



Board Meeting

Minutes of the **Natural England** Board meeting held on 31 July 2024 in London

Attending

Dr Tony Juniper	Chair
Lord Blencathra	Deputy Chair
Prof Mel Austen	
Prof Lynn Dicks	
Catherine Dugmore	
Prof Clare Fitzsimmons	
Henry Robinson	
Kim Shillinglaw	
Dame Caroline Spelman	
Peter Unwin	
Dr Alastair Leake	
Mark Tufnell	
Cynthia Alers	
James Scott	

Executive Team

Marian Spain	Chief Executive (and ex-officio Board Member)
Kirsty Carter-Brown	Chief Officer, Business Management
Oliver Harmar	Chief Officer, Operations
Sallie Bailey	Chief Scientist
Sarah Zielicka-Edwards	Director, Legal
Alan Law	Chief Officer, Strategy

Guests

Vicky Gaillard	Director, Governance
Amanda Craig	Director, Resilient Landscapes and Seas
Mike Cuthbert	Director, Planning and Performance
Ruth Cresswell	Defra Group, Senior Human Resources Business Partner
David Drake	Director, Planning and Performance
David Hill	Defra, Director General, Environment Rural and Marine
Sophie Davis	Defra Group, Senior Finance Business Partner
Ilana Conn	Defra Group, Communications
Matt Heard	Director, Strategy

Apologies

Navroza Ladha	Chief Officer, Legal, Governance and External Affairs
Jen Garrett	Defra Group, Director Human Resources
Abdul Razaq	Defra Group, Director Finance
Lizzy Campbell	Board Apprentice

Item 1 Welcome from the Chair and Declarations of Interest

- 1.1 The Chair welcomed the Board, Executive and guests to the 123rd Board meeting.
- 1.2 Apologies were received from Navroza Ladha, Jen Garrett, Abdul Razaq and Lizzy Campbell.
- 1.3 Mark Tufnell and James Scott reported changes to the Register of Interests (ROI). There were no Declaration of Interests recorded.

Action: To contact Mark Tufnell and James Scott for their updates to the ROI. The action will need to be completed prior to the publication of the ROI on GOV.UK. **The Governance team – Immediate.**

Item 2 Minutes and Matters Arising

- 2.1 The draft minutes of the meeting held on 15 May 2024 was accepted as a true record with no changes required.

Action: It had previously been agreed to hold a Board webinar on Local Nature Recovery Strategies. It would be important to consider whether this could be a face to face event for Board members, rather than a webinar; and to inform the Governance Team, who will co-ordinate the meeting. **Alan Law and Pam Mills-Cooke - Immediate.**

Item 3 Chief Executive's Report

Hot Topics

- 3.1 Marian Spain presented an overview of the significant and timely issues that had arisen since the last meeting and gave updates on the following topics.

- 3.2 **Bovine TB and Badgers:**

The current state of play regarding the number of Supplementary Badger Disease Control licences was noted together with operational readiness for related activity. The Board noted that a Pre-action Protocol letter had been received from Badger Trust/Wild Justice.

Action: To ensure Defra are briefed on implications of current legal information on Badger Cull policy. **Oliver Harmar – Immediate.**

- 3.3 **Biodiversity Net Gain (BNG):** NE's work to develop statutory biodiversity credits investment was currently awaiting a steer from Defra on which options to explore further, and the outcomes of a lessons learnt audit, on procurement of sites for statutory credits investment. The Board requested an update on BNG before the next meeting.

Action: To arrange a Board webinar on Biodiversity Net Gain (BNG). The scope: is to progress the Defra review; exploration of risks and to take on board comments from Natural England Landscape Advisory Panel and Natural England Science Advisory Committee. **Ruth Andreyeva and Pam Mills-Cooke – 29/09/24.**

3.4 **Spending Review**

The Spending Review (SR) process was due to begin by the end of July, with returns during August in advance of a combined Autumn Budget and SR in October. It is not yet confirmed whether there will be a one-year or three-year SR.

3.5 **Environmental Land Management Schemes (ELMs)**

The Sustainable Farming Incentive (SFI) 24 schemes are in the 'pilot' phase with 3000 expressions of interest (237 submitted applications). NE is awaiting ministerial decision to move into a phased roll out and the decision is anticipated before recess (31 July).

