

Natural England Board



Title: **Confirmed minutes of the seventy fifth Natural England Board meeting on 6 December 2017**

Members attending	Senior Leadership Team
Andrew Sells (Chairman)	Tim Hill, Chief Scientist
Julia Aglionby	Paul Lambert, Chief Transformation Officer
Will Cockbain	Alan Law, Chief Strategy and Reform Officer
Andy Clements	Guy Thompson, Chief Operating Officer
Teresa Dent (left the meeting after item 8)	Julie Lunt, Chief Officer Legal and Governance
Joe Horwood	Guests
Simon Lyster	Caroline Cotterell, Director, Strategy Implementation, Strategy and Reform
Nigel Reader	Geoff Radley, Principle Adviser, Strategy and Reform
Michael Winter	Adam Wallace, Manager, Thames Valley Area Team
James Cross, Chief Executive and ex-officio Board member	Nick Barter, Deputy Director, Natural Environment Strategy, Defra
	Secretariat
	Lidia Hingle. Board and Executive Services

Welcome from the Chairman and Declaration of Interests

The Chairman welcomed everyone to the meeting. In addition to the usual declarations of interest, declarations were received from:

- Nigel Reader who reminded the Board of his non-Natural England portfolio but confirmed there were no conflicts with the agenda.
- Julia Aglionby, declared three interests;
 - in relation to the Birkbeck Common item in the Chief Executive Report, but reported that she was acting for the association rather than the individual concerned.
 - in relation to the Chagford Common item in the Chief Executive's Report, but confirmed she was not involved with the Commoners themselves and;

- in relation to item 1 on Countryside Stewardship, reported that she was a Director of a farm involved in countryside stewardship.
- Teresa Dent in relation to item 3 on Farmland Conservation who in her capacity of GWCT Chief Executive is developing proposals on public and private goods in land management.

1. Confirmation of the November Minutes and Matters Arising (NEB M74 01)

- 1.1 The minutes of the November Board meeting were confirmed subject to a clarification on an action at 4.3 on the Lynx Trial Release Update which was to provide advice to the Secretary of State.

Action: Legal and Governance to produce confirmed November Board minutes

- 1.2 The Board noted the actions from the last meeting were complete or in progress with the following updates:

- Action 2: The paper on species extinction risk will be considered at NESAC the next day for a further discussion at Board in January.
- Action 6: the Board noted the postponement of the Landowners Round Table meeting but confirmed the arrangements in terms of attendees would remain the same.
- Action 8: Noted that the edits to the Key Services documents have been made and has now been finalised.
- Action 13: Noted the intention to exclude private households from being charged for protected species licences and deliberated whether this decision might lead to householders receiving a poorer service in comparison to those who were paying. The Board requested the Innovation sub Group develop a narrative on non-charging of households and Nigel Reader offered his assistance.

Action: The Board Innovation Group to develop a narrative on non-charging of households for protected species licences.

2. Countryside Stewardship update (NEB 75 01)

- 2.1 Kirsty Shaw introduced her paper and provided a verbal update on the latest position on Countryside Stewardship (CS) Transactional Programme.

- 2.2 In response to the update, the Board;

- 2.2.1 Welcomed the report that the team have now completed the 2016 final claims and recognised the dedication of staff in delivering this result. Noted that the bridging methodology and the splitting out of CS from ES work has worked well but accepted that significant risks still remain in this transitional year.

- 2.2.2 Noted that the focus now is on 2018 applications and recognised that there is still resource pressures to meet the end of March deadline for completion for agreement offers. The Board noted the resourcing options and proposals available to mitigate this.

- 2.2.3 Stressed the clear need for an audit trail of the challenges for, and responses from, Natural England (NE) arising from the department's expectations in respect of CS and ES delivery, particularly where these challenges include elements beyond NEs control.
- 2.2.4 Noted the key meeting being held with Defra on 8 December which might potentially resolve or help with some of the challenges. ARAC will take stock of the situation at its meeting on 12 December and advise on the need for, and (if so) the form and content of the audit trail.
- 2.2.5 Considered a move from sighting Defra group on risks to more explicitly escalating them for resolution and that the risk around NE's bid to fund improvements to Siti-Agri should be escalated to Defra.

