

General Committee of Council

Confirmed minutes of the fortieth meeting of the General Committee of Council held on 20 September 2006 at the Commonwealth Club, London

Present: Dr M Moser – Acting Chair
Dr A Brown – Chief Executive
Ms S Collins – Director
Mr H van Cutsem
Dr K Duff – Director
Ms S Fowler
Prof E Gallagher
Mr S Hockman QC
Mr D Hulyer
Prof D Macdonald
Mr P Newby – Director
Mr C Pennell
Dr A Powell
Ms C Wood – Director

In attendance: Mr J Wray (item 4)
Mrs E Leck – minuting secretary

Apologies: Prof M Hart

1. Welcomes & Apologies

- 1.1 Chair **welcomed** Members of General Committee and staff to English Nature's final Council meeting.
- 1.2 Apologies were received from Prof Hart.
- 1.3 Dr Moser **referred** to English Nature's Farewell Reception held the previous evening in the presence of Council Members, Council Alumni and representatives from partner organisation and stakeholders. The event had been very well received, and **special thanks** were given to Dr Brown for his excellent speech on English Nature's achievements. Mr Tither and staff of Private Office were also thanked for the successful organisation of the evening.
- 1.4 *Housekeeping* – copies of late papers that were tabled:

- English Nature Final Financial Report (GCP0621)
- Audit & Risk Management Report paper GCP06 22:
Page 3 was missing in the original batch, and replacement copies were tabled.

2. **Unconfirmed minutes and action points of the Thirty-Ninth meeting of the General Committee of Council held on 28 June 2006.**

- 2.1 The General Committee **approved** the Minutes.

3. **Matters arising**

- 3.1 *item 4 - Pakefield to Easton Bavents SSSI.* Dr Duff **reported** that English Nature had received correspondence from solicitors representing Mr Boggis and Eastern Bavents Conservation, indicating that judicial review was being considered, together with a comprehensive list of questions. English Nature had engaged Browne Jacobson to develop a response and a letter has been sent.
- 3.2 *item 6.4 - Geodiversity State of Nature report.* Dr Duff **provided feedback** from the launch of this report, as part of the Wren's Nest NNR Conference in Dudley on 1 September. There was a very clear message from the Chair of Natural England that the organisation would be as committed as English Nature to geodiversity work.
- 3.3 *item 7-* Dr Brown **confirmed** that the Grant-in-Aid letter had been received on 6 August.
- 3.4 *item 8 -* Ms Wood **provided a brief update** on the pay review. Official approval from the Secretary of State had now been received, and discussions with the unions had taken place. There is going to be a short ballot, rather than imposing the pay reward. Because of the delays staff will receive their increases with their November salaries.

4. **Closing English Nature, including Natural England Assurance Package**

- 4.1 Ms Wood **introduced** the paper. The work described in the document provided an excellent example of good governance and reflected positively on English Nature's reputation as an excellent Non-Departmental Public Body (NDPB). Ms Wood **warmly commended** the high quality of staff efforts and the dedication that went into the work of the closing down procedures.
- 4.2 The procedure described in the paper was closely linked to the production of the Stewardship Statement, which will be signed by the Chief Executive as English Nature's Accounting Officer before vesting. English Nature's governance and risk policies had already been reviewed by the internal audit committee, receiving a clean bill of health. The response from the National

Audit Office was that there were no significant issues to raise. The transfer schemes are covered under the Shared Services Delivery, led by Defra. Ms Wood **reported** that English Nature's part in the process was viewed to be good.

- 4.3 There were currently some uncertainties relating to commercial estate transfer, a process which was outside English Nature's control.
- 4.4 Regarding TUPE, Ms Wood **confirmed** that all required actions under Regulation 11 were on course.
- 4.5 Outstanding legal issues – English Nature was providing information to Natural England on each of the issues.
- 4.6 The General Committee **noted** the paper and **expressed** their thanks to staff who were involved in the project.

5. Concluding Reports from Programme Boards

- 5.1 The Chief Executive **introduced** this contribution as a handover from the Programme Boards to Natural England. The package captured the work and knowledge that had been part of English Nature. It should become a public record and be of value to Natural England.
 - 5.1.1 The General Committee **highly commended** the work and effort that had gone into them. There was a clear mandate from Members to publish the reports as as a legacy handover package to Natural England
 - 5.1.2 It was suggested that Dr Brown's speech from the previous evening should be used to form the basis of a cover note to emphasise connectivity between the programmes.

