

Natural England Board



Confirmed minutes of the 102nd Natural England Board meeting 5th May 2021

Board Members Attending	
Dr Tony Juniper, Chairman	Kerry ten Kate
Lord Blencathra, Deputy Chairman	Henry Robinson
Rosamund Blomfield-Smith	Kim Shillinglaw
Dr Andy Clements	Peter Unwin
Catherine Dugmore	Professor Michael Winter
Professor Sue Hartley	
Executive Team	
Marian Spain, Chief Executive (and ex-officio Board Member)	Navroza Ladha, Chief Officer Legal and Governance
Alan Law, Deputy Chief Executive	Gleny Lovell, Chief Officer Planning and Performance
Dr Tim Hill, Chief Scientist	
Guests	
David Hill, Director-General Environment Rural and Marine Defra	Tom Moat, Principal Adviser, Strategy and Government Advice
Abdul Razaq, Finance Director	Paul Leat, Deputy Director, Organisational and Local Communications, Defra
Maggie Telfer, Operations Director (Delegated authority to represent Liz Newton as Interim Chief Operations Officer)	Robert Caschetto, Senior Adviser Risk and Project Management
Rachel Hart, Principal Adviser Business Planning and Performance	Mick Oliver, Chief of Staff, Legal & Governance
Catherine Burbage, Head of External Communications for Natural England, Defra	Graham Tibbetts, Legal & Governance
Caroline Cotterell, Programme Director, Resilient Landscapes and Seas	Tom Roberts, Legal & Governance (secretariat)

Welcome from the Chairman and Declarations of Interest

The Chairman welcomed the Board to the meeting.

With reference to declarations of interest, specifically relating to the meeting's agenda:

- Henry Robinson:
 - reminded the Board that he farms in an Area of Outstanding Natural Beauty
 - informed the Board that he has been accepted as a Countryside Stewardship agreement holder.
- Rosamund Blomfield-Smith informed the Board that she farms in an Area of Outstanding Beauty beside a Site of Special Scientific Interest. Rosamund also informed the Board that an update was required of her register of interests.
- Catherine Dugmore informed the Board that she is a Trustee of WWF UK, this is relevant in respect of the Water Protection Zone challenge by WWF UK to which Natural England is an Interested Party.

ACTION: Legal and Governance Team to update the Register of Interests details of Rosamund Blomfield-Smith.

1. Confirmation of March 2021 Minutes and Matters Arising (NEB 101)

- 1.1 Rosamund Blomfield-Smith noted the need to correct the minutes in respect of specific declarations of interests.
- 1.2 Amendments were made to paragraph 3.2.1 to clarify that the Board discussed controlled gamebird releases “on or around European sites”, rather than “on SSSIs”.
- 1.3 The minutes should also mention that the Board agreed that the Chairman and Board Members should meet to confirm advice to Defra on gamebird releases.
- 1.4 Detailed amendments were requested to minutes relating to the NNRs named at item 8.
- 1.5 On matters arising, Alan Law reported to the Board that John Holmes now has oversight of the Hen Harrier Action Plan work. In addition, Andy Clements will provide an update on the matters considered by NESAC.

ACTION: Legal and Governance Team to update the minutes for the March Board to include the proposed amendments.

ACTION: Alan Law to draft the relevant minute confirming the Board's agreement that the Chairman and Board members should meet to confirm advice to Defra.

ACTION: For Navroza Ladha to clarify the notes relating to NNR declaration and de-declaration, as per item 8 of the March minutes.

