

# Natural England Board



Title: **Confirmed minutes of the sixty eighth Natural England Board meeting on 11 January 2017**

<b>Members attending</b>	<b>Senior Leadership Team</b>
Andrew Sells (Chairman)	Tim Hill, Chief Scientist
Julia Aglionby	Paul Lambert, Chief Transformation Officer
Andy Clements	Alan Law, Chief Strategy and Reform Officer
Will Cockbain	Julie Lunt, Chief Legal Adviser
Teresa Dent	Guy Thompson, Chief Operating Officer
Joe Horwood	Ken Roy, Director Executive Office
Simon Lyster by phone for items 1-4.	<b>Guests</b>
Nigel Reader	Simon Humphries, Area Manager, Cumbria (Items 2-4)
Michael Winter	Abdul Razaq, Director Finance and Performance (Item 2)
James Cross, Chief Executive and ex-officio Board member	Rob Cooke, Director EU Exit (Item 5)
<b>Apologies</b>	Lydia Fitzpatrick, Head of Strategic Communications (Item 7)
John Varley	<b>Secretariat</b>
	Emily Finnie

## **Welcome from the Chairman and Declarations of Interest**

The Chairman thanked Nigel Reader for acting as Chair and also thanked other members of the Board and James Cross for all they had done during his absence.

The Chairman congratulated the team on securing funding from DCLG for the Woking roll out.

In addition to the usual declarations of interest, declarations were received from:

- Andrew Sells with respect to a declaration of interest in relation to regulated activities taking place on his land.
- Nigel Reader who had been offered and accepted a future term as a Marine Management Organisation (MMO) Board member, and continued to act as temporary APHA ARAC Chair.
- Simon Lyster in relation to item 2 annex 4.

## 1. Confirmation of the December 2016 Minutes and Matters Arising (NEB M67 01)

- 1.1 The minutes of the December Board meeting were confirmed subject to including under item 17: 'It was noted the Outer Thames Estuary pSPA Board paper incorrectly reported the numbers of breeding tern using Dungeness to Pett Level pSPA as 532 individuals (266pairs), ranked 11<sup>th</sup>. The correct figure for this site is 188 breeding pairs (376 individuals) ranked 16<sup>th</sup> of 23. The numbers and ranking for the Outer Thames Estuary pSPA itself are correct in both the Board paper and Departmental Brief.'

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

- 1.2 The Board noted actions from the last meeting were completed, or would be discharged under later agenda items or at future meetings, with the exception of:

- Action 6: Circulation of the updated Target Operating Model. This would be circulated as soon as it was available.
- Action 10: Bring revised Remuneration Committee TOR to the Board for approval- now March Board.

**Action: Board and Executive Services to report on status of outstanding December Board actions to the March Board meeting.**

## 2. Chief Executive Report (NEB 68 01)

- 2.1 James Cross introduced the report and welcomed Simon Humphries and Abdul Razaq. The Board reviewed the end of November performance report and considered the overall status of performance to be very good. The Board received explanations on the amber red Key Performance Indicators (KPIs) and:

- 2.1.1 Noted the action plan in place for wildlife licensing (KPI12).

- 2.1.2 Undertook a deep dive into the agri-environment aftercare programme (KPI 5) with the benefit of Simon Humphries' Area Team perspective. The discussion raised issues in relation to risks, strategic development, culture and values, and demonstrated the link between aftercare investment and farmer led conservation which was important to the success of Conservation 21. The Board was assured on the provenance of the existing KPI and on performance against it (in terms of drawing down the requisite amount of Technical Assistance Funding by the end of the year). It was recognised that, if we continued to track aftercare as a KPI, we needed a more outcome-focused measure in line with Conservation 21. The Board concluded it would wish to continue with the approach of looking in depth at specific KPIs at each meeting (following a recommendation from its recent effectiveness review) and looked forward to a deep dive into the marine KPI at its March meeting.

- 2.2 Additionally, Guy Thompson gave a verbal update on the latest position on the Agri-environment agreement KPI 6 which was now behind profile as a public target for ES payments has been missed at the end of December. The Board acknowledged the background to this and supported the plans to get payments back on track. Board members requested background briefing to use in their strategic and ambassadorial role with stakeholders. Nigel Reader offered to raise the issue at the Defra ARC meeting as appropriate.

