

# Natural England Board



Meeting: 18  
Date: 25 November 2009

Paper No: **NEB PU18 02**

Title: **Chief Executive's Report**

Sponsor: **Helen Phillips, Chief Executive**

## **1. Purpose**

1.1. The purpose of this paper is to report on our current strategic issues, delivery against our Corporate Plan, our financial performance and retained Board approvals.

## **2. Recommendations**

2.1. It is recommended that the Board:

- advises on our current strategic issues;
- considers our delivery performance against our Corporate Plan targets in Quarter 2 2009/10;
- considers our financial position as at 30 September and forecast for 2009/10;
- notes the approvals given by Acting Chair under delegation from the Board;
- approves a change to Board retained authority for recommending National Park Authority appointments from the current delegation of the Board to the relevant Board member.

## **3. Report**

3.1. Strategic Issues

3.1.1. Annex 1 provides a summary of the strategic issues listed below:

- Staff Survey results
- Customer feedback – MP survey
- Environmental Leadership Delivery Plan
- Campaign for the Farmed Environment
- PR09

- Boggis Judicial Review
- South Downs National Park designation
- Review of England's Wildlife and Ecological Network
- Review of the Rural Payments Agency
- HM Treasury Review of the effectiveness of Internal Audit arrangements

The Chief Executive will provide a verbal update on current strategic issues.

### 3.2. Delivery on our Corporate Plan

3.2.1. A summary of our performance for the second quarter of 2009/10 is provided in the balanced scorecard attached in Annex 2. This report is supported by our use of the Corporate Performance Management System to evidence our performance.

3.2.2 By the end of the second quarter, 1 of our 34 targets was red, 2 were amber red, 21 were amber green and 10 were green. 91% of our targets are green or amber green compared with 88% at quarter 1. The table below details the results by Strategic Outcome and for Distinctive Public Body (DPB).

	Red	Amber/ Red	Amber/ Green	Green
<b>Outcome 1</b>	1	1	4	1
<b>Outcome 2</b>	-	-	3	2
<b>Outcome 3</b>	-	1	4	1
<b>Outcome 4</b>	-	-	3	2
<b>DPB Creating Environmental Leadership</b>	-	-	1	3
<b>DPB Delivering our Business</b>	-	-	3	-
<b>DPB Building Capability</b>	-	-	3	1
<b>Q2 Totals</b>	<b>1</b>	<b>2</b>	<b>21</b>	<b>10</b>
<b>Q2 %</b>	<b>3%</b>	<b>6%</b>	<b>62%</b>	<b>29%</b>
<b>Q1 Totals</b>	2	2	18	12
<b>Q1 %</b>	6%	6%	53%	35%

3.2.3 Following our quarterly review process, our biodiversity, SSSI, agri-environment delivery and sustainability targets will move to monthly exception reporting, as a result of performance to date and/or the challenges faced in the remainder of the year.

#### Delivery on Outcome 1

3.2.4 Our landscape work is progressing well. We have established sound local partnerships in all regions for landscape and geodiversity. This provides a strong foundation for future partnerships to deliver landscape projects and secure recognition of landscape in regional strategies. Our work with National

Parks will now have the focus provided by the Shared Outcomes we have agreed. Progress with the Memoranda of Understanding with AONBs remains a challenge as the redundancy clause has not been agreed which is preventing us from signing the agreements. We expect to resolve this issue during quarter 3. We are on track to complete all the landscape position statements by the end of the year. These will provide the basis for the local partnerships to make effective use of landscape as a key element of our advocacy and influence work next year. We have a clear process in place to establish initial landscape quality objectives for all National Character Areas. All the evidence projects needed to support this work are on track, including the Condition and Quality of England's Landscapes, which is the basis for monitoring change and tracking outcomes. We are well placed to embed landscape fully into our local delivery.

- 3.2.5 After a slow start on the Biodiversity Action Plan (BAP) and SSSI targets, particularly as condition assessments were updated, local teams have re-profiled key targets. Both targets depend on effective use of targeted HLS agreements and strong promotion of the scheme. The SSSI target also depends on effective use of the regulatory levers at our disposal. We have good examples of these approaches which are being shared across all local teams to ensure that successful practices are adopted across the organisation. Support for using HLS effectively, and for renewing the critical elements of classic schemes to maintain management of SSSIs and BAP habitats whilst HLS schemes are being considered, will continue to be important. This will tackle SSSIs that fall out of condition rapidly as the condition assessment programme proceeds. These plans are robust but they will be monitored carefully to ensure we are doing all we can to achieve the targets, which remain very challenging.
- 3.2.6 The Marine Bill will receive Royal Assent in November. Overall, we have been successful in securing changes required to meet most of our concerns. The draft guidance required to take the MCZ projects forward is also complete and ready to share, so the four regional projects will be in a position to move matters forward with the help of our new staff who will receive a tailored training package relevant to marine work alongside their induction process. Work on European Marine Sites is now ready for formal consultation which will start during the next quarter. Our work on the reviews of activities that may affect the condition of the European Marine Sites is proving a foundation for the overall approach to management of Marine Protected Areas. All our work has been supported by a positive communications programme including publishing *Sea Fisheries: steps to sustainability*. Overall, we are well placed to make good progress once the Marine Bill is passed and to respond to stakeholders effectively, but recognise that the next phase will be challenging as the implications of the new approach become clear. We now have a team of specialist marine advisers in place to handle this challenge.

### Delivery on Outcome 2

- 3.2.7 We continue to make good progress across targets for Outcome 2. 165,000 children have participated in the Million Children Outdoors programme during the first six months, which is 20,000 ahead of the target. Highlights include: launch of the Big Wildlife Garden to 20,000 primary schools, equivalent to 4.9 million children, with 8,000 already actively transforming their school grounds; successful launch of 'Summer of Fun' to 500,000 Scouts and Cubs; launch of

the 'Language of Landscape' study aid to 750,000 11-year olds in partnership with Ordnance Survey; and 23,000 children enjoyed one of our marine summer events. Work has progressed to enhance the contributions that the Higher Level Scheme and our National Nature Reserve estate can make to the One Million Children target, using external funding predominantly. Preliminary results from our Monitor of Engagement with the Natural Environment (MENE) survey are being assessed and will be used to shape future public engagement programmes

- 3.2.8 We awarded Access to Nature funding totalling £2.3m to a further 10 projects. The closing date of the scheme has been brought forward as applications in the pipeline greatly exceed the available funds. We secured 54,000 new participants in health walks this quarter, whilst our volunteer numbers increased by 3% to over 2600. Development of the Coastal Access Scheme is progressing well, with further refinement of a draft scheme ahead of publication, and continued development of lead Access Authority partnerships. We are largely on track with the development of three 'Champion NNRs' but efforts need to continue to secure external funding.