5.2 Protected Areas

- 5.2.1 Dr Duff **introduced** this section. This paper was intended to set out English Nature's experience in conserving Protected Areas using a strong evidence-based approach, and explains the statutory requirements and obligations in the designation and management of Protected Areas in England.
- 5.2.2 Government's Public Service Agreement (PSA) target to bring into favourable condition 95 % of all SSSIs by 2010 had been an important development for nature conservation in England.
- 5.2.3 The issue of increased predation by raptors on rare and threatened species was raised. Members **agreed** that the specific example discussed raised generic issues and that it was part of a wider set of wildlife management issues that would need to be considered by Natural England. The issue would be passed on to Dr Tom Tew who is leading on wildlife management in Natural

England. Further considerations could also be flagged up in the Science and Wider Environment Programme Board papers.

API Action: Dr Duff to brief Dr Tew

- 5.2.3 A small number of amendments were suggested for the handover version of the paper:
- a. more emphasis on the dynamics of nature and natural systems and how this relates to the size and connectivity of sites;
 - b. Water Framework Directive should be added to the summary of directives;
 - c. useful to give a signal as to how complete the SSSI series is;
 - d. useful to comment more fully on achieving the PSA target.

5.3 Wider Environment

- 5.3.1 Dr Duff **provided** a short introduction. The paper demonstrated how English Nature developed its work in the wider environment, with particular emphasis on biodiversity, the farmland bird PSA target, wildlife licensing, external funding, invasive non-native species, and landscape-scale delivery.
- 5.3.2 Members **commended** the paper, with only a few additional suggestions to be included in the final version:
- a. Climate change should have greater emphasis, as well as non-native species.
 - b. reference to industry should be given further thought, with a recognition of a change of attitude over the past 20 years. However, more needed to be done in areas such as manufacturing and financial services.

5.4 Policy

- 5.4.1 Ms Collins **introduced** the paper, which was broadly aimed at bringing together all the environmental economic sectors affecting nature conservation, and draw links to environmental outcomes.
- 5.4.2 The scope of the paper was broad, covering all the economic sectors affecting nature conservation and ecosystems, and related cross-cutting issues.
- 5.4.3 Members **commended** the paper and appreciated the work that had gone into it. Suggestions for inclusion into the final version were made as follows:
- a. Annex A's summary of methodology would be interesting for Natural England to look at as a model. Missing from this section was the issue of European influencing which was of increasing importance;
 - b. Important to flag up science – the paper should give more reference of the risk of decoupling science and policy;

- c. to emphasise marine issues and our relationship with environmental organisations and business was important.

5.5 People and Nature

5.5.1 Ms Collins **introduced** the paper which provided an overview of English Nature's widening policy work in the socio-economic area, targeted at critical priorities such as green space and urban planning, practical initiatives with social and practical connection, and volunteers.

5.5.2 The following additional suggestions were made for inclusion into the handover version:

- a. more on progress over the last five years,
- b. more content on health, green spaces and learning including urban activities;
- c. more emphasis on English Nature's legacy that had been developed over the years and a clearer link to public benefit;
- d. more cross-referencing between papers;
- e. volunteers aspect and their enormous contribution;
- f. reflection on the Non-Governmental Organisations (NGOs) who have already much to contribute.

5.6 Science

5.6.1 Dr Duff **introduced** the paper, which captures English Nature's development of its science work. He noted that there had been many significant achievements on high profile issues, which over the years had strengthened the organisation's reputation considerably.

5.6.2 The General Committee **commended** the paper and congratulated authors and teams for a valuable contribution. The following suggestions were made for inclusion into the final version:

- a. problems of recruiting staff with the right skills base should be captured;
- b. reference made to the English Nature Research Reports available on the internet;
- c. the importance of maintaining data and information, particularly data sets which date back to the last century; it would be important for Natural England to maintain these collections;
- d. importance of relationships between scientific research organisations and funding bodies needed to be brought out further.

5.6.3 Concluding the debate on the programme board papers, the General Committee **agreed** that the current reports should be revised, based on the suggestions provided, and along with a version of Dr Brown's speech be published as a final handover package to Natural England. Copies should also

be made available to Natural England board members and English Nature Council members.

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Directors to amend reports as discussed and final versions to be available for circulation by 29 September 2006.

6. External Funding Review

- 6.1 Mr Newby **introduced** the paper, which provided an update on English Nature's external funding commitments which will transfer to Natural England. English Nature has been leading on externally funded activities, to a value of approx. £50 million, with the recent award of £25 million by the Big Lottery Fund towards a new grant scheme.
- 6.2 The General Committee **noted** the paper and **reflected** upon English Nature's involvement and achievement in the externally funded projects. For example, the Wildspace! campaign created over 300 Local Nature Reserves. The ALSF scheme helped to restore 13,800 ha of land. In total, English Nature made available 34 substantive grants to organisations for habitat and species work.
- 6.3 There was a unanimous view that the business of English Nature had grown significantly through external funding and volunteering. Members recognised the skills involved in good project management work in running externally funded projects.
- 6.4 Natural England would need to consider engaging in and securing more collaborative projects for the future.
- 6.5 Warmest congratulations **were expressed** to English Nature's External Funding Unit.
- 6.6 The paper was seen as another important legacy document, and will be incorporated into the Natural England assurance package.

