

Natural England Board



Title: **Confirmed minutes of the 88th Natural England Board meeting 8th May 2019**

Members attending	Senior Leadership Team
Tony Juniper, Chairman	Tim Hill, Chief Scientist
Lord Blencathra, Deputy Chairman	Alan Law, Chief Strategy and Reform Officer
Catherine Dugmore	Navroza Ladha, Chief Officer Legal and Governance
Professor Sue Hartley	James Diamond, Director Operations
Dr Andy Clements	Amanda Craig, Director Operations
Teresa Dent	Gleny Lovell, Interim Chief Officer of Planning and Performance
Henry Robinson	Ken Roy, Director Corporate Governance
Dr Simon Lyster	Guests
Dr Julia Aglionby	Abdul Razaq, Finance Director
Professor Michael Winter	Caroline Cotterell, Director Strategy Implementation
Marian Spain, Chief Executive	Sonia Phippard, Director General for Environment, Rural and Marine, Defra. By invitation
	Louisa Aveyard, Defra Group Communications
	Secretariat
	Olivia Heston, Legal and Governance Team

Welcome from the Chairman

The Chairman welcomed everyone to the meeting.

The Chairman introduced Navroza Ladha, who has been appointed to the role of Chief Legal and Governance Officer. The Board welcomed Navroza.

The Board expressed their sincere thanks to Amanda Craig and James Diamond for the work that they have done in their interim roles overseeing Operations, as this would be their final meeting in that capacity.

There were no apologies recorded.

Health and Safety

James Diamond briefed the Board on health and safety requirements of the meeting room.

Declarations of Interest

In response to the Chairman's invitation for any perceived or potential declarations of interest in respect of the Board agenda:

- Julia Aglionby declared an interest in relation to the uplands work
- Teresa Dent declared an interest in relation to the uplands work. An interest in the issue around General Licences was also declared. Teresa is Chief Executive Officer of the Game and Wildlife Conservation Trust (GWCT) and some individuals within the Trust have applied for licences. The organisation has been involved in discussions with Natural England and will be involved with Defra in future discussions
- Andy Clements declared an interest regarding the General Licence work as the British Trust for Ornithology (BTO) have delegated authority to deal with some licensing

1. Confirmation of March Minutes and Matters Arising (NEB M87 01)

- 1.1 The Board discussed the unconfirmed March minutes and suggested some detailed amendments.

Action: Legal and Governance Team to make necessary amendments to March Board minutes and produce confirmed minutes for publication.

2. Chief Executive's Report (NEB 88 01)

2.1. Introductory statement

- 2.1.1. The Chief Executive briefly summarised progress against her initial areas of focus when appointed to the Interim role in December 2018. These areas of focus had included staff wellbeing and engagement, rebuilding the reputation of trust with stakeholders, and building the Natural England senior leadership team. With regard to the last mentioned, the Chief Executive shared her confidence in the senior appointments that had been made and also reiterated the earlier thanks to Amanda Craig and James Diamond for the excellent work they had done in overseeing Natural England's Operations Group over the preceding year.

2.2. Uplands developments

- 2.2.1. The Board were briefed on progress with the Uplands Programme.

- 2.2.2. The Board noted:

- The slower progress with the work, linked in part to a current legal challenge
- The good work being carried out in Area Teams – with amended consents continuing to be signed off and continued relationship building at a local level with key stakeholders
- The need for this programme of work to continue to have access to locally based skilled staff
- The need for clear guidance in the use of cutting and for appropriate quality assurance in the development of new consents
- The current position with regard to the potential requirement for a legislative backstop
- The value of a refreshed engagement plan over the remainder of this year

ACTION: Amanda Craig / Richard Cornish to report back on the wider plan for the uplands work

2.3. Stakeholder engagement

2.3.1. The Board noted:

- The good work led by the Chief Executive in engaging with a range of stakeholders over recent months
- The importance of concluding the work with the Rural Payments Agency and the Forestry Commission on a Memorandum of Understanding re the future partnership for delivery of Environmental and Countryside Stewardship

2.4. Key Performance Indicators

2.4.1. The Board reviewed the draft end of year position on Natural England's Key Performance Indicators, noting that this performance would be summarised in the 18/19 Annual Report and Accounts.