**Action: Guy Thompson to provide Board members with background briefing on agri-environment payments.**

**Action: Guy Thompson to provide briefing for Nigel Reader for January Defra ARC meeting.**

- 2.3 Abdul Razaq presented the financial performance as at end of November 2016 and the Board:
- 2.3.1 Noted the year to date 2016/17 GIA and Rural Development Programme for England (RDPE) financial performance including the amendments to the Financial Scheme of Delegation.
- 2.3.2 Noted the progress with the 2017/18 budget settlement and that we had yet to receive our final budget allocation letter.
- 2.4 The Board considered the issues outlined in Annex 4 having received verbal updates from the Chief Executive. The following actions were identified from discussion of Annex 4:

**Action: The Board to consider opportunities for further developing the relationship between Natural England and National Parks in the context of its strategy discussion at its February meeting.**

**Action: Board and Executive Services to follow up with Defra Public Appointments Team on Board members' points re their involvement in the 2017 recruitment campaign for SoS appointments to National Park Authorities.**

- 2.5 The Board noted the Quarter 3 update on delegated SSSI designation decisions at Annex 5.
- 2.6 The Board noted Julie Lunt's update on legal issues outlined at Annex 6.
- 2.7 The Board discussed progress in developing innovative Upland Management Agreements and it was agreed that a short life Board sub-group should be set up to support staff in creating standards for testing management plans and in establishing criteria for assessment. Andy Clements, Michael Winter, Julia Aglionby and Teresa Dent volunteered to be members.

**Action: James Cross to set up a Management Agreements Sub-Group and Nigel Reader to stand over the Terms of Reference.**

- 2.8 The Board welcomed Simon Humphries who joined to give an update on the delivery of work in Cumbria. The Board noted:
- 2.8.1 The reprioritisation of work in the team over the past year in response to flooding, but recognised the opportunities as well as the challenges which had been presented. For example the Cumbria Flood Plan's principles were aligned with our Conservation Strategy.
- 2.8.2 Examples of work with the team to realise cultural and delivery shifts, and the varied feedback from team members in response to change.
- 2.8.3 Demonstration of strategic shifts illustrated by:
- A lowland raised bog LIFE Project which involved community and wider (international) engagement, was developing ideas for innovative farming, and had confirmed the world class level of Natural England's expertise on raised bog restoration.
  - Involvement in a nationally significant infrastructure project with opportunities presented by DAS contracts to develop relationships with partners and to seek to ensure environmental gains.

- 2.8.4 Natural England's role in the Cumbria Pioneer Project led by the Environment Agency.
- 2.8.5 The update on the Lyme Valley and Natural England's involvement in the local conversation about different models for farming in this area.

### **3. A Strategy for National Nature Reserves (NEB 68 02)**

- 3.1 Alan Law and Guy Thompson introduced the update on the development of the National Nature Reserve series for the 21<sup>st</sup> century with the aim of encouraging proactive use of NNRs:
- To be pivotal in contributing to the implementation of Conservation 21 as an important tool in Area Team's plans for delivering conservation outcomes in Focus Areas; and ,
  - To deliver the NNR strategy with partners.
- 3.2 In discussion the Board:
- 3.2.1 Advised that the strategy should respond to the challenge of why Natural England had the key role and responsibilities for NNRs by stressing the importance of the benefits of a national series of sites supported by the Government's conservation adviser. This role and its benefits had been market tested in a previous exercise.
- 3.2.2 Considered the statement of purpose and ambition for NNRs set out in 4.2 to be ambitious and aspirational, and referred back to the May 2015 Board paper which had provided more background detail and figures. However, it was recognised that this strategy paper aimed to signal a move away from the previous focus on the favourable condition target alone to promoting the breadth of roles which could be provided by NNRs through demonstration, engagement and research in supporting local priorities.
- 3.2.3 Recognised the genesis of this statement of purpose and ambition for NNRs from BIG's identification of the need for more work on: a review of the NNR series, partnership working, and funding NNRs, and acknowledged that most progress had been made on partnership working through the NNR Partnership Group.
- 3.2.4 Acknowledged the Area Manager's response that the strategy would help him focus efforts in his team and to work collaboratively in different ways with partners.
- 3.2.5 Recommended that we should be ambitious and that this should be reflected in more proactive language in the strategic themes which should also recognise, and build on, impressive NNR work which Board members had witnessed themselves.
- 3.2.6 Recognised the purpose of the paper had been to update the Board on the important role of NNRs, which was supported by the Board, and advised that NNRs' role and resourcing needed to be considered in the context of our designations strategy and review of SSSIs.
- 3.2.7 Accepted the opportunities presented by getting a broader suite of land managers engaged with NNRs and advised we should be flexible and perceptive to the people we were working with.
- 3.3 In conclusion the Board endorsed the paper's proposal to give Area Managers a common set of principles to work to in maximising the value of NNRs to the delivery of the ambitions for focus areas in each patch.