2. Board Sub-Group Updates

2.1 NESAC

2.1.1 Dr Andy Clements provided the Board with a verbal update on NESAC.

2.1.2 Dr Clements reported:

- the formation of the Science, Evidence & Evaluation (SEE) Strategy Sub-Group. Board member membership comprises Dr Andy Clements (Chair), Catherine Dugmore and Professor Michael Winter. The terms of reference for this Sub-Group were shared with the Board and comments invited. Dr Clements provided a report of the Sub-Group discussions, clarifying that it is a task and finish group with a one-year duration. The SEE Strategy delivers 'shift 4' of the organisation's strategic shifts.
- a cascade of the SEE Strategy was presented to Science and Evidence staff of Natural England. Around 200 staff members participated, it was received well.
- NESAC formally met in the week commencing 26 April 2021. Points discussed included the strategic planning of NESAC meetings; research and research partnership ambitions; and natural capital and ecosystem services. The NESAC minutes will follow.

2.1.3 Finally, Dr Clements provided a report on NESAC's work on hen harrier brood management and the Defra led joint action plan on hen harriers. Dr Clements provided an update on the social science aspect of the brood management trial. Dr Clements also confirmed that the judgment has still not been handed down by the Court of Appeal.

2.1.4 Following a question from the Chairman, Dr Clements suggested that a teach-in webinar may be presented to the Board about natural capital and ecosystem services.

2.1.5 Following a question from Henry Robinson, Dr Clements and Marian Spain provided a brief update on the southern reintroduction of hen harriers.

ACTION: Tim Hill to arrange for a Board teach-in webinar on natural capital and ecosystem services

2.2 Audit and Risk Assurance Committee (ARAC) NEB 102 01

2.2.1 Catherine Dugmore provided an update on ARAC, confirming that the last meeting took place in March 2021 with the Board being updated shortly after; the minutes have been shared. Catherine highlighted three points:

- There have been updates on the Peat Capital Grant Scheme, further details will be provided in the CEO report. ARAC reviewed this project and provided feedback for the Investment Committee.
- ARAC reviewed the overall position on risk in March. Subsequently NExCo have further reviewed current risks and this work will inform the Board's afternoon workshop.
- The National Audit Office and Ernst and Young have been carrying out the year-end audit. Natural England's Finance Team will be working further on this.

2.3 Remuneration Committee (REMCOM)

2.3.1 Peter Unwin provided the Board with an update on REMCOM business. The main issue discussed by REMCOM was on Natural England's pay flexibility case. Peter provided the Board with an update on REMCOM's evaluation and endorsement of that pay flexibility case.

- 2.3.2 Marian Spain confirmed that communications to staff on the pay flexibility case will be released shortly.
- 2.3.3 Peter Unwin also provided an update on senior level and delegated level pay. A pay pause on consolidated pay will affect all staff except those earning less than £24,000 pa; this pay pause will not affect non-consolidated pay.

2.4 Joint Nature Conservation Committee (JNCC)

- 2.4.1 Professor Michael Winter provided the Board with an update on JNCC business.
- No full JNCC meeting has taken place since March.
 - A brief telephone conference took place in which JNCC members were updated on the positions of the new JNCC Chair and interim CEO.
 - The next JNCC meeting will discuss the Conference of the Parties to the Convention on Biological Diversity. While Professor Winter cannot attend, it is expected that Lord Blencathra and Tim Hill will attend. This will look to align the four UK nations' approach on evidence.

3. **Chief Executive's Report (NEB 102 02)**

- 3.1 Marian Spain provided a verbal update to the Board on the narrative of the Chief Executive's report. Items reported included:

- Wildlife licensing
- Peatland and Tree Action Plans
- Uplands burning
- Diffuse pollution

- 3.1.1 In discussion, the Board discussed:

- The importance of providing advice, support and practical experience to Defra.
- The need for a clearly agreed organisational baseline position and for longer term budget certainty in order to enable effective delivery.
- Natural England's planned involvement in contributing evidence on the benefits of nature-based solutions to Defra – for input to international events such as the UNFCCC COP26 and G7 meetings.
- Whether work should be carried out to look at the nuances between land use strategies and nature-based strategies.
- The current ways of working within Defra group and the need for appropriate engagement of Non Departmental Public bodies (NDPB) Boards.

