

Natural England Board



Title: **Confirmed minutes of the eighty second Natural England Board meeting on 12 September 2018**

Members attending	Senior Leadership Team
Andrew Sells (Chairman)	Tim Hill, Chief Scientist
Julia Aglionby	Alan Law, Chief Strategy and Reform Officer
Lord Blencathra	Julie Lunt, Chief Officer Legal and Governance
Andy Clements	James Diamond, Director Operations
Teresa Dent	Amanda Craig, Director Operations
Professor Sue Hartley	Guests
Joe Horwood	For item 2 Abdul Razaq, NE Director Finance and Business Partner Evelyn Jack, Principal Adviser, Uplands programme Ian Fugler, Director, Transformation and Business Planning
Simon Lyster	Jonathan Burney, Director, Government Advice (for item 3)
Henry Robinson	Greg Smith, Manager EU Transition (for item 5)
Catherine Dugmore	Rob Cooke, Director EU Exit (for item 6)
Marian Spain	
Michael Winter	
James Cross, Chief Executive and ex-officio Board member	Secretariat
Apologies	Lidia Hingle, Board and Executive Services Team

Welcome from the Chairman and Declarations of Interest

The Chairman welcomed everyone to the meeting.

Declarations of interest were received from:

- Lord Blencathra in respect of his role as Chairman of the Farming Bill Select

Committee.

- Julia Aglionby in respect of her professional interests in the Uplands and in respect of Birkbeck Common should it come up in discussion.
- Andy Clements in respect of the NE funded BTO's work on the impact on native wildlife from the badger cull.

Julie Lunt thanked Board members for their input into the newly designed Board member Register of Interests, and reported that they will be uploaded onto Gov.UK shortly.

In respect of the Board standing orders and protocols, Julie Lunt reminded Board members of the need to clear the lines with Chairman or Deputy Chair before speaking to the media in their capacity as an NE Board member and, if they do speak to the press even on non-NE matters, to be alert to straying into NE matters particularly matters for which NE is a decision making body.

1. Confirmation of the July Minutes and Matters Arising (NEB M81 01)

1.1 The minutes of the July Board meeting were confirmed with no amendments.

Action: Legal and Governance Team to produce confirmed July Board minutes.

1.2 The Board noted actions from the last meeting were completed or in progress, specifically; - Tim Hill update the board on action 4 (2.2.7 – *lead the development of a piece of work that seeks to pull together and use a wide variety of other survey reports studies and data sources to contribute to the condition assessment programme for SSSIs*). The Board noted that strong monitoring data and different sources of evidence has been gathered from meetings with staff and is being taken to the next NESAC meeting. The Board noted the importance of this in relation to press reports that sites are un-monitored.

2. Chief Executive Report (NEB 82 01)

2.1 James Cross introduced the Chief Executive's report and welcomed Abdul Razaq, Evelyn Jack and Ian Fugler.

2.2 Organisational Performance to end of June 2018

2.2.1 Environmental Stewardship (ES) advance payments.

James Cross reported that Nathan Paget is doing a root cause analysis of this issue to understand the process and the lessons learned.

2.3 Uplands.

In advance of the deep dive later in the session, the Board noted that the risks previously described are starting to bear out.

2.4 bTB.

James Diamond updated the Board on the latest intelligence and noted that 31 licenses have been granted this year all of which are being monitored by NE. The process of ecological assessment has been updated to include an assessment of impact within an increased distance of 20km beyond the cull boundary. It was noted that this will not change the outcome but may make NE more robust in defending future legal challenges. We are reporting daily to Ministers.

2.5 Noted that Tim Hill has taken over from the Chief Veterinary Officer as an objective challenger to the data and to ensure the data is working, daily updates are provided to the Minister and clear guidance for staff has been developed particularly on the increased health

and safety risks.

Action: Legal and Governance to remind Board members of bTB Security and communications protocols.