### Delivery on Outcome 3

- 3.2.9 The land use targets in Outcome 3 are either on track or slightly behind profile and are amber green at Quarter 2. The outlook is that we should achieve our targets and we are forecasting green or amber green performance. We continue to engage well with Government on the eight National Policy Statements (NPS) we have been consulted on. We have made very good progress in the quarter on integrating the natural environment into new regional structures and strategies. We are delivering over 94% of consultation responses by the agreed deadline. Teams who are not achieving the target are being supported to ensure delivery of the 95% target.
- 3.2.10 Two of the land management targets remain on track at Quarter 2 and are amber green or green, however, the agri-environment schemes delivery is amber red. We have only delivered 1% against the planned 1.5% of this year's 3% target increase in Utilisable Agricultural Area (UAA) under agri-environment agreements. We will be working through the Campaign for the Farmed Environment and our promotion activities to improve this. Our delivery of advice is ahead of target at Quarter 2, although we have some concerns over contractor capacity, particularly as we seek to expand these contracts. We have also delivered 27% of the planned target of 2,400 new HLS agreements in 2009/10, however, we are only 8% behind our planned profile spend as the delivery is loaded into the second half of the year. The Land Management Performance Programme team is making progress to improve delivery: embedding HLS pipelines in pioneer teams; simplifying Farm Environmental Plans; development of pipeline management; identifying sales and marketing expertise needs in local teams; and incentives for farmers/agents to act quickly.
- 3.2.11 Progress with work to increase the environmental effectiveness of agri-environment schemes is good although the Upland ELS launch and scheme handbooks are on tight timetables and are being closely managed. We are having to proceed at some risk in the launch of new options in Environmental Stewardship due to later than planned approval by UK Ministers and the European Commission.

#### Delivery on Outcome 4

- 3.2.12 Good progress with targets for Outcome 4 has been made over the last quarter. We have completed ten Vision 2060 workshops with 220 stakeholders from over 160 organisations represented. The plan is now to deliver a vision and strategy in the autumn of 2010 which will enable a more comprehensive approach on stakeholder engagement and involvement. The Uplands Vision will be launched on 12 November, together with three 'ecosystems services' pilots. The scenario reports have been signed off and will be used at an Environmental Leadership Delivery Plan event, including a panel debate, on 3 December.
- 3.2.13 The Value of the Natural Environment report has been launched as part of a Guardian event. Further progress has been made on influencing policy makers and stakeholders at both a European and national level, including the success on the need for a strategic energy assessment for renewables.

#### Delivery on Distinctive Public Body

- 3.2.14 Our overall position on Environmental Leadership is strong. In the last quarter, there has been a number of high profile engagements with the media, including features on key areas of work such as Wetlands Vision, coastal access, breeding bitterns and sand lizards. As a consequence we have seen an increase of over 50% in the quality and prominence of our media coverage in comparison with the same period last year. In parallel, our reputation tracker work has reported positive changes in the levels of familiarity with, and favourability towards, Natural England from key stakeholders (including MPs). This work has also reported good levels of stakeholder trust, for example 73% of stakeholders now agree that Natural England takes evidence-based decisions. Internally, our latest staff survey has indicated that we have achieved all of our mid-year targets in terms of the confidence of staff in talking about Natural England's purpose and advocating that purpose externally, and in terms of staff feeling that they have the knowledge they need to deliver their roles.
- 3.2.15 Progress with the Delivering our Business targets is broadly on track. Two major releases of new software into Genesis have been successfully delivered, preparing ELS Online for much greater customer usage and easing processes around payments for capital items in HLS. We are on track to deliver agreed efficiency savings for 2009/10. We have now achieved a 25.5% saving on our baseline organisational carbon footprint, although there are significant challenges to achieve the necessary cultural changes on travel, and some risks of slippage on office moves planned for March. Consequently, the outlook is amber/red and the target will be subject to monthly exception reporting so we can ensure that risks are managed and actions are taken to meet the 40% reduction target for the end of 2009/10. We continue to make good progress in the development of our customer engagement, for example, in reducing the customer administrative burden further. We are also making good progress regarding ongoing improvements in day-to-day delivery, for example, the average turnaround time for ELS applications is now down to 3 days (the target is 3 months).

- 3.2.16 Our latest Staff Survey (September 2009) has provided updated information on progress against a range of our objectives for Building Capability. Across a range of issues, this has shown very positive progress, for example, 91% of staff that responded indicated they understood the direct contribution of their work to the delivery of our Corporate Plan and 70% of staff now say that their team is well-managed. We continue to make good progress in terms of the availability and use of the refreshed Development Framework suite of training products and more specifically in the development and initiation of a co-ordinated and integrated 'starter skills' programme for the 91 new land management advisors. We also held Natural England's first Diversity Conference to build the organisation's understanding of this important issue and to reinforce further actions within teams.
- 3.2.17 We are ahead of target in terms of putting our people leaders through the IOSH Managing Safely course and we have continued a programme of Risk Management workshops which have, to date, been attended by 425 members of staff.

### 3.3 Financial Position as at 30 September 2009

- 3.3.1 Annex 3 provides summary financial information and commentary to the end of September. Overall we are reporting a net revenue spend of £99 million against a profiled budget of £104 million, resulting in an underspend of £5m (4.9%) which is inside agreed tolerances of 5%. At this stage of the year we have spent 43% of our net revenue budget compared with 50% that could be expected if the budget was evenly profiled. We have challenged every team on their underspend in the Quarter 2 reviews and have secured handbacks where it is clear plans are not in place to achieve budgeted spend by the year end.
- 3.3.2 Our cumulative capital spend amounts to £0.2m against a profiled budget of £1m. This underspend is not a cause for concern as we not only have the projects planned for this spend but we also have contingency capital spend projects should any further slippages occur.

### 3.4 RDPE performance as at 30 September 2009

- 3.4.1 The UK 2009/10 budget of £158m has been fully delegated to regions and all regions have a clear understanding of their individual spend targets. At the end of September we are close to the profile required to achieve this target as we have already spent £89.2m (56%) of the budget. The budget is now 98% committed and teams have in-year capital targets that are designed to increase this to over 100% to allow for under-spend on existing scheme commitments.
- 3.4.2 The UK 2010/11 budget is £169.2m, of which £147.2m (87%) is committed across all schemes at the end of September. Commitments are currently slightly behind profile by £1.8m (8%) but profiled delivery is weighted to the second half of the year.

