the messaging right before any further promotion.

- 7.1.3 Commissioned the Board Innovation Group to consider the presented options for increasing engagement in biodiversity compensation in the context of the reform agenda and asked BIG to report back to a future Board meeting.

Action: Board Innovation Group to consider the options for increasing engagement in biodiversity compensation in the context of the reform agenda and to report back to the Board.

8. Bovine TB Update (NEB 62 07)

- 8.1 Tim Hill gave an oral update to his bTB report. The Board discussed the implications of Natural England managed land being within bTB culling areas in the context of government policy, and:

- 8.1.1 Noted the principles which would be applied to reach case-by-case decisions, and received reassurance on the escalation process for any contentious cases.

- 8.1.2 Approved the proposed approach for dealing with requests to allow access for culling on Natural England managed NNRs.

- 8.1.3 Advised of the need to have ready reactive lines to take on Natural England's approach to NNRs and bTB.

Action: Tim Hill to work with Andy Clements and Lydia Fitzpatrick on lines to take on Natural England's approach to NNRs and bTB.

9. Health, Safety and Wellbeing Update (NEB 62 08)

- 9.1 Paul Lambert introduced the incident statistics reported in Natural England in 2015/16. In discussion the Board:

- 9.1.1 Were encouraged by the substantial increase, for the first time in Quarter 4, of near hit reports compared with reported incidents/accidents.

- 9.1.2 Noted ARAC had received the full Health, Safety and Wellbeing report for 2015/16 as its last meeting.

- 9.1.3 Noted the increase in ill health reported not being translated into increased time off work was a reflection of better reporting, and requested examples of illness at work near hits.

Action: Paul Lambert to provide Board members with examples of illness at work near hits.

- 9.1.4 Advised of increased trends in cases of Lymes Disease, and recommended that an awareness reminder about tick bites would be timely.

Action: Paul Lambert to ensure that there is an awareness programme on tick bites.

10. Audit and Risk Assurance Committee (ARAC) Update (NEB 62 09)

- 10.1 The Board noted the unconfirmed minutes of the March ARAC meeting.

- 10.2 Nigel Reader provided an update on his actions as ARAC Chair since the last Board meeting, and the Board:
 - 10.2.1 Noted his report on Defra's ARC meeting on 14 April 2016 with relevant issues arising for Natural England including the Transformation Programme and Target Operating Model.
 - 10.2.2 Noted ARAC continued to stand over risks arising from the Transformation Programme.
 - 10.2.3 Noted Joe Horwood would attend the next ARAC meeting as 'super-sub' pending appointment of a new member.

11. Natural England Science Advisory Committee (NESAC) Update (NEB 62 10)

- 11.1 Andy Clements gave an update on the activity of NESAC. The Board welcomed the quality and rigour of NESAC's work and;
 - 11.1.1 Noted the unconfirmed minutes of the NESAC meeting on 11 March which had covered; reflections on policy advice for evidence and influence; monitoring, measuring and metrics for natural capital; and implementing the biodiversity monitoring and surveillance strategy.
 - 11.1.2 Noted geodiversity and the Evidence Programme had been the focus of the last meeting which would be reported fully to the June Board.
- 11.2 The Board had no comments to make on the updated NESAC Terms of Reference.

12. Remuneration Committee (Rem Com) Update (NEB 62 11)

- 12.1 The Board noted the unconfirmed minutes of the March Remuneration Committee meeting. Nigel Reader accepted the Chairman's invitation to be acting Chair of the Remuneration Committee until a permanent appointment was made.

13. Board Innovation Group (BIG) Update

- 13.1 Simon Lyster reported that BIG had not met since the last Board meeting but would be meeting the following week.

14. Conservation Strategy Group (CSG) Update (NEB 62 12)

- 14.1 The Chairman thanked all involved for the latest version of the Conservation Strategy. In discussion the Board:
 - 14.1.1 Welcomed the emerging narrative and the positioning of Natural England as a contribution to delivery of Defra's 25 Year Strategy.
 - 14.1.2 Requested that the strategy should include reference to the ecosystem approach.
 - 14.1.3 Recognised the challenges of getting traction for natural capital in wider Government planning, and advised there could be more scope for getting momentum on this approach at a global level.
 - 14.1.4 Advised that 'consistent with legislation' should be added to the reference to the licenced consent regime.
- 14.2 The Board agreed the draft Conservation Strategy would be brought to the June Board meeting.

Action: Teresa Dent and Alan Law to bring the draft Conservation Strategy to the June Board meeting.

15. Board Natural Flood Management Group (BNFMG) Update (NEB 62 13)

15.1 James Cross gave a verbal update on the BNFMG which had met the previous day. The Board noted reflections from the Board members on the group (Andy Clements and Will Cockbain), and:

15.1.1 Noted the unconfirmed minutes of the March BNFMG meeting and the final Terms of Reference for the group.

15.1.2 Welcomed good progress with the Natural Flood Management Evidence Review, which would be reviewed by NESAC before publication in the autumn, and noted BNFMG had given advice on tailoring the publication to its varied audience. Board members advised the review should include examples from the water industry and noted the next steps after compilation of the literature review would be to include case studies.