NE is anticipating the first of the Round 1 Landscape Recovery (LR) projects to move into the implementation phase in late summer. All Round 2 projects have completed enrolment.

Action: To arrange for a Board deep dive session on ELM's contribution to Nature targets, with contributions from NE & Defra experts. In addition, to also confirm what is the risk of the area coming out of ELMS in the sustainable Farming Initiative (SFI) and Countryside Stewardship (CS) Higher Tier. **Brad Tooze and Pam Mills-Cooke. 30/11/24.**

Action: To arrange a Board webinar on 'Energy', including impacts and opportunities of the new Government's plan for 'Great British Energy'. This should also include consideration of onshore/offshore wind, including potential considerations re National Parks. **Mike Burke, Ruth Andreyeva and Pam Mills-Cooke. 30/01/2024.**

3.6 **Sites of Special Scientific Interest (SSSIs)**

NE is working on testing approaches for greater incentives, to bring Sites of Special Scientific Interest (SSSIs) into optimal management.

3.7 **People**

Equality, Diversity and Inclusion (EDI)

NE's current EDI Action Plan expires in September 2024. The organisation is currently refreshing four key objectives: retaining talent, investment in people, inclusive culture and how we work with communities (i.e. the wider public) that we serve. The September Board will provide an opportunity to more fully explore these issues.

Action: To advise Board on the ramifications of the confirmed average 5% pay bill increase. **James Diamond – Immediate.**

Action: To consider a different approach to the CEO Report discussion in future and ensure sufficient time for updates on hot topics. **Pam Mills-Cooke - Immediate.**

Item 4 **Quarter One Performance Reports**

Performance Report

4.1 Oliver Harmar summarised the following key headlines:

The organisation has made a positive start to the performance year, with most current progress metrics at Green or Amber Green (24 out of 29 or 83%).

NE is forecasting a full year revenue pressure in the range of £5.7m to £8.8m. At the end of June, we have 3,016 Full Time Equivalent (FTE) staff against an affordable annual average of 2,881 FTE. The organisation has mitigations in place to manage this and we continue to monitor closely and act accordingly.

4.2 In discussion the Board reflected on the report and noted the following:

- Regarding staff leaving NE, it would be important to understand the type of skilled staff that are leaving.
- In terms of the digital reform, the organisation should invest time in reviewing their systems, as outdated systems, could lead to operational risks.
- The interface with customer service needs to improve, as the response time to queries are below our targets.
- The Board queried as to whether the marine condition assessment target, is the right one and whether there was enough resilience to achieve the outcomes.
- The Board felt that there should be further clarification on KPI F, (We invest in the wellbeing, development, and diversity of our staff so that NE remains a great place to work), as some of the targets have not been met.

Action: To have a series of 1:1 conversations with specific Board members around points raised on: mental health & stress (Mark Tufnell); customer focus (James Scott); marine targets (Mel Austin/Clare Fitzsimmons). **Oliver Harmor, James Diamond, Steph Bird-Halton – Immediate.**

Action: To review the Performance Report to consider whether the effort used to produce it is proportionate to the content which is required by Board. **Mike Cuthbert and Merina James – 31/10/24.**

4.3 Finance Report

Sophie Davis introduced the session and outlined the following:

- The Estimated Full Year (FY) Pressure of £7.6m, excluding £6.8m of risks agreed with Defra.
- That the Portfolios, specifically Greener Farming & Fisheries and Sustainable Development to carry out analysis on if Orion time recording is being used correctly and to provide clarity to teams of how work should be recorded.
- There should be central communications on Orion to be issued to cover both compliance and data quality.
- There should be communication to Directors on the need for good quality forecasting and to identify known underspends which will be handed back now.
- Revenue programme Task & Finish group being set up, immediate action to identify non ringfenced budget in scope for saving. In discussion the Board reflected on the report and noted the following:
 - The paper contained a good set of financial reports but for future it would be important to expand on any risks raised with Defra.
 - The report did not include c£2.6m additional pay pressure due to the increased pay award, announced after completion of the report. With few levers available to manage risk, David Hill advised that Defra could be open to conversations on flexibility with ring fenced budgets.