### 3.5 Scheme of Delegation

3.5.1 The Board is asked to note that the following approvals were given by Acting Chair since the last meeting:

- approval of the Part 8 Agreement - Amending Agreement No. 3 on 4 September 2009 which authorises Natural England to utilise the powers in section 46 of the Commons Act 2006 to serve a stop notice on any person appearing to be carrying out unauthorised agricultural activities which are detrimental either to the public interest or to those with rights in relation to, or occupying common land;
- approval of the declaration of Kinder Scout NNR on 11 October 2009
- approval of Skipwith Common NNR on 5 October with declaration expected to be in December 2009 to coincide with the 60th anniversary of the National Parks and Access to the Countryside Act, 1949.

3.5.2 The Board is asked to approve an amendment to the Non-Financial Scheme of Delegation which currently does not accurately reflect the actual process of Natural England's involvement in recommending National Park Authority appointments. It is therefore proposed to change the current delegation from "the Board" to "relevant Board member".

3.5.3 The briefing on these Scheme of Delegation approvals is attached at Annex 4.

## Annex 1

### 1 Strategic Issues

- 1.1 These updates represent the position as at 4 November. A verbal update will be given to the Board at the meeting.

### 2 Staff Survey results

- 2.1 The 2009 full staff survey took place in September with a response rate of 84%, an increase of 10% from last year and well above the average benchmark of 60%.
- 2.2 Overall the rate of positive responses to the full range of questions has increased year on year with big improvements in the advocacy area. In the 2007 full survey, only 33% of staff were confident in advocating our purpose. In response to this, a programme of Advocacy Training, Knowledge Tours and Green Days were set up. In this year's survey, the result for 'people being confident in advocating our purpose' has more than doubled to 78%. In the same two year period the number of people feeling confident in talking about Natural England's role more than quadrupled to 76%
- 2.3 Similar progress has been made showing that people understand how their work contributes to our objectives and targets, a rise of 30% in two years reaching 91% in 2009.
- 2.4 To validate how well we have implemented working practices, a number of questions were slightly changed this year requiring only a yes or no answer. This enabled the collection of data on the number of areas including: Personal Performance Agreements 93%, Development Plans 87%, quarterly conversations 96%, training on Information Handling 96% and understanding of our Health & Safety Policy 90%.
- 2.5 One of the most satisfying areas of improvement relates to how people view Natural England as a good place to work which in 2007 was just 27% and has now risen to 74%. Our aspiration in the coming year will be to build on this and be recognised as an employer of choice.
- 2.6 Progress on the key measures across previous staff surveys is shown in the table below.

Staff Survey Measure	October 2007 Survey	October 2008 Survey	October 2009 Survey
People understand how their work contributes to our objectives and targets	69%	83%	91%
Staff confident in advocating our purpose	33%	60%	78%
Staff confident in advocating our evidence	16%	32%	76%
Staff saying my team is well managed	44%	60%	70%

People report that their performance has improved as a result of the skills developed	28%	42%	<b>45%</b>
Staff saying that the Executive listen	5%	28%	<b>39%</b>
Staff who feel that managers encourage them to express their views	73%	78%	<b>82%</b>
Staff having Quarterly Performance conversations with their Manager	81%	92%	<b>96%</b>
Staff who feel their Managers acknowledge work well done	69%	74%	<b>80%</b>
Staff who are happy with their physical working environment	69%	71%	<b>74%</b>
Natural England does a good job of keeping me informed about matters affecting me	53%	54%	<b>67%</b>
Staff with clear Personal Development Plans	68%	83%	<b>87%</b>
Staff regularly reviewing their learning and development	33%	50%	<b>62%</b>
Staff saying that their performance has improved as a result of new skills they are developing	28%	42%	<b>45%</b>
Staff recommending Natural England as a good place to work	17%	38%	<b>62%</b>

### 3 Customer feedback – MP survey

- 3.1 We routinely monitor customer views so that we can continuously improve our performance in line with feedback received. This quarter, we have the results of a survey by Ipsos Mori into the attitudes of MPs towards Natural England and other organisations in the environment sector.
- 3.2 Natural England has been surveyed on two previous occasions, in Winter 2007 and Summer 2008 (when the fieldwork was completed only 6 months apart). Progress on the key measures across all MPs is shown in the table below.

Measure	2007	2008	2009
Familiarity	36%	33%	47%
Favourability	28%	30%	37%
Advocacy	14%	15%	27%

- Familiarity is the depth of knowledge of us
  - Favourability is the overall warmth towards us
  - Advocacy is the degree of endorsement of us
- 3.3 The results show that in the last 12 months, we have almost doubled the number of MPs speaking highly of us, increased our familiarity by 14% and favourability by 7%. These results, however, need to be seen in the context of the ratings for more established NGO and public sector comparators, which have familiarity ratings in the range of 70-90%, favourability 30-80% and advocacy 20-70%.

#### **4. Environmental Leadership Delivery Plan**

##### 4.1 Green Infrastructure Partnership

4.1.1 The Natural Development Project was launched at the Thames Gateway Forum on the 3 November. The project involves Natural England working with key partners in the development sector, focussing on delivery of green infrastructure at a range of scales – from large sites (>5,000 units) to smaller local scales.

4.1.2 In July, Natural England hosted a dinner with key members of the development sector to discuss their view of delivery of Green Infrastructure (chaired by Poul Christensen). Subsequently, a number of developers, including Land Securities, Bellway, Countryside Properties took part in a workshop chaired by Peter Head of ARUP (also Innovation champion for the Thames Gateway and for the Natural Development Project) to initiate discussion about ‘A Natural Development’ Project.

##### 4.2 Agri-Environment report

4.2.1 The Agri-Environment Schemes in England report was presented at a Parliamentary reception in the House of Commons on the 3 November. It describes how over two decades, agri-environment schemes have helped incentivise farmers and land managers to make their land not just a source of food, but a haven for the country’s wildlife. In so doing they have helped to make agriculture and food production more sustainable. The Report describes the schemes and the outcomes they have delivered, summarises the lessons learned, and sets out the challenges and opportunities for the future, particularly as the current funding programme ends in 2013.

##### 4.3 No Charge

4.3.1 On 14 October, Natural England published a major report showing that investment in the natural environment is critical to long term economic prosperity and that natural services provide a highly cost effective solution to growing problems like flood and coastal defence, carbon emissions and the preservation of soil, water and air quality.

4.3.2 The report accompanied a major debate hosted by Natural England and Guardian News & Media at which a range of leading speakers, including Dieter Helm of New College Oxford, Hilary Benn MP, Secretary of State for the Environment, and Chair Polly Toynbee, reviewed the central role that

investment in the environment has to play in delivering future economic growth and prosperity.