2.6 District Level Licensing

Noted a lack of progress in Local Authority adoption. NE are offering to step in to provide impetus. It was recognised that NE needs to be clear about providing an exit strategy. Reputational issues are acute, especially with MCLG who have part-funded the programme.

Noted that the National Audit Office are comfortable with the plan and Defra financial governance supports the interim approach but want to be informed of exit plans.

2.7 Short term organisational resilience and operational focus.

Acknowledged that cash savings have come at cost to staff resources, wellbeing and delivery risks.

The Board asked when it would see the UKGI report. James stated that he had seen an early draft and been asked to check it for factual accuracy only. He was aware that Defra had been asked to do the same and had only recently commented. Indications are that the report was imminent. The Board are keen to have early sight to ensure timely action.

The Board noted that the Board effectiveness review was separate to the UKGI report and needed to be commissioned. UKGI had provided names of some suppliers and the Board noted that there may be other suppliers who work with the voluntary sector who could do the review. Catherine offered to assist with the commissioning of the review.

Action: Julie Lunt to work with Catherine Dugmore to develop a process for a Board effectiveness review.

2.8 Deep Dive Report on the KPI related to the Uplands Programme.

2.8.1 Amanda Craig explained in detail the context of the deep dive designed to update the Board on the current operational position and risks specifically on the work plan to meet the requirements of the EU Infraction on N2K sites and remove rotational burning on blanket bog. Amanda emphasised the series of remedies set out in the paper 1) Long Term Plans, 2) Countryside Stewardship Agreements 3) Higher Level Stewardship; and 4) revision and voluntary surrender of consents. In discussion the Board:

2.8.2 Noted the difficulties in quantifying progress and appreciated the individual vagaries and lack of existing detail in handling such a large number of consents stretching back decades.

2.8.3 Noted the iterative process needed to manage and make safe consents and the Quality Assurance process that has been put in place to understand and demonstrate the steps needed from initial meeting to agreement. It is hoped this process will give a degree of confidence. It was suggested that the information could be presented as a risk based percentage probability.

2.8.4 Noted the clarification provided that the voluntary commitment is to *suspend* use of consent which is different to *revoking* consent.

2.8.5 The management information fluctuates as people have different levels of engagement. This only gives us a sense of numbers and the ability to tease out the last remaining areas where we need to intervene and engage

- 2.8.6 Recognised that landowners are willing to engage but they have queried what other consents they get in the long term management plans.
- 2.8.7 Stated that NE has specialists who have worked in this field for decades and who understand what works for restoration of blanket bog requires. NE needs however to manage expectations and be more cautious in what we say we can deliver.
- 2.8.8 Acknowledged that having a legislative back stop has helped negotiations in Swaledale. A wider knowledge of this would assist our staff.
- 2.8.9 Explored what the metrics might be in order to chart progress and suggested setting out what the remedies are and track against them, for example, 74% of the signed voluntary agreements of these x% will be completed. This might sit alongside a metric on our resources to deliver it.
- 2.8.10 Concluded that a letter should be sent from the Board to the Secretary of State requesting clarification about how we might use a statutory backstop and setting out the reasons why this would help to deliver the results required of us.
- 2.8.11 Julia extended her thanks to the superb members of staff working on the uplands project and stressed that although there has been tension and challenge, it has resulted in creative solutions.
- 2.8.12 The Board thanked Julia and the team for their continue efforts in this area and requested that uplands should continue to be a standing item and to invite Evelyn Jack to future meetings.

Action: Legal and Governance to continue to schedule Uplands discussion as a standing item on future Board agendas and extend an invitation to Evelyn Jack.