### **4. Implementing the NNR Strategy with Partners (NEB 68 03)**

- 4.1 This item was taken under item 3.

## 5. EU Exit Update

5.1 Rob Cooke gave an oral update on EU exit. The Board thanked Rob for his informative update in discussion:

5.1.1 Noted the scale of Natural England's commitment to EU Exit work in terms of the increasing numbers of secondments to Defra and recognised the need to manage the balance between opportunities to assist Defra and the risks to ongoing operational delivery and customer service.

**Action: The Executive to keep the Board up to date on the EU Exit secondment and recruitment resourcing risk.**

## 6. Corporate Services Transformation (NEB 68 04)

6.1 Paul Lambert introduced the paper setting out next steps in respect of the transformation of Corporate Services. The Board:

6.1.1 Approved the transfer to Defra Corporate Services of 65 FTE staff and resources from Finance, Communications and Organisational Development functions.

6.1.2 In the absence of a Service Level Agreement, on the recommendation of ARAC, supported the risk management measures to ensure accountability and performance which the Board agreed should be captured in the development of a light touch Memorandum of Understanding with Defra.

**Action: Paul Lambert to draft a MOU with Defra for Corporate Services Transformation.**

6.1.3 Confirmed that ARAC would continue to stand over transition and future delivery risks and issues and asked to be kept advised of any changes that would impact on the business case or on the fitness for purpose of the future support that Natural England receives.

## 7. Communications Update (NEB 68 05)

7.1 The Chairman welcomed Lydia Fitzpatrick. Ken Roy and Lydia introduced the paper which provided an opportunity for the Board to take stock on Communications activity, to note current plans for the new integrated Defra group Communications Team, and to review future priorities.

7.2 The Board welcomed the presentation and content of the performance summaries for external and internal communications and digital content of GOV.UK.

7.3 The Board reflected on recent examples of proactive and reactive media coverage and identified the following to assist with effective ongoing communications work:

- Having a set of high level messages about Natural England.
- Recognising the opportunities presented in Area Teams for good news stories which needed to be supported by staff with the appropriate skills, and agreement over service levels including out of hours cover.
- The central team's forward look from Area Teams being given greater focus by regular contact from Board members with Area Managers to understand communication pipelines and priorities.
- Considering use of the Area Manager slot in the Chief Executive's report to the Board for a review of communications planning and opportunities

**Action: Board members to contact their Area Managers regularly to understand Area Team communication pipelines and priorities.**

**Action: James Cross/ Paul Lambert to consider use of the Area Manager slot in the Chief Executive's report to the Board for a review of communications.**

- 7.4 The Board suggested that the Defra Director of Communications should be invited to attend future Board meetings to report on the provision of the communications service to Natural England.

**Action: Ken Roy to invite the Defra Director of Communications to report on the continuing provision of the communications service to Natural England to the Board.**

- 7.5 The Board advised further consideration should be given to the priorities for communications requirements for the coming year and suggested a Board Communications sub-group could be of assistance here.

**Action: Board and James Cross to consider setting up a Board Communications Sub-Group.**

## **8. Bovine TB Update (NEB 68 06)**

- 8.1 Tim Hill introduced his Bovine TB update. The Board:
- 8.1.1 Noted the Defra announcement on 16 December and the preparations for 2017. Discussed whether it was necessary to have a review of the badger population to ensure continued compliance with the Bern Convention in light of the work done by the Chief Veterinary Officer and his team each year to identify a maximum number of badgers to be culled.
- 8.1.2 Asked Tim Hill to liaise further with Defra on the need for a review of the badger population to satisfy the Bern Convention in light of the policy guidance followed to date.