4.3.3 The Report reveals how a century of economic innovation and growth has delivered unprecedented prosperity, but has damaged many of the natural systems on which that prosperity ultimately depends. And with climate change projections now suggesting that peak summer temperatures in the UK may rise by as much as 5.4°C within 50 years, a purely technological approach is unlikely to deliver affordable solutions to the multiple challenges we face in the 21<sup>st</sup> century.

4.3.4 The Report looks at a range of natural “ecosystem services”, such as healthy soils, clean water, carbon storage, and flood prevention, that underpin economic growth and deliver natural solutions to 21<sup>st</sup> century problems. Together they generate billions of pounds of hidden value to the UK economy each year, far outweighing the costs required to sustain them in a healthy, functioning state. For example:

- Environmental Stewardship schemes enable farmers to reduce carbon emissions from agriculture by 3.5m tonnes per year – over a 7 year period this could lead to a carbon saving to the UK economy of approximately £1.25 billion;
- improved management of peatlands would help prevent approximately 3-5 million tonnes of carbon being lost into the atmosphere each year: a loss that is equal to the annual carbon cost of all the UK’s domestic aviation;
- our woodlands already remove 15 million tonnes of CO<sub>2</sub> from the atmosphere, reducing the UK’s annual CO<sub>2</sub> emissions by 3%. Relatively small investment in woodland management could yield very large economic gains once these carbon benefits are properly factored in;
- green spaces transform city life, cooling our cities, filtering out pollutants and having a startling impact on the activity levels of local people. Increasing the exercise levels of just 1 per cent of the UK’s population would deliver nearly £1.5bn in health care savings;
- there is huge potential to deliver economic gains from better management of our seas, where substantial public subsidies in the past have contributed to alarming levels of environmental degradation. A network of Marine Conservation Zones – set up to ensure more sustainable management of the marine environment – has the potential to deliver benefits of up to £19 billion.

#### 4.4 Upland Vision

4.4.1 On 12 November, Natural England launched its Uplands Vision. The launch in Ilkley, Yorkshire was supported by the presentation of an upland ecosystem services atlas linking environmental services to people. Natural England also announced on the day the establishment of a number of Uplands pilots across England, these pilots testing a delivery mechanism for making the vision a reality.

4.4.2 This project is the culmination of 2 years’ work developing a vision for the uplands. It was initiated in advance of the Vision 2060 but supports and links with it. It provides a parallel approach to the wetland vision launched in 2008. The upland ecosystem services atlas provides the evidence base demonstrating the value that society across England gains from a healthy upland natural environment.

- 4.4.3 The ecosystem service pilots will demonstrate the multi-benefits of schemes in upland catchments with partners. They are the delivery mechanism for the upland vision and will roll out first in North West region.
- 5 Set-aside Mitigation - Campaign for the Farmed Environment
- 5.1 The Campaign for the Farmed Environment (CFE) Memorandum of Understanding (MoU) was signed by the Secretary of State and all parties in September. Natural England has worked closely with Defra to ensure that the CFE target is equal to or exceeds the environmental benefits of former set-aside.
- 5.2 The partners to the MoU are agricultural organisations: National Farmers Union, Country Landowners and Business Association, Farming Wildlife Advisory Group, Linking Environment And Farming, Game and Wildlife Conservancy Trust, Agricultural Industry Confederation, Association of Independent Crop Consultants, Central Association of Agricultural Valuers; Defra and its agencies Natural England and the Environment Agency; and the Royal Society for the Protection of Birds and other wildlife representatives.
- 5.3 The CFE was formally launched on the 5 November at Peter Kendall's (NFU President) farm which was attended by Acting Chair, the Secretary of State, senior representatives of all the organisations involved, and the farming press. The CFE national leaflet and website ([www.cfeonline.org.uk](http://www.cfeonline.org.uk)) were launched, setting out the key messages to farmers about how they can support the campaign and the environment.
- 5.4 Natural England will continue to work closely with the CFE as an active partner on the Local Liaison Groups (now forming in 22 priority counties with the most arable land) and nationally to ensure CFE, ELS and Natural England's upcoming Enhanced Training and Information Programme are mutually supportive.
6. PR09
- 6.1 Ofwat published their Draft Determinations on 23 July and Acting Chair received a pre-briefing from Ofwat on the evening of 22 July.
- The high level messages from the Draft Determinations are:
- Ofwat propose to reduce water bills by an average of £14;
  - the scale of capital investment is £21 billion. This is down by approximately £3 billion from company Final Business Plans;
  - Ofwat are driving down costs through efficiency savings and setting a very low cost of capital at 4.5%.
- 6.2 The outcomes for the natural environment are:
- more than 99% of the National Environment Programme has been included in the Draft Determinations. This includes all the statutory schemes we require to address issues on Natura 2000 sites, SSSIs and for BAP;
  - all the landscape-scale catchment proposals that we have been pressing for have been included. There are just over 100 proposals from 17 companies;

- the investment proposed in the Draft Determinations for our environment objectives (site and species) and catchment proposals, amounts to a total of over £250 million for the natural environment over 5 years;
  - 42 Natura 2000 sites and 89 SSSIs are currently set to benefit.
- 6.3 We are pleased with the outcomes for the natural environment at this stage in the process, but remain concerned about whether PR09 will place the industry in the right place to deliver some longer term planning needs, in particular, we believe there is still a need for Ofwat to:
- address inconsistencies between water company Final Business Plans and Strategic Direction Statements.
  - ensure the necessary actions to enable companies to deliver their final Water Resource Management Plans are included;
  - ensure the inclusion of water efficiency proposals that are currently excluded from the Draft Determinations.
- 6.4 We responded formally to Ofwat on the Draft Determinations on 2 October. Ofwat will publish their Final Determinations on PR09 on 26 November.
- 7 Boggis Judicial Review
- 7.1 The Court of Appeal handed down its judgment in this case on the 20 October. It allowed Natural England’s appeal and rejected the “cross appeal” made by Mr Boggis. In short, Natural England won on all the grounds before the Court.
- 7.2 Mr Boggis had challenged in the High Court, the decision of one of Natural England’s founding bodies, English Nature, to confirm the notification of a Site of Special Scientific Interest (SSSI) known as Pakefield to Easton Bavents. Mr Boggis had argued the case in the High Court on the grounds that;
- it was outside then English Nature’s powers to confirm the notification for the reasons given and to the geographical extent that it did (the geological conservation ground), and
  - the decision to confirm was a plan or project for the purposes of the Habitats Directive and should have been but was not, assessed in accordance with the procedures set out in that Directive (the Habitats Directive ground)
- 7.3 The High Court found in favour of Natural England in respect of the geological conservation ground and broadly agreed with much of Natural England’s case on the Habitats Directive ground, save in one specific respect. On this ground and specifically in relation to a statement made in an officers’ report, the High Court found against Natural England. Natural England considered this to be both wrong and to set an unhelpful precedent for us and other public bodies which would not be in the public interest. Natural England appealed on this ground and Mr Boggis took the opportunity, as he is perfectly entitled to, to “cross appeal” on the geological conservation ground on which he had lost.
- 7.4 Counsel for Natural England told the Court that what lay behind Mr Boggis’ case on the geological conservation ground was a challenge to the principles of geological conservation as practised in this country since 1949. It was comprehensively rejected by the Court. In dealing with this ground, the Court considered the meaning of “conservation” in the particular statutory context of nature conservation. It identified that “conservation” is not necessarily the