2.9 Financial report the end of July 2018

- 2.9.1 Abdul Razaq reported a small overspend of £0.6M from a potential overspend on £6M with the EU Exit secondments over the summer providing the majority of the savings
- 2.9.2 The process of recording KPIs showing impact analysis of the loss of skills and knowledge is currently underway. A final impact assessment will be completed after the final list of Defra Secondments have been filled.
- 2.9.3 Simon Lyster reported he had visited Langdon Ridge in the West Anglia Area with the Area Manager Aiden Lonergan and reported the uncertainty felt as a result of the loss of so many staff in such a short space of time. The Board agreed that we should not underplay this issue and that it was important to recognise the impact of our internal reprioritisation including the impact on mental health, morale, sickness and delivery.
- 2.9.4 Took stock of the feedback received from stakeholders and concluded that much of the criticism from stakeholders is unwarranted and suggested taking a more robust stance in defending our record. Conversely, feedback from the farming world reveals that our reputation has improved and our advisors are supported and appreciated.

Action: Graham Tibbetts to work up a stakeholder plan

2.10 High Profile Legal Casework.

- 2.10.1 The Board received an update from Julie Lunt on the high level legal casework.

2.10.2 Noted that press statements are circulated on successful prosecutions.

3. Marine Conservation Zone Stage 1 Tranche 3 update (NEB 82 02)

3.1 Jonathan Burney joined the Board to give an update on progress with the final advice on the designation of the third and final tranche of Marine Conservation Zones (MCZs) and seek continued endorsement before these sites are submitted to Defra by 20 November 2018.

3.1.1 In recognition of the success of our marine work, the Board suggested ways in which to promote it such as an article in specialist press and to consider the possibility of a BBC documentary. Lord Blencathera offered to use his contacts in the House of Lords get the message across.

3.1.2 Acknowledged the hard work of the team. Special thanks were offered to Joe Horwood and Andy Clements who were involved in the quality assurance of the papers and were immensely impressed with the diligence of the MCZ team.

4 Marine Forward Look (NEB 82 04)

4.1 Alan Law presented the paper which update the Board on the strategic change issues facing our marine work. A response and steer was sought on the six strategic challenges set out in the paper. In discussion the board:

4.1.2 Recognised and supported the need to maintain and develop our marine expertise and continue to foster excellent stakeholder relationships, particularly noted the ability of staff to apply their scientific knowledge to policy and changing legislation in protecting and managing the marine environment.

4.1.3 Supported the recommendation to promote the need for an independent statutory nature conservation body and for Natural England to maintain the role as the government's statutory adviser.

4.1.4 Noted the reduction in staff capacity needs to be looked at in the round. Acknowledged that the Road Map which will help us to understand the interdependencies and risks.

4.1.5 Acknowledged and supported the need to refocus our marine work beyond the end of the marine designation programme in June 2019 and contribute to the significant work still to be done on site management. The Board recognised the need to be bolder and more up front about avoiding cuts at the end of the marine designation programme.

5. Road Map context and overview (NEB 82 03a)

5.1 Alan Law introduced a set of three papers: **NEB 82 3b: Recovery Plan first steps**, **NEB 82 03c: Our Mission for the SR19 period** and **NEB 82 3d: Transition planning for 2019/20**. The papers describe a sequential plan to address 1) the case for change, 2) the short term actions needed for in year delivery priorities, 3) our priorities for the Spending Review 19 and 4) transition describing how we get to where we want to be. The Board was joined by Greg Smith who presented a slide pack in parallel to the papers. In discussion the board;

5.1.2 Recognised the need to be able to clearly describe our delivery priorities over the short to medium term. This piece of work will inform our narrative to stakeholders. We have a tight window of 4 – 6 weeks for the SoS to agree with our priorities and direction of travel.

- 5.1.3 On the slide pack presented to the Board, it was important to be clear that NE will have a different role in respect of ES/CS going forward and therefore it was suggested the relevant slide should read “transfer of processing”. The Board recognised that there will still be ongoing interdependencies between NE, RPA and Defra.
- 5.1.4 Noted that the KPIs set out in the recovery plan paper contain a lot more detail and are in a format to reassure the Board and SoS of the metrics that sit under the overall RAG status. Confirmed that the ECP delivery has been held up by the Sweetman EU Judgement. The way forward is therefore out of our hands and is outside the scope of our short term priorities.
- 5.1.5 In relation to KPIs requested that the word “unlikely” used in the this context is replaced by a more accurate and clear description if performance is not met.
- 5.1.6 Suggested that it would be helpful to include a legend describing what constitutes a Red Amber or Green status but appreciated that this could be complicated by some KPIs having slightly different metrics.

