

Board Meeting

Minutes of the **Natural England** Board meeting held on 29th June 2022, Defra Group office - Lutra House, Preston

Attending

Dr Tony Juniper	Chair
Lord Blencathra	Deputy Chair
Rosamund Blomfield-Smith	
Dr Andy Clements	
Catherine Dugmore	
Henry Robinson	
Kerry ten Kate	
Professor Michael Winter	
Peter Unwin	
Dr Clare Fitzsimmons	

Apologies: Kim Shillinglaw

Executive Team

Marian Spain	Chief Executive (and ex-officio Board Member)
Alan Law	Deputy Chief Executive
Dr Tim Hill	Chief Scientist
Navroza Ladha	Chief Officer, Legal, Governance and External Affairs
Gleny Lovell	Chief Officer, Business Management and Change
Oliver Harmor	Chief Operating Officer

Guests

Edward Barker	Director Natural Environment, Defra
Abdul Razaq	Deputy Director Finance, Defra Group Finance
Jen Garrett	Deputy Director HR, Defra Group HR
Paul Leat	Deputy Director (Ops and Local Comms) Defra Group Communications
Ken Roy	Director Corporate Governance
Mick Oliver	Chief of Staff, Legal and Governance
Graham Tibbetts	Principal Adviser, External Affairs
Dawn Metcalfe	Principal Adviser, Governance (minutes)

Item 1 Welcome from the Chair and Declarations of Interest

- 1.1 The Chair welcomed the Board, Executive and guests to the 110th Board meeting of Natural England.
- 1.2 With reference to the scheduled agenda item on Green Finance, Kerry ten Kate flagged up her interest as a non-executive director of Finance Earth. With reference to the scheduled agenda item on the proposed Coast to Coast trail, Henry Robinson and Rosamund Blomfield-Smith reported that that they did have existing National Trails over parts of their land.

Item 2 Review of May 2022 Minutes and Matters Arising

- 2.1 The Board approved the minutes, subject to some minor amendments,
- 2.2 With regards to the Matters Arising, Ken Roy noted the continuing intention that the Board have an externally led effectiveness review. This will be co-ordinated by the Governance Team.

Action: Governance Team

Item 3 Board Sub-Group Updates

Audit, Risk and Assurance Committee (ARAC)

- 3.1. Catherine Dugmore explained ARAC had met on 22 June and had a good workshop session to review the Committee's effectiveness and to consider its future priorities. Catherine noted the increased scale and complexity of asks on ARACs within and beyond the public sector and noted the intention to agree a set of next steps at the Committee's September meeting.
- 3.2. Catherine reported on the remainder of the Committee's scheduled business, noting that:
- James Diamond (NE Director, Transformation) and Dianne Jeans (Director, Group Corporate Services Strategy) had attended ARAC for a session on the Corporate Risks related to the services received from Defra Group Corporate Services;
 - ARAC had completed a preliminary review of the work in train to establish the new functions that NE will be taking on with regard to Local Nature Recovery Strategies (LNRs);

- ARAC had reviewed lessons learned reports on the 21/22 year-end spend, noting that the Committee had formally flagged the need to manage similar risks in 22/23.

3.3. Catherine noted the arrival of John Coubrough as the new Head of Internal Audit for NE, taking over from Russell Broad. John had presented the year-end opinion for 21/22 of 'moderate assurance'. Catherine also thanked the Governance Team for the work on the Framework Document which was expected to be published in July.

Natural England Science Advisory Committee (NESAC)

3.4. Dr Andy Clements reported that NESAC had not met formally since the previous (May) Board. Andy updated the Board on the progress of the NESAC subgroup established to review the evidence related to the balance of trees and waders in different habitats.

3.5. Edward Barker expressed Defra's gratitude for the work of the subgroup noting the issues that Ministers will need to consider over the Autumn.

Remuneration Committee (REMCOM)

3.6. Peter Unwin explained that RemCom had met and considered: proposals for this year's staff Pay Award; the merits of proceeding with a Pay Flex Case; and the Staff Framework. The Pay Award proposals had been approved; a decision had been taken not to proceed with the Pay Flex case this year (an approach supported by the NE Trade Unions); and it was noted that the Staff Framework proposals were progressing well.