same as “preservation” (as seemed to be being argued) although in some circumstances it may be the best way to conserve. The Court was clear that “allowing natural processes to take their course, and not preventing or impeding them by artificial means from doing so, would be a well recognised conservation technique in the field of nature conservation.” The Court was helpfully, clear that whether preservation would be the best way to conserve in any particular case “will be a matter, not for the lawyers, but for the professional judgement of the person whose statutory duty it is to conserve.”

- 7.5 The Court rejected the Habitats Directive ground both in the general respect that notification and confirmation of a SSSI is a plan or project for the purpose of that Directive and the finding of the High Court that in a particular respect in this case it was a plan that required assessment. This means that the SSSI will remain, as confirmed.

## 8 South Downs National Park designation

- 8.1 The final stages of the South Downs National Park designation determination process concluded in August following a short local hearing to consider representations regarding six additions made by the Secretary of State to the area originally proposed for designation. The Secretary of State signed confirmation orders on 12 November.

- 8.2 Publication involves notices appearing in various national and local papers, and copies of the orders being made available for inspection in accordance with statutory requirements. For a period of six weeks following publication anyone may question the validity of the orders on legal grounds through an application to the High Court.

- 8.3 A team is in place to manage the transition to a National Park Authority (NPA). It is prevented by law from undertaking many of the operational functions of an NPA until it becomes the planning authority for the South Downs. Once the AONBs are revoked there will be no legal basis for the existing South Downs Joint Committee to continue operating which presents the undesirable prospect of a temporary management vacuum in the National Park. Natural England is in discussion with Defra and participating local authorities regarding a solution.

## 9 Review of England’s Wildlife and Ecological Network

- 9.1 On 28 September 2009 Hilary Benn announced a review of England’s wildlife and ecological network, including its links with National Parks and its ability to adapt to climate change and other pressures. The review will explore if England’s range of statutory sites represents a coherent and robust ecological network for England, capable of responding to the challenges of climate change and other pressures. The Review is due to report to the Secretary of State for Environment, Food and Rural Affairs by June 2010. Natural England is expecting to work closely with the Review Group and to provide a secretariat to it.

- 10 Review of the Rural Payments Agency
- 10.1 On 2 September, Defra announced a formal review of RPA. The Review will consider RPA's financial and operational processes and performance, and its management capability.
- 10.2 The focus of the Review will be on:
- the Agency's preparedness and ability to implement potentially significant change to the Single Payment Scheme, that results from CAP Reform and new arrangements to apply in the next 7 year programming period (i.e. 2013 – 2020);
  - ways to ensure value for money and an appropriate return on investment in any major new decisions (not just in relation to 2013 CAP Reform changes but more imminent possible decisions, for example over change to or replacement of RPA's IT systems); and
  - ways to protect and further improve RPA's performance in delivering the Single Payment Scheme, during a period of change.
- 10.3 This broad remit includes assessment of RPA's roles in supporting Natural England in the delivery of the RDPE. These main roles are the provision of the Rural Land Register (which underpins all agri-environment agreements), making payments totalling around £400m per annum to our agreement holders, and managing the relationship with the European Commission over the accreditation of our delivery systems and controls. Natural England's own systems and processes are not within scope.
- 10.4 The Review is sponsored in Defra by Katrina Williams, Director General of the Food and Farming Group. The aim is for the Review to complete its work and report to Defra Ministers in March 2010, although some conclusions may emerge earlier.
- 11 HM Treasury Review of the effectiveness of Internal Audit arrangements
- 11.1 On 21 October, the Chief Executive and Executive Director for Corporate Services were interviewed by Treasury Officials on the effectiveness of internal audit as part of a review to help strengthen Internal Audit arrangements across central government.
- 11.2 Discussions covered expectations of internal audit and the extent to which internal audit is meeting these expectations, internal audit's involvement in providing assurance on key strategic risks to inform the Statement of Internal Control, resources, people, skills of internal audit and opportunities for improvement in the future. We were complimented on our approach and Treasury wanted to use our assurance report as an example of good practice. A draft report and plan will be produced in November.



# Natural England Scorecard – September 2009

	Q2	Outlook
<b>One Organisation, One Purpose</b>	<b>AR</b>	<b>AR</b>
<b>Outcome 1</b> Healthy Natural Environment	<b>AR</b>	<b>AR</b>
<b>Outcome 2</b> People Value and Conserve	<b>G</b>	<b>G</b>
<b>Outcome 3</b> Sustainable use	<b>AR</b>	<b>AR</b>
<b>Outcome 4</b> Secure Environmental Future	<b>AG</b>	<b>G</b>

	Q2	Outlook
<b>Environmental Leadership</b>	<b>AG</b>	<b>G</b>
<b>Authoritative Champion</b>	<b>G</b>	<b>G</b>
<b>Strong Stakeholder Relationship</b>	<b>G</b>	<b>G</b>
<b>Advocating Natural Environment</b>	<b>G</b>	<b>G</b>
<b>Stakeholders Trust Evidence and Knowledge</b>	<b>AG</b>	<b>AG</b>

	Q2	Outlook
<b>Delivering our Business</b>	<b>AG</b>	<b>AR</b>
<b>Business Processes</b>	<b>AG</b>	<b>AG</b>
<b>Sustainability</b>	<b>AG</b>	<b>AR</b>
<b>Customer Services</b>	<b>AG</b>	<b>AG</b>

	Q2	Outlook
<b>Building Capability</b>	<b>AG</b>	<b>AG</b>
<b>People Leadership</b>	<b>AG</b>	<b>AG</b>
<b>Strengthening Capability</b>	<b>AG</b>	<b>AG</b>
<b>Organisational Contract</b>	<b>G</b>	<b>G</b>
<b>Health and Safety</b>	<b>AG</b>	<b>AG</b>