Action: To agree with Defra which activities the organisation can flex the current planned spend, to maximise use of budgets to manage down the financial risks. **Sophie Davis – 31/10/24**

Item 5 **Quarter One Health and Safety (H&S) Report**

5.1 Oliver Harmar introduced the session and highlighted that the purpose of the paper was to provide the Board with:

- An update on current developments regarding Health and Safety (H&S).
- An overview of Quarter One (Q1) incident statistics.

5.2 In discussion the Board reflected on the report and noted the following:

- The Board outlined the importance of highlighting key well-being areas on the risk register.
- Potential security concerns for specific staff (based on role) and the need to moderate their use of social media.
- The Board welcomed information on how many NE staff are trained in health and safety. Ruth Cresswell confirmed that there were 211 Mental Health first aiders across the Defra network and of that number 42 were from NE.
- The Board reflected on the importance of staff being in the office and associating with their colleagues to support their well-being.
- Discussions also centred on the importance of having a Board Champion for Mental Health.

Action: To consider whether there should be a Board member to take on the role of Mental Health Champion for the organisation. **James Diamond – 27/09/24.**

Action: Review internal narrative (communications and management messaging) to ensure a shared responsibility for wellbeing, including office attendance. **James Diamond – 27/09/24.**

Item 6 **Quarter One Risk update**

6.1 Vicky Gaillard presented the Q1 risk position and corporate risk heatmap.

6.2 Vicky also asked the Board to note the 'limited assurance' Government Internal Audit Agency (GIAA) Risk Management Audit. She explained that this had highlighted where NE could improve its risk management practices. Recommendations related to the need for a Board Risk Appetite exercise and a framework to embed risk more fully as part of the organisation to drive improvements to the risk culture.

Action: To carry out a further exercise explore and set the board risk appetite (as discussed at the July Audit, Risk and Assurance Committee meeting). **Vicky Gaillard- 31/01/25.**

Action: To link the Board agenda items to the corporate risks and to be clear on how the recommended actions will help mitigate this. **Vicky Gaillard - 30/11/24**

Item 7 **Annual Report and Accounts (AR&A) 2023-24 Version 3 draft Report**

7.1 Sophie Davis provided an update on the following:

7.2 The Board is asked to:

- a) Approve version 3 of the 2023-24 AR&A subject to resolution of a small number of low-risk accounting queries.
- b) Delegate to the Chair of the Audit, Risk and Assurance Committee (ARAC) and NE Chief Executive the authority to see the AR&A through to final laying, subject to referring matters back to the Board should any material issues arise.

In discussion the Board reflected on the report and noted the following:

- The Board approved the latest version of the AR&A and delegated the final steps to Catherine Dugmore (as Chair of ARAC) and Marian Spain to see the AR&A through to laying.
- The Board noted the need to check the appropriateness of references to the Government, following the change in Administration.

Action: To check that the text in the Environmental Improvement Plan (EIP) section has been appropriately updated with references to previous/current Government.. **Vicky Gaillard – Immediate.**

Item 8 Strategy Session

8.1 Matt Heard introduced the session on the Strategy Update and asked the Board to consider the following topics in their discussion on the central themes for Strategy.

- Nature positive planning
- Environmental land management
- Local nature recovery strategies
- Devolution

In discussion the Board reflected on the strategy proposals and recommended the following:

- Consider including making people more central to the strategy and how to make current delivery more efficient, effective and impactful.
- Consider how timing of the proposed new Strategy aligns with the emerging themes from the new Administration, the Defra spending streams and the EIP review.
- The report should also factor in plans for energy, water and offshore wind.
- Include examples of new towns that have recently been developed, such as Cambourne in Cambridgeshire, as examples of nature positive planning.

8.2 Matt Heard summarised current expectations regarding the forthcoming Spending Review, noting this would be the first from the new Administration. The Board noted the importance of identifying co-benefits and join-up when framing the response to Defra and the need for confidence in the analysis which is submitted. The outcome of this will allow the organisation to work more effectively, to deliver more for the same money.