Action: Legal & Governance team to include a legend describing what constitutes a Red Amber or Green status as a footnote to the KPI Profiles.

- 5.1.7 Suggested recording a Red, Amber or Green status in absolute terms (ie drop Amber/Red or Amber/Green) but appreciated that this approach stems from previous SLT discussions on risk appetite.
- 5.1.8 Felt that the accompanying narrative was inadequate in explaining the KPI; the narrative should drive the action with a view to helping the reader better understand the content.
- 5.1.9 In terms of the 8 priorities previously discussed in May being the right ones, the Board felt that they will need careful communication and context on the reasons why and what the activities will lead to.
- 5.1.10 Suggested that KPI 13 – Healthy Workplace should focus more on wellbeing outcomes.
- 5.1.11 Endorsed the plan set out in annex 2 of the paper – Leadership Capability and understood the rationale behind bringing in external capacity. The Board noted that the job descriptions for certain of the Chief Officer roles have been drafted and are ready to be sign off.

Action: Legal and Governance to circulate the Chief Officer of Operations and Chief of Staff Job Descriptions to Board members.

- 5.1.12 Noted the challenge in restating and defining our core services to reflect the new context, policies and framework in a neat and tangible way and part of this could be to map how NEs funding has reduced over the last 5 years. Our core services include science, evidence and data. These underpin long term investment and need to be described.
- 5.1.13 Acknowledged the challenge in agreeing and setting priorities now they are broken down into distinct system groups as set out in the Defra Target Operating Model and reflected in the Framework Agreement.
- 5.1.14 Supported the centrepiece of our offer being our national, local, legal expertise and the ability to join up and co-ordinate different groups, organisations and partnerships, sharing experience and interdisciplinary knowledge and operating at different scales.
- 5.1.15 Our offer can also include the overarching elements and features of what a resilient environment and landscape look like using science and data and applying it to land and sea

(Nature Recovery Networks Local Environment plans for example) and the key activities that sit behind them e.g. the new ELMS scheme and District Level Licensing/net gain. We need to include an explanation of why this is important investment.

- 5. 1.16 Appreciated that some of this work has been though BIG and NESAC but it would now be helpful to set a generic framework for landscape resilience to allow others to be involved.
- 5.1.17 Endorsed the high level mission statement but suggested it should be much clearer in describing it as NEs contribution to the 25 Year Plan and it should also emphasise the aspiration to improve environmental outcomes. The statement must balance national and local roles and bring them to the fore.
- 5.1.18 Suggested that the next iteration could be informed by specific 25 Year Plan metrics and how it fits with our strategic objectives. The next iteration should also include reference to species extinction.
- 5.1.19 Noted that our essential administrative services, outlined in the paper, demonstrate the link with being a high performing organisation and this should not be lost.
- 5.1.20 Agreed that Area Managers and other senior managers should begin to facilitate roadmap conversations with their teams on the basis that the Board will be developing it's thinking further at the November Board meeting. It will also be critical for some stakeholders to be aware of the road map's development. The Board noted that internal communications were already in train via the NE Intranet.
- 5.1.21 Agreed the next steps would be to develop the road map further at the November Board meeting to work up the details of the 5 themes, the funding strategy and resources.
- 5.1.22 The Board were very supportive of the direction of travel of the road map and thanked Alan and Greg for a very helpful and informative presentation in helping to put a lot more colour into the discussion.