<b>AG</b>	<p><b>1.1.1 Landscape and Geodiversity</b></p> <p>We have made good progress across this target area. Six of the projects underpinning our landscape and geodiversity work are progressing very well with four projects behind profile. We are developing implementation guidance and training packages aiming to embed landscape work across the organisation. Landscape and geodiversity partnerships are building within regions supported by the recruitment to key specialist posts. We are on track to have at least 22 projects to support European Landscape Convention and UK Geodiversity Action Plan work in place by the end of the year which in some cases will lever in significant match funding. We now have a team in place for the very significant Condition and Quality of England's Landscapes contract and we have developed the methodology for implementing new work requested of us to develop interim National Character Area landscape objectives.</p>
<b>AR</b>	<p><b>1.1.2 Protected landscapes</b></p> <p>We are still on track with most of our protected landscapes work, however, the issue of redundancy clauses has not been resolved. This legal technicality is preventing us from signing the majority of Memoranda of Understanding with AONBs. We will be reviewing the situation early in quarter three. We expect the South Downs National Park designation confirmation order in quarter 3, following local additional area hearings, and we continue to support the interim National Park establishment team. Our project team is accelerating work on the proposed designation of the Lake District and Yorkshire Dales National Parks subject to continued progress on the South Downs. Consultation on our position on Protected Landscapes has begun and concludes during quarter three.</p>
<b>AG</b>	<p><b>1.2.1 Biodiversity</b></p> <p>We have made significant progress during quarter two putting us back on track against profile for this target area. However, we have currently delivered just 26,500 ha of our 95,000 ha target for bringing biodiversity priority habitat in beneficial management via new HLS agreements. This presents us with a significant challenge. By the end of this quarter all Wetland Vision projects were developing well and we are on track to create more than 500 ha of priority habitat. We now have a clearer overview of progress with species recovery plan objectives and are on track to deliver our 75% target. A notable success has been notification of the largest of only two sites for the rare moss <i>Weissia Capsullaris</i>. Project work with RSPB partners in the South West, West Midlands and North East has gained over 2,900 ha key arable farmland bird options through Environmental Stewardship, a better than anticipated performance.</p>

R	<p><b>1.2.2 SSSI</b></p> <p>We have closed the gap slightly on both key milestones for this target but by the end of September we had delivered just less than half of our agreed profile (2,900 ha against 6,000 ha). 88.7% of SSSI is now in target condition. This figure masks some significant gains this year which have been offset by large areas falling out of target condition. There remains a very significant area of high risk upland agreements outstanding which may, in part, need regulatory intervention if we are to reach our end of year target of over 53,000ha. We have made good progress on field visits over the summer making 2,108 condition assessments although this is still only two thirds of the required profile. Teams now have guidance in place on efficient ways of working and best practice for recording condition. Other work under this target area is either broadly on track or not scheduled to start in earnest until later in the year.</p>
G	<p><b>1.3.1 Marine Protected Areas</b></p> <p>We successfully influenced the Marine Bill and continue to do so. A team of specialist advisers have been recruited and a tailored training programme devised which will be used in Q3 to ensure we are able to engage with implementing the Bill. The Marine Natura sites work is now ready for formal consultation and our work on the Impact Assessments was commended by Defra. Partnerships are in place to collect evidence on the state of the marine environment and monitor future changes. We have established four projects to take forward the MCZ programme and the guidance needed is complete and will be issued to formally start the process of design next quarter. The campaign continues to engage the public and a partnership to seek HLF funding to continue and broaden the work is developing a proposal. The work will be discussed at the international MPA conference next quarter, and the preparatory work is on target.</p>
AG	<p><b>1.3.2 Marine Biodiversity</b></p> <p>We continue to ensure marine issues are included in the England Biodiversity Strategy (EBS) and its management. The priority however has been the Marine Bill and associated work on Natura 2000 sites and the development of the MCZ programme. This work will become more important once the MCZ programme is in place to ensure the EBS process maintains its interest in and influence over marine biodiversity delivery.</p>
AG	<p><b>1.3.3 Sustainable Marine Environment</b></p> <p>The level of casework is significant and expected to increase. We noted the major work done in response to the Greater Wash renewables proposals and we are likely to object to some of the proposals. We have staff in place to handle the casework and sound support systems in place to provide the specialist evidence and contributions required. Our work on the reviews of the European Marine Sites condition and activities that might impact on the interest features has progressed well, been commended by Defra and is likely to provide the template for managing marine protected areas more widely.</p>

G	<p><b>2.1.1 Understanding and Appreciation</b></p> <p>Another quarter of strong delivery has seen a total of over 165,000 children participating in the first six months of the Million Children Outdoors programme, 20,000 ahead of profile. Over 23,000 children participated in marine events to raise awareness of regional characteristic undersea landscapes. We have completed and evaluated 5 regional schools pilots and successfully launched the <i>Big Wildlife Garden</i> to 20,000 primary schools potentially reaching 4.9 million children. We have also launched the 'Summer of Fun' initiative to 500,000 Scouts, Cubs and Leaders and the <i>Language of Landscape</i>, study aid with Ordnance Survey, to 750,000 11year olds. The Secretary of State Hilary Benn launched the <i>Natural Health Service</i> and 54,000 people participated in Healthy Walks exceeding the our target for the quarter of 37,000. We have delivered a programme of events across NNRs including 'Sounds Like Summer' and we have 20 NNR Outreach Advisers, now in post using external funding (Single Farm Payments), to increase the skills and capacity required to achieve the target.</p>
AG	<p><b>2.1.2 Access to Nature</b></p> <p>All targets are still being met except for the number of Access to Nature awards. So far 64 applications have been fully assessed with 45 grants awarded and sufficient applications to commit the all the £11.5m available. These projects will reach over 570,000 beneficiaries, 100,000 under 16s, 63,000 with disabilities and 51,000 from black and ethnic minorities. In addition an estimated 69,000 people will now have access to greenspace. The quarter also saw the launch of a £2 million scheme funded by Advantage West Midlands to demonstrate the link between economic activity and access to the natural environment.</p>
G	<p><b>2.2.1 People Actively Engaged</b></p> <p>A total of 219 new volunteers have now registered with us since March 2009. This represents a 9% increase on our baseline. The total number of registered volunteers is now 2,637 people. We have now met our annual target for increasing the number of Natural England volunteers and have agreement with, and funding from, Defra to take forward the measurement of volunteer activity across the sector, which will enable us to better indentify where any further action is required.</p>
AG	<p><b>2.3.1 Access Infrastructure</b></p> <p>Progress on the Coastal Access Project is good with successful media coverage of the publication of the Coastal Access Audit (both regional and national) and continued involvement with the legislative process. The Secretary of State announced that the provisions would be applied to the Weymouth coastline in time for the Olympics 2012. The majority of regions are up to date with open access reviews and assessments supported by a new Restrictions Casework System. The Access Management Grant scheme is in place for all regions bar one. 100% of National Trails' grants have been let and regional work proceeding smoothly. There has been positive regional media interest in National Trails e.g. Offa's Dyke National Trails' conference; South West reinstatement of route in time for holiday season; and the Yorkshire and Humber <i>Geocache</i> Project on Pennine Way. We launched the Country Park Accreditation Scheme and the majority of regions have plans in place for partnership initiatives including the development of the access network maps and their integration into regional strategies and working with tourism providers to build on educational aspects of Higher Level Stewardship.</p>