15.1.3 Noted progress made with determining how stakeholders, and work on pathfinders, would be used in developing Natural England's offer on how the natural environment could contribute to flood alleviation. James Cross would follow up opportunities for joint working on NFM presented by a joint visit with the Environment Agency the following week.

Action: James Cross to follow up opportunities for joint working on NFM presented by a joint visit with the Environment Agency the following week.

15.1.4 Were encouraged by good feedback from Cumbria, but asked if there were any further opportunities to progress one particular case raised by a Board member.

Action: Guy Thompson to follow up with Simon Humphries if there is any further opportunity to progress a particular case raised by a Board member.

16. Upland Working Group (UWG) Update (NEB 62 14)

16.1 Julia Aglionby gave an update on the work of UWG. Earlier in the meeting the Board had received an update on case work affecting the uplands from Amanda Craig and Julie Lunt and it was noted the Board wished to be involved with formulating the strategy for any response. The Board:

16.1.1 Welcomed emphasis of using the outcome approach and the whole evidence base as captured by the Uplands Evidence Review, underpinned by the regulatory framework, to achieve the restoration of blanket bog.

16.1.2 Shared concerns for the potential for the case work to divert work away from the upland programme, but also noted opportunities it presented to marshal the evidence base.

17. Board Diary

17.1 Board and Executive Services were asked to confirm a January 2017 date.

Action: BES to note request for 2017 Board dates.

17.2 The Board had found both the site visit and evening with guests valuable, and suggested consideration be given to meeting other communities of stakeholders at future Board

meetings.

18. Any Other Business

18.1 There was none.

Actions log

No	Agenda Item/Paper	Ref	Action	Owner
1	Confirmation of the March 2016 Board Minutes and Matters Arising (NEB M61 01)	1.1	Produce confirmed March Board minutes.	BES
2	Chief Executive Report (NEB 62 01)	2.3	Participate in the HS2 QA process before the draft report is presented to the June Board and the final to the July Board meetings.	Joe Horwood
3	Chief Executive Report (NEB 62 01)	2.3	Report on Countryside Stewardship capacity modelling to the June Board	Alan Law
4	Chief Executive Report (NEB 62 01)	2.3	Communicate proactively with all expiring HLS agreement holders on gaps between HLS agreements and new Countryside Stewardship agreements, and the decision on conversions.	Alan Law
5	Chief Executive Report (NEB 62 01)	2.3	Raise Natural England's budget at Defra ARC as appropriate.	Nigel Reader.
6	Chief Executive Report (NEB 62 01)	2.3	Investigate the low scores in the staff survey on the performance management system.	Paul Lambert
7	Chief Executive Report (NEB 62 01)	2.3	Board members to promote Natural England's message on bats in churches while the HLF bid is being prepared for resubmission.	Board members
8	Chief Executive Report (NEB 62 01)	2.5	Brief Defra on the HAVS case.	Julie Lunt
9	Chief Executive Report (NEB 62 01)	2.5	Provide a distinction between cases for decision or update in future legal reports.	Julie Lunt
10	Chief Executive Report (NEB 62 01)	2.5	Follow the Board's steer on the Birkbeck Common case.	Julie Lunt
11	Chief Executive Report (NEB 62 01)	2.7	Ensure appropriate disclosure in the Annual Report and Accounts of any anticipated financial implications from legal cases.	Paul Lambert
12	2016/17 Business Plan and our Vision Towards 2020 (NEB 62 02)	3.5	Provide programme oversight of the Reform programme through regular updates to the Board.	BIG
13	2016/17 Business Plan and our Vision Towards 2020 (NEB 62 02)	3.6	Continue to stand over the Defra Transformation Programme risks and savings.	ARAC
14	2016/17 Business Plan	3.7	Sign off Action Plan for 2016/17.	Executive

	and our Vision Towards 2020 (NEB 62 02)			
15	Defra 25 Year Environment Plan (NEB 62 04)	5.3	Send our emerging Conservation Strategy to Defra.	Alan Law
16	Biodiversity Compensation/Accounting (NEB 62 06)	7.1.3	Consider the options for increasing engagement in biodiversity compensation in the context of the reform agenda and to report back to the Board.	BIG
17	bTB Update (NEB 62 07)	8.1.3	Work with Lydia Fitzpatrick and Andy Clements on lines to take on Natural England's approach to NNRs and bTB	Tim Hill
18	Health, Safety and Wellbeing Update (NEB 62 08)	9.1.3	Provide Board members with examples of illness at work near hits.	Paul Lambert
19	Health, Safety and Wellbeing Update (NEB 62 08)	9.1.4	Ensure that there is an awareness programme on tick bites.	Paul Lambert
20	Conservation Strategy (NEB 62 12)	14.2	Bring the draft Conservation Strategy to the June Board meeting.	Teresa Dent and Alan Law
21	Board Natural Flood Management Group (NEB 62 13)	15.1.3	Follow up opportunities for joint working on NFM presented by a joint visit with the Environment Agency the following week.	James Cross
22	Board Natural Flood Management Group (NEB 62 13)	15.1.4	Follow up with Simon Humphries if there is any further opportunity to progress a particular case raised by a Board member.	Guy Thompson
23	Board Diary (NEB 62 15)	17.1	BES to note request for 2017 Board dates.	BES