Action: Kirsty Shaw to escalate the Siti-Agri funding risk direct to Defra

- 2.2.6 Were content that the health and wellbeing of staff is being considered and staff are being recognised and supported by operational managers.

3. Farmland Conservation Change Plan (NE 75 02)

- 3.1 Caroline Cotterell updated the Board on the progress being made on the Farmland Conservation Change Plan which is being developed as one of the four Conservation 21 (C21) Change Plans. The programme takes account of opportunities from EU Exit and the 25 Year Environment Plan.
- 3.2 In discussion, the Board;
 - 3.2.1 Agreed that understanding what drives, as well as motivates, farmers' decisions in relation to environmental benefits is key, and we need to be clearer about what strategic outcomes we are trying to achieve and our role and USP in delivering them.
 - 3.2.1 Were assured that the components and over-arching sectoral analysis will be scrutinised through NESAC.
 - 3.2.2 Suggested using Landscape Pioneers to develop new markets and funding ideas and deliberated that while the whole farm approach was a good starting place, consideration of the use of partial farms might be more attractive to landowners.
 - 3.2.3 Noted some specific concerns about the best value of reverse auctions and their associated risks but considered that this could be offset by learning from examples in the water industry where they have worked well in response to particular problem in a specific area and worked more holistically to deliver multiple benefits.
 - 3.2.4 Agreed the need to focus initially on the types of skills and capabilities that NE staff will need to deliver the new approaches to work in this area - with a view to then focussing on what resources are needed and where they will be deployed.
 - 3.2.5 Noted that farmers will have different attitudes (e.g. the categorisation setting out *progressive*, *operator* or *defender* types). Similarly, farmer clusters will have different motivations and our approach should be more participative, using tailored approaches and engagement strategies.

3.2.6 Welcomed the operational discussions at Board Innovation Group (BIG) are being brought into the Board forum and that strategies are coming to fruition, but agreed that a more explicit set of outcomes on farmland is needed.

3.2.7 Michael Winter offered to participate in the BIG in particular to assist with the development of this area of work as this is his area of expertise, he also reported that the NE social science team, as part of his mentoring responsibilities have been invited to the University of Exeter for collaboration and knowledge sharing and will use the visit as an opportunity to expand on farmland conservation issues.

4. EU Exit update – post CAP scenarios (NE 75 03)

4.1 Rob Cooke was joined by Geoff Radley to give an update on the latest developments with EU Exit in relation to the emerging thinking on post Brexit environmental land management schemes and in particular the work being undertaken on a universally accessible scheme (UAS)

4.2 In discussion, the Board;

4.2.1 Noted, in response to the question on how we might support soil quality, that there are already options available via the Countryside Stewardship scheme.

4.2.2 Noted the internal debate about public/private boundaries and the risk that there is no clear distinction between public/private goods in the land management arena. The Board agreed this will require an iterative transition before it can be resolved, and liked the principle “to put and keep in good condition”.

4.2.3 Suggested the principle could be embedded more in landscape scale work and for capital payments to be carefully targeted with as much flexibility as possible for people to choose what works for them.

4.2.4 Considered the idea that “unpaid” minimum standards for provision of public goods should be in place supported by a basic regulatory framework which could be linked to an assurance scheme that people will sign up to but agreed the need for a structured, practical and deliverable scheme that focusses on outcome.

4.2.5 Acknowledged that the challenge will be dependent on scale of funding and close linkage with the 25 Year Plan.

4.2.6 Welcomed the detailed business case that is being developed and requested it addressed the impact of the proposals on farmers, the timescales and how UAS fits into the wider picture. It should also set out our vision and contribution and the wider landscape scale environmental benefits

4.2.7 Were encouraged by UAS and agreed that there was merit in it but noted that we must avoid previous negative experiences and consider carefully how this is delivered on the ground.

4.2.8 The Board requested that a more developed iteration be brought to a future Board based on the discussion.

Action: Rob Cooke and Geoff Radley to provide a more developed paper on the universally accessible scheme at an appropriate future Board meeting.