**Action: Tim Hill to liaise with Defra colleagues and respond to the Board's questions.**

## **9. Natural England's Performance Management System (NEB 68 07)**

- 9.1 Paul Lambert introduced the approach and principles of the Performance Management System (PMS). The Board:
- 9.1.1 Agreed with the Senior Leadership's conclusion that the PMS was fit for purpose and recognised the benefits from including behaviours as a driver for culture change.
- 9.1.2 Acknowledged the reasons for the staff survey scores on March 2016 and feedback on box 3 markings.
- 9.1.3 Supported the next steps and the part that managing performance well played in achieving our objectives, noting RemCom would stand over the actions to improve the application, acceptability and effectiveness of the PMS.

## **10. Health, Safety and Wellbeing Update (NEB 68 08)**

- 10.1 Paul Lambert introduced his paper. The Board noted the update on health, safety and wellbeing incidents reported in quarter 3 and progress on investigation reporting.

- 10.2 Under the performance report the Board had noted the amber red status for the health and safety KPI. The Board agreed to contribute to the Senior Leadership Team's initiative to improve near hits reporting.

**Action: Board members to follow up on near hit reporting with their area teams.**

## **11. Audit and Risk Assurance Committee (ARAC) Update (NEB 68 09)**

- 11.1 Nigel Reader introduced his highlight note summarising business at the December 2016 ARAC meeting drawing members' attention to the proposed change in internal audit service delivery from April 2017.

- 11.2 In discussion the Board:

- 11.2.1 Supported the Accounting Officer's and ARAC Chair's aspiration to ensure continuity of the internal audit service to high standards.

- 11.2.2 Endorsed the development of contingency arrangements to cover any emerging risks around the Defra Shared Audit Service strategy and noted Nigel Reader would raise the issue at the next Defra ARAC meeting.

**Action: Nigel Reader to raise provision of Internal Audit service at the next Defra ARC meeting.**

## **12. Natural England Science Advisory Committee (NESAC) Update (NEB 68 10)**

- 12.1 Andy Clements reported on the last NESAC meeting on 8 December at which practitioner evidence, the B-Lines Programme and geoconservation had been discussed. He also drew Board members' attention to the Science in Practice Conference to be held the following week, and to the Chief Scientist's Annual Report.

- 12.2 In discussion the Board:

- 12.2.1 Congratulated Tim Hill and his team for the excellent Chief Scientist's Report.

- 12.2.2 Explored the definition of practitioner evidence noting different views on its scope and the use of social science.

## **13. Remuneration Committee Update (NEB 68 11)**

- 13.1 At Nigel Reader's invitation the Board noted the unconfirmed minutes of the December 2016 Remuneration Committee meeting.

- 13.2 The Board noted the revised Terms of Reference would be presented to the March Board meeting.

**Action: Nigel Reader to present revised RemCom TOR to the March Board meeting.**

- 13.3 Nigel Reader offered to continue as acting RemCom chair.

## **14. Natural Flood Management Flood sub-group final update (NEB 68 12)**

- 14.1 James Cross reported that, with the presentation of the group's final report to the December Board, the group had delivered its Terms of Reference.

14.2 The Board thanked the group for its work, agreed the Sub- Group should be disbanded, and noted ARAC would stand over delivery of the set of actions.

## **15. Uplands Working Group (UWG) Update**

15.1 The Board noted Julia Aglionby's verbal update on the EU infraction, the Uplands Programme Board, blanket bog restoration, management of ULS and HLS expiries and payment by results, and noted there would be an update paper to the March Board meeting.

**Action: Julia Aglionby to present an update paper on the Uplands Working Group to the March Board meeting.**

15.2 In discussion the Board:

15.2.1 Reported positive feedback from a land management agreement case in Northumbria with strong endorsement of the outcomes approach and partnership working, and advised that success should be recognised at the appropriate time.

15.2.2 Acknowledged the need to link the UWG's work to the new Management Agreement Sub-group.

15.2.3 Noted that a short animation film illustrating the outcomes approach direction of travel had been produced and that this would be circulated to Board members.

**Action: BES to circulate the YouTube film produced by Alan Law's team to Board members.**

## **16. Board Innovation Group (BIG) Update**

16.1 Simon Lyster reported that BIG would be meeting on 23 January 2017 to review change programmes in 5 key areas.

## **17. Board Diary**

17.1 The Board noted the dates and locations of future Board meetings.

## **18. Any Other Business**

18.1 Teresa Dent reported on the recent meeting she and John Varley had had with the National Farmers Union to discuss putting the Conservation Strategy into practice.