6 EU Exit update: Agricultural Bill and Policy Statement (NEB 82 05)

- 6.1 Rob Cooke introduced the main points of the paper designed to brief the Board on the Agriculture Bill and associated Policy Statement. In discussion the Board:
 - 6.1.1 Noted the Agriculture Bill and Policy Statement and supporting documentation had been published that afternoon. It is a bill of intent/enabling piece of legislation at UK level.
 - 6.1.2 Noted that it was still unclear whether farm advice payments would be a requirement or an option but the expectation is that landowners would be supported by professional advice and advisors would be an integral part of the package but also speculated that it might become a detached requirement. In any case, the weight of evidence shows that it is good for environmental outcomes.
 - 6.1.3 Noted that on higher tier schemes, that it was unclear whether there will be an emphasis on nature conservation sites but speculated that there might be a requirement to have a higher regulatory baseline for agreements within the same scheme, the emphasis currently is on the "bones" of the scheme.
 - 6.1.4 In answer to a query about the process of assessments, the Board noted that an auditor will have a checking/assessment function but it would depend on who the delivery body was as to who would have an overall view of the assessment process.

- 6.1.5 Noted that on the EU Exit process itself, the Board were reminded that NE have submitted a consultation response to the Fisheries White Paper. Noted that there was no more movement on the Environment Bill and that another batch of technical notices are due to be published.
- 6.1.6 Noted that plans for Day One Readiness are progressing and the team are undertaking customer journey mapping for no-deal scenarios. The team have been subject to an internal audit and are reporting monthly into Defra.

7. Approval to revisions of charging policy (NEB 82 06)

- 7.1.1 Alan Law introduced the paper and requested Board approval under the non-financial scheme of delegation of extensions to Natural England's suite of chargeable services as set out in the paper. In discussion, the Board
- 7.1.2 Were assured of the rigour of compliance with Treasury Policy and endorsed the 3 recommendations:
 - 1) approved the implementation of wildlife licensing charges as described in section 3.1 of the paper;
 - 2) supported the extension of our charging policy to include statutory advice to other public bodies where their costs can be recovered through their charging schemes as described in section 3.2.
 - 3) to delegate the approval of the revision of Natural England's charging policy as described in section 3.3 to the Chief Executive.

8. Update on the Extraordinary Meetings of ARAC (verbal)

- 8.1 Catherine Dugmore gave an update on the work that ARAC has been overseeing in relation to Countryside Stewardship and Environmental Stewardship transition over the summer. The Board were asked to endorse the work being undertaken on the joint MOU between Natural England, Rural Payments Agency and the Forestry Commission. In discussion, the Board:
 - 8.1.1 Noted the many touch points in the high level MOU and that the detail will be reflected in the Service Level Agreement which sits alongside it and which will describe where and with whom key responsibilities lie.
 - 8.1.2 Were assured that the changes will happen gradually and that it will be well communicated.
 - 8.1.3 Acknowledged the progress made over the summer and agreed to continue the commitment to collaborate and engage Paul Caldwell's team and across the Defra Group. The Board agreed that Paul Caldwell should be invited to a future Board meeting over the next 3 to 4 months.
 - 8.1.5 Endorsed the work done on the MOU and the commitment to constructively engage across the Defra Group.
 - 8.1.6 Agreed that ARAC will continue to stand over the interim arrangements for the transition.

9. Board Committee and sub group updates (NEB 81 06)

- 9.1 Designated Landscapes Group (verbal)
 - 9.1.2 The Chairman reported that a written update will be provided at the next meeting in

November.

- 9.1.3 The Chairman suggested extending an invitation to Julian Glover, who is leading on the Review of National Parks to a pre-board dinner in Peterborough in order to present the body of work being undertaken on landscape and which we had planned to take to the November Board meeting. The Board agreed that this would present an ideal opportunity to present our landscape work to date.

Action: Chairs office to extend an invitation to Julian Glover to a pre- Board dinner on 7 November

10 Natural England Science Advisory Committee (NESAC) (NEB 82 07)

- 10.1 Andy Clements updated the Board on recent activity including the meeting held on 27 June. In discussion which was duly noted, in discussion, the Board:

- 10.1.1 Acknowledged that there is a lot of activity in this area and heard that a good discussion took place on the development of an ecosystem based strategy for climate change mitigation. Agreed that further consideration on this subject and the role of NEs scientific and evidence staff should be scheduled into the November meeting.