3.7. RemCom also agreed in principle to an expansion of responsibilities to include a broad overview of People Strategy activities, noting that a revised Terms of Reference for the Committee would be considered in September.

Joint Nature Conservation Committee (JNCC)

3.8. Professor Michael Winter reported that at their meeting on 8/9th June, the JNCC had considered the overarching organisational strategy, reviewed the 22/23 delivery plan and had a deep dive on Nature Recovery. The written update was not yet available so will be provided at the next meeting.

Action: Governance Team

Natural England Landscape Advisory Panel (NELAP)

- 3.9. Rosamund Blomfield-Smith explained that due to a train strike the planned face-to-face NELAP meeting had been held online. The Board noted the breadth of the NELAP remit and discussed the ongoing support for the new group.

Item 4 Chief Executive's Report

- 4.1. Marian Spain presented her report to the Board. Marian specifically referenced the updates on the following topics:

- 4.2. **Response to Defra on the Environment Targets:** This has been submitted to Defra and Alan Law will arrange for it to be circulated to Board Members.

Action: Alan Law

- 4.3. **Raptor Crime Enforcement Project:** It was recognised that raptor crime remains an issue, evidenced by the two recent incidents.

- 4.4. **Nutrient Neutrality:** The Board noted the public debate on this issue and agreed that Natural England should continue to work with the department in developing effective ways forward (e.g, in terms of new mitigation schemes) with appropriate scrutiny and oversight from ARAC on any new formal commission from Defra.

Action: Alan Law / Navroza Ladha

Item 5 Corporate Plan formal sign-off and Operational Risks (Q4 Report and new risk register for 22/23)

- 5.1 Gleny Lovell explained that the Corporate Risk Register had been reviewed by ARAC in the previous week.

- 5.2 For the next phase of work on the risk register, the Board:

- offered some detailed amendments to the assessments and narratives on specific risks;
- noted that some risks are not within NE's gift to mitigate and the risk register should be clearer about that reality;
- asked that the Executive was more proactive, for example where risk mitigation sits mainly with Defra Group Corporate Services, in using formal escalation processes, both to Defra ExCo and/or Defra ARAC, where that might better address the underlying problems.

- 5.3 The Board asked for confirmation of the plans for regular Health and Safety reporting at formal meetings (currently quarterly).

Item 6 **Marine Nature Recovery: Extending Nature Recovery Across Land and Sea**

- 6.1 Sangeeta McNair and Nick Williams gave a presentation to the Board on the future approach to the recovery of the marine environment. The presentation covered key examples of current / proposed work including: Natural capital assessment of Sandeels; Marine Natural Capital and Fishing in Isles of Scilly; Informing Marine Spatial Prioritisation; and Operational Use of Ecosystem Modelling.
- 6.2 The Board complimented Sangeeta and Nick on an excellent presentation, in particular the evidence led approach and the unique role for NE on this agenda. The Board noted:
- The opportunity for the marine environment to contribute to the 30x30 ambition;
 - The opportunity for the development and implementation of further strategic solutions, particularly with respect to Marine Spatial Prioritisation;
 - The needs for further skills development – including building capability to work with the key offshore industries;
 - The challenges for enforcement where regulation is in place.
- 6.3 The Board supported the vision as set out in the presentation and additionally recommended that the team:
- develop a proposition for a regionally based location for trialling strategic compensation / mitigation approaches;
 - develop thinking on the opportunity for a broader marine skills development programme (possibly commissioned by government) with specific focus on Offshore Wind Farms (OWF) sector;
 - develop proposals for ensuring that the marine work was a fully integrated part of the Natural England 'story'.
- Actions: Alan Law (bullets 1&2); Navroza Ladha (bullet 3)**

Item 7 **2021/22 Annual Report and Accounts (ARA)**

- 7.1 Catherine Dugmore explained that the audit of the Annual Report was progressing well, although specific details with regard to Heritage Assets still needed to be resolved. The updated Annual Report will be submitted to Board in July, with the audit of the Heritage Assets to follow in August.

- 7.2 The Board endorsed the proposed approach for the subsequent finalisation of the report – including a role for ARAC in providing scrutiny for the finalisation of the Heritage Asset figures.
- 7.3 The Board strongly stressed that, for future annual reporting, they did not want any unnecessary further cost in regards to assessing valuations in the Heritage Assets audit.
- 7.4 Board Members agreed to provide any final detailed comments on the current report draft to Abdul Razaq.