3.2 Quarter Four Performance Annex (NEB 102.02 B)

- 3.2.1 Alan Law provided the Board with an update on Key Performance Indicators (KPIs). Alan reported that:

- changes may be made in the way that individual in-year performance indicators are used to inform assessments of progress against the five year aims, this may lead in some cases to a more precautionary assessment of KPIs.
- A well-established system is now in place for engagement with Defra on organisational performance; each quarter, performance reports are provided to NExCo and shared with Defra at the same time. A joint session is then convened between Chief Officers and senior policy officials where the in-year performance and risks are discussed.

- 3.2.2 Alan reported that the end of year review held with Edward Barker of Defra was positive and covered:

- SSSIs, the evidence based around their condition and longer-term aims
- Planning, licensing and consenting performance.
- The Health and Safety position
- The spending of uplift funds, where it was confirmed that Natural England spent on the agreed areas for which we received additional investment in 20/21.
- Delivery risks for the coming year - including challenges around recruitment and procurement.

3.2.3 Maggie Telfer provided the Board with a report on one-year performance indicators. Maggie reported:

- Despite COVID-19 and the related challenges, Natural England has been flexible and adjusted focus and priorities where it was in the organisation's gift.
- There has been a wise use of uplift money to meet delivery challenges and progress has been made in several areas.
- Net Gain has moved to a 'red' category at the latter part of the year due to de-prioritisation, nevertheless work has still been ongoing with momentum rebuilding through the year. Stronger delivery plans are in place for the next year and better links will be formed with Local Planning Authorities.
- Protected sites monitoring received a stronger management intervention and uplift recruitment was slow to arrive but ultimately provided delivery improvements.

3.2.4 In discussion, the Board noted:

- The delays to Local Nature Recovery Pilots – an extension has been given to carry out more work to complete to Defra's specifications
- The need to exceed the objectives of commissioned LNRS work
- The coordinated land-use planning aspect of LNRS must be seen alongside the mapping and data gathering exercises.
- The importance of partnerships for Responsible Bodies to deliver LNRS
- The importance of Biodiversity Net Gain (BNG) as a key area for Natural England to positively contribute to nature in planning decisions.
- The importance of joining up nature recovery and the planning system.
- The potential for BNG to address diffuse nutrient pollution issues.
- The success of the Executive in delivering to the agreed budget
- The need to reflect the government's ambition on environment within performance reporting
- The positive improvement with the relationship with Defra, and the need to work well with all parts of the Department.
- A desire for reports from NExCo on work areas where there has been unfulfilled work such as work affected by lockdown.

3.2.5 Abdul Razaq provided the Board with a report on Natural England's financial position at the end of the year:

- A small overspend of £0.4 million (0.3%) was made – this was seen as a good outcome.
- A number of lessons learnt will be taken into planning for the new financial year, noting the impact of the increase in budget of around 47%.

3.2.6 The Board noted:

- The challenges around management of the 20/21 the uplift and the success of the Finance Team in supporting the business in delivering.
- The Board's desire to be kept updated on commercial work.
- The need to resource the Natural England Finance Team appropriately in 21/22 to support the organisation in delivering value from the increased budget.
- The need to manage the total envelope of Natural England's budget to deliver objectives and report on budget management.

- Capital spend will likely be focussed on National Nature Reserves, IT, evidence and Project Speed.

3.2.7 In conclusion the Board welcomed the improvement in the organisations financial position, noting the risks that needed to be managed.

3.3 Complex cases (NEB 102 02 B)

3.3.1 Navroza Ladha provided the Board with an update of key legal cases, including complex cases. Navroza also explained the difference between the legal cases and complex cases reported, with the latter being cases requiring strategic solutions as overseen by the Complex Case Unit.

3.3.2 The Board noted the complexity of the issues arising but acknowledged the increasing effectiveness of the organisational handling of legal and complex cases.