Action: Provide the Board members with dates for: (a) internal workshops; (b) stakeholder workshops – so they can each attend a session. **Matt Heard and Pam Mills-Cooke - Immediate**

Action: Arrange a session with the Board members in October 2024 to work through the proposed Strategy in more detail and the outcome of the internal and stakeholder engagement sessions. **Matt Heard and Pam Mills-Cooke – 31/10/24.**

Action: Consider Board comments, including making people more central to the strategy; and how to make our current delivery more efficient, effective and impactful. **Matt Heard – Immediate.**

Action: Consider how timing of the proposed new NE Strategy aligns with the emerging themes from the new Government, Defra spending themes and EIP review. **Matt Heard - 27/09/24.**

Item 9 Natural England's Communication Priorities 2024/25

9.1 Ilana Conn asked the Board to:

- Note NE's communications priorities and approach for 2024/25 are aligned to available resource.
- Note that priorities were developed before the general election and will need reviewing considering context and new Ministerial priorities for NE and the new corporate strategy being developed.
- The team are working with the Defra comms team to look for opportunities to include NE projects in Ministerial announcements and visits.
- Approve this approach to prioritising and delivering NE communications activities.

9.2 In discussion the Board reflected on the report and gave the following steers:

- The messages to be conveyed over the next quarter should focus on certain areas (e.g. just BNG and urban quality of life). Natural England should strongly communicate what it stands for in a specific policy area and be strong on the message.
- The plan should also include how the organisation adopts a communication strategy in line with the new Corporate Strategy.
- Seek opportunities from working with our partners for engagement and to also use collaborative social media.
- The Board stressed its preference for NE to have its own web presence in addition to the gov.uk website. It was noted that work was underway to look at NE's online presence; understand its audiences and the information they need to access and where that would be best housed.

Action: Carry out further work to understand NE's web presence and/or alternative routes to engage online, including what would be useful to external audience and what could be done in terms of branding and cost considerations aligned to the new Corporate Strategy work. **Ilana Conn, Adelle Rowe– 31/10/24**

Action: Consider how best to tell the story of nature and growth going hand in hand for prosperity with suggestions from Board members, (a) development of a key messages on nature being symbiotic with growth as a framework for communications over the next quarter including, on BNG, urban quality of life; and (b) further development of strategy to increase opportunities for partnership communication with further reach and (c) the use of case studies to highlight

best practice e.g. Cambourne, Cambridgeshire. **Ilana Conn, Adelle Rowe – 31/10/24.**

Item 10 Governance update

10.1

Brief updates were provided by the Chairs of the following sub-committees, highlighting key points from their written reports:

- National Nature Reserves Advisory group – Kim Shillinglaw noted appetite for more engagement / commissions from the Board.
- People and Remuneration Committee – Peter Unwin noted key statistics from the recent People Survey.
- Audit Risk and Assurance Committee – Catherine Dugmore encouraged Board members to read the annex to her ARAC report which included the Executive Summary to the GIAA limited assurance assessment of Risk Management.
- NE Science Advisory Committee – Clare Fitzsimmons explained that NESAC were currently recruiting for new members and requested support to promote this; she also asked for NESAC to be tasked with strategic questions.
- NELAP – Caroline Spelman reported that NELAP had recently fed back comments on the proposed Strategy.

Action: NNR - To feedback any thoughts to Kim Shillinglaw following the NNR webinar earlier in the week. **Board / Executive – Immediate.**

Action: NESAC To provide NESAC with any strategic matters that would benefit from NESAC scrutiny. **Board / Executive - Ongoing**

Action: To work with Board members to recruit new members onto NESAC. **Clare Fitzsimmons – Ongoing.**

Action: to provide feedback to Dame Caroline on the provisional comments raised by NELAP regarding the proposed NE Strategy. **Ongoing.**

10.2

Vicky Gaillard outlined that the next Board meeting will be on Wednesday 25th September, with the agenda focusing on the:

- KPI F deep dive (NE is engaging, safe and we invest in the wellbeing, development, and diversity of our staff so that NE remains a great place to work)
- The Chief Executive's Report.
- Managing change in NE.
- Governance Update, Forward Look and Board Subgroups.

10.3

Forward Look

Action: Secure dates in Board members' diaries for monthly Board webinars (in non-Board months) and allocate topics subsequently. And ensure dates for meetings and webinars are circulated at least one month in advance. **Pam Mills-Cooke – Immediate.**

Action: Confirm arrangements for West Penwith SSSI re-visit by Board members. **Pam Mills-Cooke – Immediate.**

Action: The Chair reflected that the Board pack possibly contained too much information and asked for this to be reviewed for future meeting. **Vicky Gaillard and Pam Mills-Cooke – Immediate.**