5. London City Region: Growth and Environmental Leadership (NEB 75 04)

5.1 Adam Wallace, Manager of the Thames Area Team made a presentation to the Board in response to Board's request in July to hear how we are responding to the growth pressures in and around London in the absence of a strategic spatial planning framework as an exemplar of the strategic solutions we are developing as part of Conservation 21.

5.2 In discussion, the Board;

5.2.1 Thanked Adam for an informative presentation and noted that it was a good example of how a subject can be brought to life with good visuals.

5.2.2 Endorsed the suggestion that we should be party to the work being done by the Town and Country Planning Association on Regional Planning, particularly in the light of the abolition of Regional Spatial Planning Committees.

5.2.3 Suggested brokering a group with other Defra bodies for a more collaborative and joint approach as an opportunity for Natural England, Forestry Commission and Environment Agency Boards to have a collective and joined up offer.

Action: Adam Wallace seek volunteers to take part in a joint group with other Defra bodies to have a more collective and joined up offer on Environmental Leadership in the London City Region.

5.2.4 Agreed we should not be concerned by others potentially taking our ideas forward but to concern ourselves only with finding solutions to the issue at hand.

6. Surface Water management and Beavers Project, Greathough Brook (NE 75 05)

6.1 Guy Thompson introduced the paper to update the Board and trail a "minded-to" decision by the Area Team to approve a licence for the Forestry Commission (FC) to release beavers into an enclosed section of a water course in the Forest of Dean, Gloucester.

6.2 In discussion, the Board;

6.2.1 Noted that this is a locally driven three year project which was put to NE as a licensing decision a month ago by the Forestry Commission as the landowner. The Board noted that the project is a flood alleviation scheme and not a re-introduction to the wild and agreed therefore that it is non-contentious.

6.3 In discussion, the Board;

6.3.1 Noted that the local community has been consulted on the project and cited Ham Fen as a good example of where flood alleviation using Beavers has been applied successfully.

6.3.2 The Board were content with the rationale behind the application and approved a “minded to” decision to grant a license to the Forestry Commission.

7. Hen Harrier Licence Decision (NEB 75 06)

7.1 Guy Thompson introduced the paper to inform the Board about the proposed decision regarding a licence application for brood management of hen harriers.

7.2 In discussion the Board;

7.2.1 Noted that the recommendation to grant a licence is based on the principles set out in the paper and that advice on the science and the appropriate evidence base has been received through Tim Hill, Chief Scientist and Andy Clements, Chair of NESAC.

7.2.2 The Board endorsed the approach proposed in the paper.

8. Chief Executives Report (NE 75 07)

8.1 James Cross introduced his Chief Executives Report and first brought the Board's attention to the most critical updates in Annex 4.

8.2 Marine Designation Timetable - The Board confirmed that due to the increased number of sites to be considered, they would help streamline the overall quality assurance process by agreeing to have less oversight post consultation.

8.3 Terrestrial Conservation Objectives -The Board acknowledged that other pressures have meant that in percentage terms, the conservation objectives have not progressed as much as the Commission would have liked and noted our decision to offer scenarios to accelerate delivery.

8.4 Lynx Trial proposal - The Board noted that the status of the application has not progressed since the last update in November and agreed that a final position should be brought to a future Board meeting in March. In the meantime, the Board requested a projected timeline of the next steps in this process.

Action: Produce a projected timeline of the next steps in the Lynx application process.

8.5 National Parks/Forestry Commission opportunity mapping - Following a recent workshop on Land Use Change and a meeting with Minister Coffey, the Board suggested an opportunity to further engage the Commission in relation to plantations on deep peat at the forthcoming Ministerial Round Table meeting with a view to inviting the Forestry Commission to attend a Board meeting to discuss the issues further

Action: Alan Law to consider the possibility of inviting the Forestry Commission to a future Board meeting

8.7 Arms-Length Body symposium - The Board were pleased to hear that the joint presentation from James Cross and Sonia Phippard of Defra on ALB/departmental close working was well received.

8.8 2017/18 Financial Performance - The Board noted Abdul Razaq's report on financial performance at Annex 1. The Board noted the 5.6% overspend against profile which is an improvement from the half year position in September. The forecast outturn continues to be well handled and will work closely with teams on the critical Q3 forecasts at the end of December.