3.3.3 The Board discussed the escalation in the number and scope of legal proceedings and the drivers for this such as the use of the costs cap under the Aarhus Convention, the increase in crowd funding. The Board noted the need for appropriate engagement with stakeholders where this can build understanding of Natural England's approaches and decisions.

ACTION: Abdul Razaq to work with ARAC and Catherine Dugmore to work through the plans to manage risk around budget spend.

4. **Timetable and progress for 2021 Annual Report (NEB 102 03)**

4.1 Abdul Razaq provided the Board with a report on the overall position of Natural England's Annual Report and Accounts (ARA) and the next steps to finalise these over June.

4.1.1 The Auditors carried out an interim audit earlier in the year, there were no significant points of which Abdul needs to report to the Board. The final audit has commenced, this should conclude in June. The assessment of heritage assets was discussed.

4.1.2 Abdul reported on the treatment of corporate services re-charges – i.e. the costs attributed to Natural England from the Corporate Services functions that are provided centrally within Defra - and the issues that need to be addressed in the calculation and allocation of these costs.

4.1.3 Abdul invited the Board to provide feedback on the draft Annual Report by 17 May 2021.

4.1.4 Abdul reported to the Board that ARAC would be carrying out a review of the Annual Report, and will also be presented with the Financial Statement, on 6 May 2021.

4.1.5 The Board noted three specific issues as reported by Abdul:

- The Board will receive the latest assessment of provisions and contingent liabilities which will be contained in the ARA; the Board are invited to review these and raise any matters which should be included.
- The Board will receive copies of disclosures to be included in the ARA; Board members should review these to ensure that they are correct. These disclosures relate to remuneration and related party transactions, based on disclosures recorded in the Registers of Interest.
- Natural England is scheduled to lay the ARA in early July, this will be signed off by the Board in meeting of 30 June 2021.

- 4.1.6 Navroza Ladha informed the Board that plans were being made for the July Board meeting to focus on the ARA, with (subject to wider constraints) the option being considered for an open session with stakeholders.
- 4.1.7 The Board noted that it was important to build time in to ensure that Ministers could see the ARA in good time.
- 4.1.8 The Board recommended that the Chairman's Foreword to the ARA should include details that, despite COVID-19, the Board has:
- been operating at full capacity despite not being able to attend some site visits;
 - held a full programme of Board meetings; and in addition,
 - held briefing meetings on a broad range of business and technical issues.

ACTION: Board members to provide feedback to Abdul Razaq before 17 May 2021

ACTION: Graham Tibbets to add details of the Board's activity during the COVID-19 pandemic to the draft of the Chairman's foreword.

5. 2021/22 Natural England Action Plan (NEB 102 04)

- 5.1 Gleny Lovell introduced the Natural England Action Plan to the Board and welcomed Rachel Hart to the meeting.
- 5.2 Gleny invited comments from Board members, in writing, on the Five-Year Key Performance Indicators (KPIs) and in-year Performance Indicators as set out in the Action Plan. The Board was asked to indicate that they were content with the approach of the Action Plan, to feedback on any aspect of the text, and content for NExCo, and in particular for the CEO, to take the final version for internal and external publication.
- 5.3 Rachel Hart provided the Board with an update on the measures for success for the KPIs.
- 5.4 Abdul Razaq provided the Board with an overview of the finance section of the Action Plan and the wider financial framing for Natural England's work in 21/22.
- 5.5 Gleny Lovell provided a summary of the assumed impacts of the budget - the implications for work planning and the key risks that management were currently focused on, including the delivery of a larger commercial pipeline, recruitment, and the specific challenges of the increased ambition in areas such as protected sites and Nature Based Solutions. Overall, the scale of delivery demands has increased alongside the increased funding.
- 5.6 In discussion, the Board considered:
- The significance of the historical perspective of funding as compared to 2010, including recognising the leadership of the Chief Executive and Chair, and the support of Defra to realise recent increases in the budget. However, it was noted that the positions over the last decade mean that like-for-like comparisons cannot easily be made.
 - The difficulties of competing issues, and the need for flexibility to fill gaps.
 - The need to be ambitious with, and focus on, external funding and partnerships
 - Support for prudent over programming.