2.4.2. With a view to the future discussion on 19/20 KPIs, the Board discussed the value of some further refinement of specific measures – for example to better understand and reflect the impact on the condition of Sites of Special Scientific Interest (SSSIs) of factors outside of the landowner's control (e.g. diffuse pollution).

2.5. Income Generation

2.5.1. The Board noted the good progress over 18/19 in developing Natural England's external income and noted the need for an assessment of opportunities and risks (for example loss of Basic Payment Scheme for National Nature Reserves) related to future income.

2.5.2. With specific reference to National Nature Reserves, the Board noted the need for further profile raising as one mechanism to assist future income generation.

2.6. 25 Year Plan

2.6.1. It was noted that the site recent visit for senior Defra officials was jointly hosted by NE and the North Devon Biosphere Partnership, who were grateful for the support from NE.

2.7. Risk Management

2.7.1. The Board noted that the overall position on risk would be reset at the June meeting so that in future the Board could focus on significant and systemic risks to the organisation and its strategy.

2.7.2. The Board noted the value of ongoing engagement with staff in the development and maintenance of an informed view on organisational risk.

2.8. Stakeholders

2.8.1. Senior Leadership Team (SLT) advised that they are looking to refresh the Stakeholder Strategy in a way which means being visible and purposeful. A small amount of analysis has been carried out around key stakeholders and there was an opportunity to use Board Members to further shape the strategy and to play a more active role in stakeholder relations.

2.8.2. The Chair asked about the extent to which the ambassadorial role was currently used and noted the importance of personal relationships to underpin organisational relationships. The Board welcomed the proposed approach and agreed that there was a lot of value in the new strategy. It was agreed that more guidance could be given to show how the Board can use their voices when engaging in their role on the Board, including for example by agreeing key messages at the end of each Board meeting.

ACTION: Alan Law to provide a more structured programme of information and engagement for Board Members at the July meeting

2.9. Health and Safety

2.9.1. The end of year Health and Safety report was reviewed by ARAC in the latest meeting. The Board noted that

- The number of Near Hits has increased over the year which was a sign of increasing attention to H&S but also reflected a significant increase in logging of work-related stress
- The launch of a new Health and Safety Strategy continued to drive good practice

2.9.2. The Board commended the work of the Health and Safety team and emphasised the need for earlier intervention, where possible, with regard to instances of work-related stress.

2.10. General Licences

2.10.1. The Board reviewed the draft note of the Board teleconference on 15th April and agreed to send any further detailed comments to Navroza Ladha to assist finalisation (see Annex 1 for final note).

2.10.2. The Chief Executive briefed the Board on developments with this area of work, noting that responsibility for general licences for specific purposes currently rests with the Secretary of State. She also noted the responses from stakeholders and the potential for further legal challenges to Natural England's decisions relating to the revocation of the previous licences.

2.10.3. The Board received an operational update and noted:

- The number of applications received for individual licences
- The initial issues with support systems and the work done to resolve them
- The challenges faced by staff responding to enquiries (with specific instances of unacceptable behaviour from some callers) and the actions taken by operational managers to support staff well-being
- That applications which have been successful have received positive feedback on the speed and clarity of the terms of the individual licences
- The operational and financial challenges of maintaining this level of unplanned resource and the implications for other areas of work

2.10.4. The Board received a further update on licence development and noted:

- The work to date to release the initial three general licences and the supporting material (including FAQs)
- The level of challenge of this work – with the likelihood of future legal challenge from a range of stakeholders
- The organisation's readiness to support Defra in their call for evidence
- The review of general licences planned for later this year

2.10.5. In summary, the Board noted:

- The good example of partnership working with key stakeholders in sharing information
- The positive feedback from a number of stakeholders for the work of the NE team
- The importance of a longer term piece of work to re-engage with the full breadth of stakeholders with interest in this issue
- The unacceptability of poor treatment of staff who are supporting customers
- Their gratitude to all staff engaged in this work

Action: Navroza Ladha to review the note of the April telephone conference.