7. English Nature Mid-Year Performance Report: 1 April to 14 August 2006

- 7.1 Dr Brown **introduced** the paper, which provided a summary of achievement for English Nature's Mission Critical targets during that period, and a forward look to end of September 2006.
- 7.2 Out of the 37 targets four are showing red – being below target, and eight are at amber/red – leaning towards below target. This was no surprise and expected, following the moratorium on commitments and the substantial hand-back of funds to Defra earlier in the financial year.

- 7.3 The main concern was that the Government's PSA target to achieve 78 % of the area of SSSI in favourable or recovering condition was unlikely to be met by the end of this financial year.
- 7.4 Given the hand-back of funds it was **recognised** that targets would need to be adjusted.
- 7.5 Concern was also **expressed** on the reasons for the Defra hand-back for important marine survey work, which cannot now be completed. This was affecting operational issues, such as the protection of Lyme Bay and future SACs.
- 7.6 Council **considered** it a creditable performance given the difficult circumstances.
- 7.7 Thanks were **expressed** to the Corporate Business Team for the way in which the information in the paper was provided.

8. **English Nature Final Financial Report: 1 July to 30 September 2006**

- 8.1 Dr Brown gave a brief overview of the report, which provided a record of English Nature's closing finance position, with actual expenditure to end of August and a forecast of expenditure as at the end of September. Salaries and pensions are in line with expectations. The National Audit Office is currently auditing our expenditure for the year to date.
- 8.2 The total of uncommitted funds is just over £10m and is greater than the Defra indicated hand-back from the organisation of £3.7m.
- 8.3 Mr Pennell, as appointed Chair of Natural England's Audit & Risk Management Committee, **asked for further clarification** on the scope of uncommitted funds for the next 2 years. Ms Wood **offered** to obtain information on the position of committed and uncommitted funds from the Stewardship Statement and forward to Mr Pennell

AP3 Ms Wood to provide information on uncommitted expenditure to Mr Pennell

- 8.4 The General Committee **endorsed** the financial report and **warmly congratulated** the Accounting Officer and Director of Resources for their approach and achievement in the management of the English Nature accounts, and extended their thanks to all staff in the Finance Team.

9. **Audit and Risk Management Committee Final Report**

- 9.1 Prof Gallagher **introduced** the paper, which sets out the final report to Council. Internal Audit services was carried out by PKF, for the period from

April to September 2006, in accordance to the programme agreed by the Audit and Risk Management Committee (ARMC). The final audit report concluded that our internal control was adequate and effective in most aspects. This was the same level of assurance as given for 2005/06 and should be seen as a good achievement.

- 9.2 From the recommendations implemented, only one remains outstanding, which is identified in the Stewardship Statement.
- 9.3 As Chair of English Nature's Audit and Risk Management Committee, Prof Gallagher **expressed his warmest thanks and appreciation** to the members of the ARMC, the auditors, and the way the English Nature responds to recommendations.
- 9.4 Chair, on behalf of Council **warmly commended** Prof Gallagher's achievements during his role as Chair of the Audit and Risk Management Committee.

10. Stewardship Statement

- 10.1 Mr Pennell as Chair of Natural England's Audit & Risk Management Committee declared a conflict of interest, and declined to participate in the following discussion.
- 10.2 Ms Wood **provided** a brief overview. The usual format for the end of year would be a Statement of Internal Control. However, as English Nature closes during a financial year period and merger accounting rules apply, it has been agreed that a Stewardship Statement will be signed off by English Nature's Accounting Officer. This will be handed over to the Accounting Officer of Natural England, together with a package of assurance documents.
- 10.3 The only query received from Natural England related to the level of quality assurance, and Ms Wood **reported** that it was confirmed to Natural England that the Statement and the Assurance package had received Executive Committee level or above quality assurance.
- 10.4 Dr Brown as the Accounting Officer will sign the final Stewardship Statement on 29 September 2006.
- 10.5 The General Committee **endorsed** the draft Stewardship Statement.

11. Any Other Business

- 11.1 Sincere thanks were expressed to all staff in English Nature – and particularly those who are not going forward to Natural England, wishing them the very best of luck for the future and good wishes to those who will move into Natural England, as the standard bearers of nature conservation.

- 11.2 Thanks went also to staff in Committee Support Unit, and the Head Office team as a whole for their relentless input and support, namely Martin Tither, Eva Leck, Barbara Holley, Cathy Morgan and Amy Squires, and also Jonathan Wray during his past role in Head Office.