Action: Legal and Governance to schedule a short discussion on ecosystem based strategy for climate mitigation and ideas for taking it forward for practitioners.

- 10.1.2 Agreed that there was merit in scheduling a wider more strategic discussion on the themes coming out of NECAC and JNCC to get a full picture of activity.

Action: Legal and Governance to schedule a session at November Board for a strategic discussion on the activities of NESAC and JNCC.

11. Joint Nature Conservation Committee (JNCC)

- 11.1 Joe Horwood advised the Board that he will be attending the next JNCC in his capacity as NE Board member on 19 September. It was confirmed that Michael Winter would step into the role when Joe Horwood's tenure as an NE Board member comes to an end at the end of September.

- 11.1.1 Clarified the JNCC deputy requirements if needed would be either Chair, Deputy Chair or a named Board member.

12 Board Innovation Group (BIG) (NEB 82 08)

- 12.1 Following the drill down on BIG activity at July Board, Simon Lyster gave a brief update on the latest activity. In discussion, the Board:

- 12.1.1 Noted the minutes of the 16 July BIG meeting and joined Simon in thanking to the BIG minute taker who will be leaving the organisation at the end of the month.

- 12.1.2 The Board endorsed the revised terms of reference subject to a minor typo correction.

13. Uplands Working Group (NEB 82 09)

- 13.1 Further to the earlier deep dive session, Julia Aglionby requested that Board members do not circulate the notes of the Upland meeting minutes further and reported that going forward, an action note, rather than a full minute will be made available.

14. Board Diary (NEB 82 10)

14.1 The Board noted the dates and locations of 2018 and 2019 Board meetings. Julie Lunt brought Board’s attention to the forward look which describes the “in principle” business scheduled for future boards.

15. Any Other Business

15.1 The Chairman and Board said farewell to Joe Horwood who has been a long standing Natural England Board member. The Board recognised that Joe was hugely respected by the Board and across the environmental sector. Chair paid tribute to Joe’s clear and impartial advice and incredible corporate memory and stated that it will be a huge loss to the organisation. Joe extended warm thanks to Board members and to the Natural England Board Services Team.

Actions log

No	Agenda Item/Paper	Ref	Action	Owner
1	Confirmation of the July Minutes and Matters Arising (NEB M81 01)	1.1	Produce confirmed July minutes	Legal and Governance
2	CEO Report	2.5	Remind Board members of bTB security and communications protocols.	Legal and Governance
3	CEO Report	2.7	Develop a process for a Board effectiveness review and consider commissioning the voluntary sector to carry it out.	Julie Lunt with assistance from Catherine Dugmore
4	CEO Report (deep dive on Uplands)	2.8.12	Continue to schedule Uplands discussion as a standing item on future Board agendas and extend an invitation to Evelyn Jack	Legal and Governance
5	CEO Report (Financial Report)	2.9.5	Work up a stakeholder plan	Graham Tibbetts
6	Roadmap context and overview (NEB 82 03a)	5.1.6	Include a Legend describing what constitutes a Red, Amber or Green status as a footnote to the KPI profiles	Julie Lunt
7	Roadmap Recovery Plan: first steps (NEB 82 03b)	5.1.11	Circulate the Chief Operating Officer and Chief of Staff job descriptions to Board members.	Legal and Governance
8	Board Committee and sub group updates (NEB 81 06) (Landscape Group)	9.1.3	Extend an invitation to Julian Glover to a pre- Board dinner on 7 November	Chair’s office
9	Board Committee and sub group updates (NEB 81 06) (NESAC)	10.1.1	Schedule a short discussion on ecosystem based strategy for climate mitigation and ideas for taking it forward for practitioners.	Legal and Governance
10	Board Committee and sub group updates (NEB 81 06) (NESAC)	10.1.2	Schedule a session at November Board for a strategic discussion of the activities of NESAC and JNCC.	Legal and Governance