2.11. Finance Update

2.11.1. Abdul Razaq summarised the final financial settlement for 19/20. The final budget for the year remains challenging for the organisation – both in terms of revenue and in terms of capital (where there has been no allocation to Natural England in 19/20).

2.11.2. The Board noted the initial decisions made on 19/20 resources including:

- An increase in the allowance for legal costs
- A small increase in funding for learning and development
- A freeze in short-term recruitment
- Cessation of specific programmes and projects (including Living Coasts)

2.11.3. The Board also noted the longer term pressures on the budget – including the work needed to address the pay challenge and specifically the gap between overall levels of pay in Natural England and comparative levels of pay across Defra group more widely.

2.11.4. In reviewing the future financial position, the Board noted:

- The need for further ambition on income generation – and to invest in skill areas that assist income generation
- The need to clearly articulate risks to Defra
- The need for clarity on where, for 19/20, specific areas of work will be less ambitious or progress with less pace

3. **2019/20 Business Plan and Key Performance Indicators (NEB 88 02)**

3.1. A first draft set of Key Performance Indicators were presented to the Board.

3.2.1 The Board provided steers to assist the further development of the KPI set, including:

- The need for the KPI set to cover all major areas of Natural England activity (for example National Nature Reserves) and to come together in telling the overall story about Natural England's role and contribution

- The need for some greater clarity of language
- A clear linkage between short-term (output focused) KPI measures and longer term outcome ambitions

Action: Gleny Lovell to engage further with Chair and Board Members in revising KPIs in advance of the June Board.

4. Developing Natural England's Roadmap Programme for Recovering Nature (NEB 88 03)

- 4.1. The Board were presented with the paper which described the initial work carried out in establishing and defining the new 'Recovering Nature' Programme – one of the four main programmes of work being introduced through the overall Roadmap Programme.
- 4.2. The Board provided a range of steers to shape the structure and the story of this programme, including:
 - The need for the work to help move towards a more coherent terrestrial network of sites, noting that this was not part of the current design and implementation of the suite of Sites of Special Scientific Interest
 - The need for the programme to describe how the various interventions (agri-environment schemes, species recovery, NNRs etc) can come together to produce a Nature Recovery Network that is more coherent and resilient
 - The need for partnership to be at the centre of our thinking
 - The need for the programme to move beyond high level principles and concepts to presenting a real-life picture of how actions will be driven on the ground
- 4.3. A specific steer from the Board was that climate change should be more strongly represented in our planning and delivery within this area - for example recognition of the carbon opportunities in blanket bog restoration.
- 4.4. **Action: NESAC to review our future approach regarding carbon mitigation strategy.**
- 4.5. The Board endorsed the early work on this programme and agreed to review progress as part of the Board strategy session in September.

5. Partnership Agreement With Defra group Corporate Services (NEB 88 04)

- 5.1. The Board noted
 - The continued work in transforming Corporate Services across Defra group, with the move to group level provision across Finance, HR, Communications, ICT, Commercial and Property
 - The financial savings secured to date whilst recognising that in some areas, staff experience had been mixed
 - The need for an updated statement of the services in scope and of the principles and ways of working underpinning the partnership between Natural England and Defra group Corporate Services
- 5.2. The Board endorsed the presented Partnership Agreement for formal approval by the Chief Executive.

Action: Ken Roy to finalise the approval of the Partnership Agreement.

6. Natural England's People Strategy (NEB 88 05)

6.1. The Board were presented with an update on Natural England's People Strategy.

6.2 The Board noted:

- Some of the drivers for work in this area, including the need to address concerns raised in the most recent staff survey as well as the need to increase the flexibility of the Natural England work force
- The four key workstreams on resourcing, progression, well-being and the employee offer

6.2. The Board welcomed:

- The decision to invest more in learning and development, noting the need for maintenance of technical as well as managerial skills
- The intention to address the long term challenge of pay
- The focus on well-being, noting that within Natural England, there was a risk that staff would over-commit (for example within the current work on General Licences)