- The need to see more detail on Natural England's strategic shifts, as set out in the draft Chief Executive's introduction, on the face of the report.
- The triumvirate of thriving habitats and species, a modern approach to beauty, and the delivery of ecosystem services, as set out in the Chair's foreword, should feature within the Action Plan.
- The centrality of SSSI condition and maintenance to Natural England's mission, and the need to work flexibly to demonstrate improvements and work with partners.
- The value of the resources that Natural England can provide to the Nature Recovery Network and Local Nature Recovery Strategies.
- The link between the upcoming UNCCC COP26 and Nature Based Solutions, and the need to demonstrate success on the ground.
- The need to identify efficiency opportunities prior to Spending Review 21
- The need for creative thinking, flexibility to lift constraints, and need to keep open dialogue with Defra.
- The need for caution in communication and being clear on those things which cannot be delivered.
- The desire for more powers to charging to allow for income recovery.
- The need to increase the organisation's profile on landscape
- The fact that it is the final year of LIFE funding, and the need to investigate new opportunities.
- The need to use flex and scale to do more with the money available.
- The reality of imposed efficiency savings and in real terms the proportionate cuts for core statutory work are in fact proportionately higher.
- The need for join-up on the ground of workstreams to realise efficiency savings.
- The need to capture the three-part message for nature recovery to mean beauty, diversity and health.
- The need to balance process and outcomes, while recognising Natural England is outcomes focussed.
- The need to integrate different tools and flexibility to lead to better outcomes.

ACTION: Marian Spain to write to Natural England's main partners to share the budget uplift and the areas of investment ahead of releasing the Action Plan.

ACTION: Chair to write to the Secretary of State to welcome the budget uplift to note areas where funding gaps remain and to stress the need for Defra to give Natural England flexibility to deliver the optimal outcomes from the funding agreed.

6. 2021/22 Communications and Engagement Strategy (NEB 102 06)

6.1 Paul Leat introduced himself and Catherine Burbage and presented the Communication and Engagement Strategy to the Board. The Board was asked to provide final steers on the core themes set out in the strategy to enable the strategy to be finalised and delivery to commence.

6.1.1 In summary, the Board noted:

- In respect of outcomes: the need to focus on things where Natural England has made a difference and the power of examples. There is a need for proactive engagement.
- The evolving narrative of the Nature Recovery Network and the three aspects of beauty, diversity and health.

- Where Natural England succeed, it is within places where people live – this local dimension should be maximised.
- The importance of investing in nature recovery, for a small investment Natural England can deliver big outcomes.
- The need to counter the ‘gloom’ – the present time is a pivotal moment for nature with ambition and new legislation.
- The need for structured stakeholder engagement.

7. Workshop session on 21/22 and long-term risks

7.1 Gleny Lovell introduced the session on in-year and long-term risks. Gleny invited attendees to provide submissions on items to be included on a corporate risk register.

7.2 In discussion, the Board considered risks relating to:

- Legal challenges
- The capability, expertise and training of staff
- Government ambitions and the ability to respond to these
- Staff morale
- Reputation
- Finances and budget variations
- Competing organisations
- Change management and delivery
- Data governance and cyber security
- The distinction between internal and external risks
- Addressing diversity and inclusion, both internally and externally
- Climate change and carbon management
- Managing expectations, while taking a progressive agenda.
- Mitigation and contingency measures.