<b>AG</b>	<p><b>2.3.2 Champion NNRs</b></p> <p>Work is underway to develop funding plans, and business cases on Champion NNRs have highlighted difficulties in securing sufficient external funding quickly enough to enable 2011 completion for two out of four of our current options (Humberhead and Shapwick). We are considering further options for which funding may be more readily available. Good progress is being made towards meeting essential visitor service standards on 15 Destination NNRs and we are on track to deliver this work by year end. We hope to invest in development of a further 10 Destination NNRs next year which, on completion, will mean that there will be a consistent standard of visitor infrastructure on the 25 most visited NNRs under Natural England's management.</p>
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**One Organisation, One Purpose Performance - Outcome Three Quarter 2**

**Amber Red**

<b>AG</b>	<p><b>3.1.1 Strategic Influence</b></p> <p>We are on track with our work on legislation and planning policy (Local Democracy and Floods and Water Management Bills; the 8 National Policy Statements and Planning Policy Statements) but there are risks of losing some important environmental policies with the new PPS20 on Development and Coastal Change. However, in three regions we are not as far advanced or proactive in engaging with Local Strategic Partnerships to integrate the natural environment into Sustainable Community Strategies and Local Area Agreements as we would like. We are working to make sure the right resources and skills are in place to get back on track. Work on the 10 River Basin Management Plans affecting England which will secure favourable conservation status for 96% of water-dependent Natura 2000 Protected Areas by 2015 and favourable condition on some 170 SSSI water bodies is complete. We are on track with work on all 9 Regional Strategies. The Stakeholder Survey shows that 73% of regional level stakeholders agree that we are advising on the integration of the natural environment into new regional strategies – and 62% agree that we are working effectively with regional partnerships. We are currently working with 64 of our target 66 local authorities to develop green infrastructure strategies and with 98 local authorities to ensure delivery of Green Infrastructure in areas of major housing growth and regeneration. Our objectives for the <i>Finding Space for Energy</i> Guidance will be delivered by the Government's Renewable Energy Strategy commitments and we have re-profiled the launch of <i>State of Green Belt Report</i>.</p>
<b>AG</b>	<p><b>3.1.2 Land Use Planning</b></p> <p>Good progress with casework. We are at 94% casework processed within deadline, an improvement on quarter one but still below our 95% target. Work with key teams who are behind target will continue in the next quarter to improve overall performance in this area. The increase in casework provides us with a significant challenge in meeting our target to reduce the volume of the simplest casework by 30%. Progress on development of tools and outcome monitoring of our planning case work remain behind schedule but we are looking at ways of improving the standing advice and training programmes already in place.</p>

AG	<p><b>3.2.1 Agri environment Development</b></p> <p>Our work to introduce new Environmental Stewardship options is on track for release in handbooks during quarter four. Our Upland ELS is also on track for early 2010 Ministerial launch. Guidance, handbooks and promotion will all be in place to support it. Preparations for Upland ELS are broadly on track in the key upland regions with work planned to tackle the potential difficulties with upland commons. However, Upland ELS is dependent on both European Commission approval and the RPA's updating of the Rural land Register. Our report on the <i>Effectiveness of Agri-Environment Schemes</i> is ready for launch on 3 November and following that work will move onto <i>State of the Farmed Environment</i> report. The Campaign for Farmed Environment contains the stretching targets that we were seeking. We are increasing our engagement with Mid Term Evaluation of RDPE and we submitted our response to the consultation on the implementation of CAP Health Check changes. Plans are established (and confirmed with Defra) for further engagement with European Parliamentarians later in the year.</p>
AR	<p><b>3.2.2 Agri environment Delivery</b></p> <p>Overall scheme coverage of agricultural area, which is primarily through Entry Level Scheme, is at 65.9% (6,124,322 ha) but we have met only two thirds of our planned profile at the half year stage. The Land Management Advisory Service is continuing to focus on this aspect. We have made significant progress on ensuring we commit available funds on the Higher Level Scheme. We secured 92% of the targeted spend for the quarter, falling short by £1m. We have so far assessed only 330 of the 940 Higher Level Stewardship agreements in the field to determine progress against the agreements' indicators of success although Regional forecasts are good. We are securing good conversion rates from Classic Schemes into Environmental Stewardship (85.8% against an 80% target). This progress provides a good basis for planning how we will manage with the known peaks of Classic Scheme expiries. Other work in this target area is on track and we continue to process claims and applications within deadlines and made payments of over £60 million to Environmental Stewardship agreement holders this quarter.</p>
G	<p><b>3.2.3 Land Management Advice</b></p> <p>We delivered a total of 6,100 face-to-face advisory contacts by Quarter two and remain on track to deliver 12,500 contacts at year end. We have now delivered 1,300 cross compliance advice visits and expect to be on track over the rest of the year. We have now made 731 grant offers (against a target of 700) for on-farm diffuse pollution projects worth over £5.4 million. We also delivered diffuse pollution advice to farmers managing 198,000 ha of land in priority catchments – 35% above our profile. We have now processed all 154 applications for Aggregates Levy and all funding is now allocated. We expect to have notified all successful applicants during quarter three. The tender for Enhanced Environmental Stewardship Advice contract has been published in the European Journal and there is considerable interest from potential contractors.</p>

<b>AG</b>	<p><b>3.3.1 Sustainable use of the Sea</b></p> <p>We have put in place all the preparatory work for implementing the Marine Bill. Regions will need to be positive and actively engaged in the new structures and positively promote the required changes in culture to secure the move to sustainable fisheries management and sustainable management of the marine environment. IFCA's are critical bodies through which we will be able to secure improvements with the MMO once established. There will be strong responses from stakeholders which our staff will need to address whilst securing the required changes (e.g. reductions in fishing capacity and effort) to restore marine ecosystem health. Similar work will be needed for the 3-5 marine spatial plans/year that the MMO is likely to initiate: again we have the guidance and support systems in place and can expect to handle significant challenges over the next two years. The response to the EU Green paper on CFP reform is nearly complete and our aim is to integrate our needs with a combined JNCC led UK statutory agency response.</p>
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**Amber/Green**