18.2 In response to Board members' requests for further information on Pioneer Projects it was agreed to invite Defra leads to a future Board meeting.

**Action: Ken Roy to invite Defra leads for Pioneer Projects to a future Board meeting.**

18.3 The Board commended the success of the Facilitation Fund over the last year.

18.4 Board members noted the opportunity to review their portfolios at their next meeting and in the meantime would continue regular contact with Area Managers. It was agreed Michael Winter would take responsibility for South Mercia with immediate effect.

**Action: Board members to review their portfolios at the February meeting and in the meantime continue regular contact with Area Managers.**



## Actions log

No	Agenda Item/Paper	Ref	Action	Owner
1	<b>Confirmation of the December 2016 Minutes and Matters Arising (NEB M67 01)</b>	1.1	Produce confirmed December Board minutes.	Board and Executive Services
2	<b>Confirmation of the December 2016 Minutes and Matters Arising (NEB M67 01)</b>	1.2	Report on status of outstanding December Board actions to the March Board meeting.	Board and Executive Services
3	<b>Chief Executive Report (NEB 68 01)</b>	2.2	Provide Board members with background briefing on agri-environment payments.	Guy Thompson
4	<b>Chief Executive Report (NEB 68 01)</b>	2.2	Provide briefing for Nigel Reader for January Defra ARC meeting.	Guy Thompson
5	<b>Chief Executive Report (NEB 68 01)</b>	2.4	Consider opportunities for further developing the relationship between Natural England and National Parks in the context of its strategy discussion at its February meeting.	The Board
6	<b>Chief Executive Report (NEB 68 01)</b>	2.4	Follow up with Defra Public Appointments Team on Board members' points re their involvement in the 2017 recruitment campaign for SoS appointments to National Park Authorities.	Board and Executive Services
7	<b>Chief Executive Report (NEB 68 01)</b>	2.7	Set up a Management Agreements Sub-Group and Nigel Reader to stand over the Terms of Reference	James Cross
8	<b>EU Exit Update</b>	5.1.1	Keep the Board up to date on the EU Exit secondment and recruitment resourcing risk.	The Executive
9	<b>Corporate Services Transformation (NEB 68 04)</b>	6.1.2	Draft a MOU with Defra for Corporate Services Transformation.	Paul Lambert
10	<b>Communications Update (NEB 68 05)</b>	7.3	Contact their Area Managers regularly to understand Area Team communication pipelines and priorities.	Board members
11	<b>Communications Update (NEB 68 05)</b>	7.3	Consider use of the Area Manager slot in the Chief Executive's report to the Board for a review of communications.	James Cross/Paul Lambert
12	<b>Communications Update (NEB 68 05)</b>	7.4	Invite the Defra Director of Communications to report on the continuing provision of the communications service to Natural England to the Board.	Ken Roy
13	<b>Communications Update (NEB 68 05)</b>	7.5	Consider setting up a Board Communications Sub-Group.	Board and James Cross
14	<b>Bovine TB Update (NEB</b>	8.1.2	Liaise with Defra colleagues and	Tim Hill

	<b>68 06)</b>		respond to the Board's questions.	
15	<b>Health, Safety and Wellbeing Update (NEB 68 08)</b>	10.2	Follow up on near hit reporting with their Area Teams.	Board members
16	<b>Audit and Risk Assurance Committee (ARAC) Update (NEB 68 09)</b>	11.2.2	Raise provision of Internal Audit service at the next Defra ARC meeting.	Nigel Reader
17	<b>Remuneration Committee Update (NEB 68 11)</b>	13.2	Present revised RemCom TOR to the March Board meeting.	Nigel Reader
18	<b>Uplands Working Group (UWG) Update</b>	15.1	Present an update paper on the Uplands Working Group to the March Board meeting.	Julia Aglionby
19	<b>Uplands Working Group (UWG) Update</b>	15.2.3.	Circulate the YouTube film produced by Alan Law's team to Board members.	Board and Executive Services Team
20	<b>Any Other Business</b>	18.2	Invite Defra leads for Pioneer Projects to a future Board meeting	Ken Roy
21	<b>Any Other Business</b>	18.4	Review their portfolios at the February meeting and in the meantime continue regular contact with Area Managers	Board members