7.3 Gleny Lovell confirmed that the matters raised by Board members would be raised with ARAC and developed further.

8. Landscape Designations Programme (NEB 102 07)

8.1 The Board welcomed Caroline Cotterell and Tom Moat to the meeting. Caroline introduced the Landscapes Designation Programme paper to the Board, explaining the purposes for the paper being:

- To respond to the political drivers and commitments in respect of National Parks (NPs) and Areas of Outstanding Natural Beauty (AONBs), and
- to seek to move landscape designation work from a reactive to a proactive and innovative approach to reflect society’s current needs.

8.2 Caroline explained that proposals seek the Board’s approval to:

- Proceed with three new designation projects, prioritised from a shortlist of proposals from stakeholders, through an evidence-based process. This is in addition to considering a variation to Surrey Hill AONB which the Board has already approved.
- Develop a new approach to designations which complements existing areas, drives landscape recovery, and engages people with nature, most likely focused on peri-urban and urban areas.
- Undertake a new “Hobhouse review” to identify potential areas for new or extended NP and AONBs, alongside areas where a new style designation would

bring most benefit for people and nature.

8.3 Caroline flagged potential risks to the Board attached to the programme and suggested mitigation action which may be taken.

8.4 In summary, the Board noted:

- The alignment between the designation proposals and Government's objectives for a greener future and levelling up, and the importance of sighting relevant Ministers and No 10 on the programme.
- The importance of working closely with Defra on "the how" new designations may be delivered, drawing on ideas such as 'wild belts'; and National Park cities.
- The need for spatial analysis of the country to address "the where" of designations.
- On nature recovery – the opportunity for this work to support 30% by 2030 and the links with the COP and CBD.
- The current limitations of legal designation criteria.

8.5 Natural England's Chair confirmed:

- The Board's approval to commence three new designation proposals, based on the conclusions of the evidence-based assessment
- The Board's approval of the new collaborative approach for AONB boundary variations developed with the Surrey Hill AONB partners, and that this should be applied to the other three designation and variation proposals.
- The Board's approval to establish a longer-term designation programme that combines National Park and AONB designation/variations, with alternative landscape approaches, based on a strategic assessment of all England's landscapes underpinned by stakeholder engagement.
- That financial and future resource risks would be accepted

ACTION: Caroline Cotterell to provide an update to the Board in the next quarter.

ACTION: Caroline Cotterell to provide Board Members with lines to take on the proposed designation programme

9. Board Forward Look (NEB 102 08)

9.1 Navroza Ladha introduced the Board Forward Look to the Board which sets out future business. Navroza requested Board comments on:

- The current model of four key quarterly meetings, strategies sessions in September, and flexibility in March.
- The assumption that main Board meetings will be face to face going forward
- The proposal that Board sub-committees may remain as predominantly virtual meetings

9.1.1 In discussion, the Board noted:

- The need for complicated diary management when returning to face-to-face meetings, and the possibility of adopting a hybrid model of attendance.
- The need for NExCo to provide a steer on the approach that will be adopted.
- The issues around what has been collectively learnt around time efficiency, travel time and carbon savings.
- The possibility of alternating the format of meetings between face-to-face and virtual attendance.
- The possibility of consolidating agendas for face to face meetings to ensure that there is value in physical attendance.

- The value of site visits and board dinners with stakeholders.
- The need to regional splits for face-to-face meetings.

9.2 Navroza provided the Board with an overview of the plans for the June Board meeting:

- The venue will be at Sheepdrove
- There will be a site visit
- There will be a Board only dinner
- Time is planned to include potential for SSSI objections to be considered
- The timetable has been supplied to Board members.

9.3 In respect of the July Board meeting, the Board heard:

- The venue will be Roots and Shoots in London
- The agenda may include an open session for the presentation of the Annual Report, this may include a stakeholder event (subject to constraints).
- Site visits may take place on 2 and 8 July.

9.4 On Board Briefing Sessions, the Board noted that a future session may be held on stakeholder engagement. NExCo will shortly be holding a strategy session on stakeholder engagement.