8.9 Acknowledged the positive position of many of the 17/18 KPIs.

8.10 In respect of health and safety matters

- Were updated on a RIDDOR personal injury case and counselled that NE should review whether it would be appropriate to allow livestock and their young on publicly accessible conservation sites.
- Wanted to see the trajectory of Health and Safety continue to improve and be updated on any slippage on reporting.

8.10 The Board noted the current legal issues at Annex 5. Simon Lyster declared an interest in the Langton cases and did not comment. Julia Aglionby declared an interest in the Chagford Common issue and left the meeting whilst it was discussed.

9. 2018/19 Business Planning and Medium Term Financial Plan (NEB 75 08)

9.1 Julie Lunt introduced the paper to update the Board on the progress being made with the 2018/19 business planning round.

9.1.2 The Board noted NE's latest response regarding identification of further potential savings and agreed that a new 18/19 funding bid now needs to be costed and re-submitted against the backdrop of EU Exit and the 25 Year Plan.

10. Update on the Government's 25 Year Plan (NEB 75 09)

10.1 The Chairman and Board welcomed Nick Barter who is leading on the development of the 25 Year Plan (25YP) for Defra.

10.1.1 In discussion the Board;

10.1.2 Noted that the 25YP is currently being re-drafted. Emphasis will now be on the way the strategy will be delivered, and sets out the actions and policies needed to deliver them. It will cover similar overarching strategic themes as previous drafts but with an additional international commitment.

10.1.3 Noted the timetable for publication and welcomed the support of Number 10 and the potential opportunities the plan could offer, particularly in regards to embedding the Natural Capital approach in all aspects of the environment but especially to inform future agricultural schemes.

10.1.4 Noted that resourcing is currently being worked out alongside the identification of some initial policy areas that could deliver the biggest difference such as Conservation Covenants and Nature Recovery Networks.

- 10.1.5 The Board cited current policy examples focussed in nature corridors and NNRs and noted the need for real use of evidence, for example on migratory bird behaviour to be built into the legislation to give it strength, energy and dynamism.
- 10.1.6 The Board were encouraged to think about where the areas of our work best fit against which policy area outlined in the plan and suggested the figures on Farm Clusters could assist with this.

Action: Guy Thompson to send Farmer Cluster figures to Nick Barter to assist with the best fit against each policy area outlined in the 25YP

- 10.1.7 Noted the importance of an evidence base to use to measure progress and Andy Clements offered to help with further discussions on metrics post publication.
- 10.1.8 Suggested it would be helpful to link with the National Policy Planning Framework in embedding Net Gain principles and help others play their part.
- 10.1.9 Stressed that opportunities should be sought to unlock funds and contributions from the water industry.
- 10.1.11 Noted that there will be close alignment with Natural England's C21 programme and ways of working and envisaged that C21 would become the cultural context in which 25YP will be delivered through Natural England.
- 10.1.12 The Board noted that much is dependent on what the outcomes could be for agriculture and acknowledged the level of uncertainty in the landowner community.
- 10.1.13 The Board expressed their gratitude to Nick for attending the meeting and for the opportunity to have an open and wide ranging discussion.

11. Board sub Group updates (NEB 75 10)

- 11.1 ARAC
The Board were invited to receive the formal minutes of the ARAC meeting on 11 October. Referring to the agenda for the next meeting on 12 December the Board:
 - 11.1.2 Noted the stock-take of progress in the delivery of the management actions arising in response to the Safe Payments IA Review
 - 11.1.3 Noted the planned drill-down at the March ARAC meeting into the programme/project to ensure NE's Day 1 Readiness for EU Exit.
- 11.2 Remuneration Committee
 - 11.2.1 The Board noted the absence of a meeting since the last Board but are meeting on the eve of the next Board where the main agenda item will be personal development and improvement proposals.
- 11.3 Joint Nature Conservation Committee
 - 11.3.1 The Board were updated on the status of the appointment process and noted other discussion topics on the strategy on future marine assessments, post 2020 biodiversity targets and activities on EU Exit.