6.3. The Board endorsed the People Strategy and the proposed programme of work to implement it.

7. ARAC update

7.1. The Chair of ARAC summarised recent business, including that delivered at the ARAC meeting on 29th April.

7.2. The Board noted:

- The proposal for a financial awareness webinar for Board Members in advance of the review of the Annual Report and Accounts at the June Board
- ARAC's continued oversight of the partnership with RPA and FC following the transfer of some Countryside and Environmental Stewardship activities to RPA in October 2018 and their work in encouraging the completion of the work on the proposed Memorandum of Understanding
- The need for wider clarity of organisational roles around scheme delivery – and the need to address current legacy issues (for example with regard to NE letterheads and email addresses being used in correspondence around schemes)

8. NESAC Update (NEB 88 06)

8.1. A summary of the March NESAC meeting was provided to Board members.

8.2. The Board noted

- The important work related to the future of NNRs, to the 25 year environment plan and to irreplaceable habitat
- The publication in a scientific journal of a paper on Hen Harrier tracking

- The award of the Winston Churchill Memorial Trust Fellowship to two members of staff

8.3. The Board discussed some potential future work areas for NESAC.

9. JNCC Update

9.1. The Board were advised that the next JNCC meeting will be on the 5-6th June in Northern Ireland.

10. Board Innovation Group (BIG) Update (NEB 88 07)

10.1. The Board were briefed on the latest work of BIG.

10.2. The Board noted:

- The work on BIG to advise Natural England in the development and rollout of District Level Licensing (DLL)
- The work on BIG to drive forward thinking on Net Gain has been driven by BIG.
- The importance of clarity on next steps – for example on the oversight on how Net Gain generated funds are managed and invested
- The future opportunity to work with partners in the health sector

11. Board Diary and Forward Look (NEB 88 08)

11.1. The Board reviewed the current forward look of business.

11.2. The Board noted:

- The need for a balance of Board Meeting locations, in particular for locations that enable site visits, which give an invaluable view of the work of the organisation.
- The need for Board Papers (in particular those related to open sessions) to be sent out in a timely fashion

ANNEX 1 – Board telephone conference on General Licensing (15/04/19)

Attendees

Lord Blencathra
Henry Robinson
Dr Simon Lyster
Dr Andy Clements
Marian Spain

Officials in attendance

Matt Heard
Richard Broadbent

Apologies

Teresa Dent (separate telephone calls to discuss issues of concern)

Professor Michael Winter (separate telephone call)

Dr Julia Aglionby

Professor Sue Hartley

Purpose

At the 20th March 2019 Board meeting the Board asked officials to do further work on the options and recommendations on how to proceed in relation to the Wild Justice legal challenge. It was agreed that this needed to be done ahead of the next Board meeting because of the imminent legal proceedings – legal proceedings were issued on March 21st. A detailed paper was sent to the Board on 10th April setting out a recommended approach with the opportunity for further discussion on 15th April via a telephone conference. Board members were also given the opportunity to discuss the approach outside this telephone conference.

Discussion

Marian Spain introduced the discussion outlining the approach that the Executive recommended to the Board as set out in the paper: Based on clear legal advice and advice from officers, and having rigorously explored all other options, Natural England could not be lawfully satisfied about the absence of other satisfactory solutions as required under the legislation and would have to revoke the three General Licences.

Richard Broadbent summarised Counsel's legal advice.

Matt Heard summarised the steps taken to prepare for the withdrawal of General Licences. The significant impact on users was acknowledged. New General Licences were being developed on a priority basis, with those most likely to be needed produced first. Some Priority '1' licences (for

example carrion crow/protection of livestock and wood pigeon/crops) were in the early stages of development. It was intended that new licences would be published in batches through May. An individual licensing process was being developed to deal with urgent situations whilst new General Licences were being developed.

Based on the legal advice, and further exploration of all options, Board members agreed that NE would have to revoke the General Licences as recommended. Board members also agreed that action should be taken as soon as possible as they could not condone the continuation of licences that they had been advised were unlawful. The Board agreed that the Chief Executive and the Chair would need to work together on next steps to deal with the response to the litigation, revocation of licences and subsequent handling.

It was recommended that NE coordinate with SNH and NRW in the production of new licences.