Action: Abdul Razaq

Item 8 Green Finance

- 8.1 Sarah Dawkins and David Drake set out some of the proposed principles guiding the work that Natural England is doing and could do related to Green Finance. They set out the proposed strategic objective of enabling Green Finance to make a substantial contribution to meeting the funding gap for nature and climate recovery, whilst ensuring that:
- it delivers the right outcomes in the right places;
 - it is underpinned by robust standards and is properly monitored and evaluated, with appropriate checks and balances;
 - it is viewed as a complement to public funding, not a replacement for it.
- 8.2 The Board noted the importance of standards, appropriate mechanisms and accreditation in this area of work and the need to be mindful of specific risks, noting that some markets are still developing.
- 8.3 The Board stressed the need to keep this work within bounds as there is just a small Natural England team working on this agenda and asked that further work was done on:
- how to best link Green Finance into the broader strategy for nature recovery;
 - how to improve the support and signposting for Natural England's Area Teams to give them to best support and guidance to support appropriate local initiatives.

Item 9 SSSI Strategy including working towards how SSSIs will support NRN and 30x30 targets.

9.1 Alan Law introduced the paper, explaining that there were two lenses to be considered in this discussion: SSSIs as part of NE's statutory remit; and SSSIs contribution to wider ecosystem function to drive nature recovery.

9.2 Caroline Cotterell presented further detail on the proposed approach to site designations where the aim was to prioritise sites that could function as part of a wider ecosystem and hence could be used to drive nature recovery. Caroline noted one mechanism to support the improvement of sites - the Conservation Enhancement Scheme (CES) which is being reintroduced to help address challenges on sites that do not qualify for other agri-environment focused incentives. There were also improvements planned to the way that NE delivers its enforcement and regulatory roles, making full use of all available levers.

9.3 The Board noted that there had been a legacy of under-investment in this area of work, but that work was now underway to address the needs of some sites. The need for skills improvements was flagged – noting the need for staff working in this part of the business to offer a rich combination of capabilities (understanding of the regulations, practical field naturalist skills and strong people / engagement aptitude)

Action: Alan Law / Gleny Lovell

9.4 The Board also endorsed the need for smarter prioritisation of interventions, and for Oliver Harmor to encourage and enable Area Teams to be innovative in how SSSI focused work was integrated with other streams of activity.

Action: Oliver Harmor

9.5 The Board asked for the External Affairs Team to work with colleagues in Strategy to set out a clearer more ambitious overall narrative for our SSSI work and to develop thinking about a more expansive approach to engagement, nationally and locally – with relevant landowners, stakeholders and with local communities.

Action: Navroza Ladha / Alan Law

9.6 The Chair summarised the feedback provided which will inform further discussion on priorities with Defra in advance of a further review at the November Board.

Action: Alan Law

Item 10 **Coast to Coast Path – National Trail proposal under section 51
National Parks and Access to the Countryside Act 1949**

- 10.1 Oliver Harmar and Amanda Craig introduced the paper; Dave Parker and Hazel Thomas went through the more detailed proposal for a national trail along the current Coast to Coast route running from St Bees in Cumbria to Robin Hood's Bay in North Yorkshire. They recognised the strong work done with key partners, including the Yorkshire Dales NPA.
- 10.2 The Board was asked to endorse the submission of the S51 Report to the Secretary of State, and to give its approval for the S51 proposal to include a full package of benefits realisation above and beyond the statutory requirement of the Act.
- 10.3 The Board noted the positive welcome for the proposal by many stakeholders including key landowners, noting the need for appropriate resolution of detailed design issues (for example related to multiple usage or accessibility).
- 10.4 The Board also noted the ongoing work with National Highways and Department for Transport (DfT) to agree the best approach to the one major road crossing.
- 10.5 **The Board unanimously approved the proposal and** gave its authority for submission (under S51 of 1949 Act) of the final version of the proposal to the Secretary of State.

Item 11 **Forward Look**

- 11.1 Ken Roy led the Board through the forward look of meetings and arrangements for the following year.
- 11.2 Board Members noted the proposed 2023 Board dates and the continuing assumption that meetings should be face to face.