11.4 Uplands Working Group

11.4.1 The Board were updated on the current activities and issues concerning the burning of blanket bog.

11.4.2 The Board requested an update on the programme plan to deliver the accelerated timetable for the Long Term Plans to be brought to the February meeting

Action: Guy Thompson to commission an update on the uplands programme plan and deliverability risks for the February meeting.

11.5 NESAC

11.5.1 The Board noted the upcoming Science Seminar entitled *Forms of knowledge in environmental decision making* in February 2018 will include members of Natural England's social science team.

11.5.2 Noted the Science Review conducted by Ian Boyd in Defra has been designed in essence like a peer support network looking at 4 key areas 1) priorities and resources 2) funding and capabilities 3) linkages and standards and 4) knowledge exchange. The aim is to get re-assurance on key risks and priorities. The Board noted that the review will report in the following 4 to 6 months.

11.5.3 The Board expressed an interest in the report and requested a discussion at an appropriate future Board to be determined.

Action: Legal and Governance to schedule a discussion on the results and findings of the Science Review when it is ready.

11.6 Engagement Group

11.6.1 The Board noted that the group has been working on stakeholder engagement and work is currently being undertaken to map contacts in order to land key messages in future. The Board agreed it would be useful to hold a session on stakeholder engagement at the March Board Strategy session.

Action: Legal and Governance to schedule an engagement strategy discussion at the March Strategy Board meeting.

11.7 Board Innovation Group

11.7.1 Following a discussion in respect of the setting up of a special session of BIG on 11 December to consider principles relating to the issuing of licences to deliver NE's GCN approach in a number of LAs in the Midlands, the Board:

11.7.2 Agreed the need to ensure compliance with NE's Framework Document in respect of any "novel or contentious" considerations, if these were relevant.

11.7.3 While advice was to be given by BIG, the Chair asked that the Chief Officer, Legal and Governance, and the Chair of ARAC should be content and that he should be briefed on the discussion by the Chair of BIG before further decisions.

11.7.4 An invitation was extended to Michael Winter to join BIG to replace Nigel Reader at the end of his appointment and requested future meeting dates.

Action: Legal and Governance to send Michael Winter 2018 dates for Board Innovation Group meeting.

Action Log

No	Agenda Item/Paper	Ref	Action	Owner
1	Confirmation of the November Minutes and Matters Arising NEB M74 01	1	Produce confirmed November Board minutes	Legal and Governance
2	Confirmation of the November Minutes and Matters Arising NEB M74 01	1.2	Board Innovation Group to develop a narrative on non-charging of households for protected species licences.	Alan Law
3	Countryside Stewardship update NEB 75 01	2.2.5	Move from sighting Defra Group on risk and explicitly escalate the Siti-Agri funding Risk direct to Defra	Kirsty Shaw
4	EU Exit update – post CAP scenarios NEB 75 03	4.2.8	Provide a more developed paper on the Universally Accessible Scheme for a suitable future Board meeting	Rob Cooke/Geoff Radley
5	London City Region: Growth and Environmental Leadership NEB 75 04	5.2.3	Seek volunteers to take part in a joint group with other Defra bodies to have a more collective and joined up offer on Environmental Leadership in the London City Region	Adam Wallace
6	Chief Executives Report NE 75 07	8.4	Produce a projected timeline of the next steps in the Lynx application process.	Alan Law
7	Chief Executives Report NE 75 07	8.5	Consider the possibility of inviting the Forestry Commission to a future Board meeting to discuss the issue of plantations on deep peat	Alan Law
8	Update on the Government's 25 Year Plan NEB 75 09	10.1.6	Send Farmer Cluster figures to Nick Barter to assist with best fit against which policy area outlined in the 25 YP	Guy Thompson
9	Board sub Group updates NEB 75 10	11.4.2	Commission an update on the uplands programme plan and deliverability risks for the February Board meeting.	Guy Thompson/Legal and Governance
10	Board sub Group updates NEB 75 10	11.6.1	Schedule an engagement strategy discussion at the March Strategy Board meeting	Legal and Governance

11	Board sub Group updates NEB 75 10	11.6.4	Send Michael Winter 2018 dates for Board Innovation Group meetings	Legal and Governance
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