**One Organisation, One Purpose Performance - Outcome Four Quarter 2**

<b>AG</b>	<p><b>4.1.1 Integrated Vision for the Natural Environment</b></p> <p>The launch date for the <i>Vision for the Natural Environment</i> was put back over the summer but we have made good progress in adjusting our plans to reflect this and delivering our ambitious external engagement plan which has raised our external profile. During September we held the largest stakeholder engagement that has been undertaken by Natural England to date. With 220 people from over 160 organisations represented. Plans for delivering vision 2060, including the uplands component, are now well established. Our priorities for the remainder of the year are to launch the uplands vision, test the emerging vision and maintain the enthusiasm we have generated with external partners.</p>
<b>AG</b>	<p><b>4.2.1 Long-term Challenges for the Natural Environment</b></p> <p>Our work on scenario planning, which will help us, our stakeholders and the public think about the implications on their lives and the natural environment is nearly complete. We have completed the required reports and have a launch event planned. Our joint working on Horizon scanning and the shared contract with Defra will not now go ahead. This allows us to focus on Ecosystem service work and the launch of the scenarios.</p>
<b>G</b>	<p><b>4.2.2 Better Responses</b></p> <p>The report on <i>The Value of the Natural Environment</i> is now complete and a launch date and debate along with guardian Newspapers is planned for 14 October. The accelerated upland ecosystem services pilots are progressing. They are currently being scoped in Cumbria, South Pennines and the South West. Partners are being signed up, boundaries defined and services identified.</p>

<b>G</b>	<p><b>4.3.1 UK Legislation</b></p> <p>We have continued to make progress to ensure that the role of a healthy natural environment is central to the implementation of the key adaptation instruments in the Climate Change Act and enjoyed some success with DCLG and DECC fully accepting our recommendation on the need for a strategic energy assessment for renewable energy. The final reporting power and statutory guidance is in line with Natural England's recommendations building the statutory guidance on sustainable adaptation. The launch of the successful Anglian Water project attracted good attendance from Defra and regional stakeholders. Our work completed during quarter one is now being used by Defra to influence the development the Adaptation Indicators and we are continuing to influence this area of work by our presence at the Climate Change Adaptation Steering Group.</p>
<b>AG</b>	<p><b>4.3.2 Evidence Base</b></p> <p>Progress to test a methodology for assessing the vulnerability to climate change is moving forward but remains behind schedule due to problems accessing the UK climate projection data which are outside our control. We have made good progress with developing a national peatland greenhouse gas monitoring programme with a strong UK partnership. We expect to publish a review of the evidence for greenhouse gas fluxes from coastal and marine ecosystems by the end of November. Our Character Area Climate Change pilots project work continues with only minor delays. Finalising the content of the reports by end of March is still on course for most if not all regions. Work on the development of the sustainable adaptation narrative and its application to development of adaptation policy has lead to an academic paper <i>Nature conservation in a 4 degree world: a luxury or a necessity?</i> presented at an international climate change conference in September. This emphasised the importance of the natural environment as a foundation of sustainable adaptation.</p>

## Environmental Leadership - Quarter 2

**Amber Green**

<b>G</b>	<p><b>A1.1 Authoritative Champion</b></p> <p>Our performance in quarter 2 has further built upon our success in quarter 1. The number of references to Natural England in national media has increased by 30% compared to quarter 2 in 2008. This includes a 25% uplift in national newspaper coverage and a 225% increase in national broadcast coverage. Major successes have included prominent news and broadcast coverage of coastal access and extensive national coverage of the beehive launch, which generated 50 national broadcast mentions in August alone and was reported in many international papers. We have achieved extremely high favourability ratings, with over 92% of mentions of Natural England classified as positive or neutral during the quarter, ahead of our target of 85%. While volumes have grown, measures of article size and reach (as measured by the Advertising Value Equivalence (AVE) measure) reflect the ongoing trend towards more prominent coverage of Natural England in print media. AVE is up 57% overall compared to last year, with AVE in national newspapers up 247%. The impact of the full pages in national newspapers for coastal access in July and bees in August is a key driver here, but the sand lizard and bittern stories have also been a factor. Results of our stakeholder survey show that 95% stakeholders are familiar with us – up 4% on last year and ahead of our Corporate Plan target of 90%. Our familiarity amongst MPs has gone up 29% to 59% currently exceeding our target of 38% by 31 March 2010. Our net favourability amongst our key target audience within this group is up 22% which compares extremely favourably with other public sector organisations.</p>
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<b>G</b>	<p><b>A1.2 Strong Stakeholder Relationships</b></p> <p>We have made excellent progress in this quarter in proactive engagement with both national stakeholders and government audiences. We have so far achieved 10.8% of our national advocacy objectives, slightly ahead of our 10% target for quarter two and on track to meet our 80% target at year end. Regional engagement with MPs has been the subject of considerable focus this quarter and all regions report meeting or exceeding their target contact numbers. Engagement highlights this quarter include meetings at Party Conferences and associated Fringe Events, with discussions on a range of issues including agriculture, health, planning, renewable energy, marine and fisheries, and stakeholder events covering themes such as ecosystems services, food security, biodiversity, and access.</p>
<b>G</b>	<p><b>A1.3 Advocating Natural Environment</b></p> <p>We have seen strong progress in this quarter. The results of the Staff Survey shows that 83% of staff understand our policies, 78% and 76% are confident in talking about our purpose and our policies respectively. These results are ahead of profile but there remains much work to be done if we are to meet our end of year target. A further survey has helped identify where we need to do further work with staff on improving their understanding. We have embedded Knowledge Tours into the National Learning and Development framework and we are exploring the options to develop Tours that can be used to help staff advocate our Health and Education agenda, and to support services and external partners. We are confident that we will see a continued positive momentum resulting from a range of activities.</p>
<b>AG</b>	<p><b>A1.4 Stakeholders Trust our Evidence and Knowledge</b></p> <p>We have narrowly missed our target for stakeholders recognising that we take evidence based decisions (by just 2 percentage points) but this still represents an increase (to 73%) and 79% of our stakeholders believe we can be trusted in what we say. By September, 84% of our staff considered that they had the knowledge required to undertake their roles (up from 73% in 2008). This exceeds our Corporate Plan target for the year. On every other knowledge related measure we improved by a minimum of 15% including those that agreed that we are an organisation which values and develops its evidence and knowledge and that we make evidence based decisions.</p>

## Building Capability - Quarter 2

Amber Green

<b>AG</b>	<p><b>B1.1 People Leadership</b></p> <p>At the half year stage we are two percentage points short of our end of year target with 70% of People Leaders having active Personal Development Plans, including leadership initiatives. A programme of individual coaching with external coaches and 360 degree feedback for management teams is in place and we are meeting our target to have 50% of leaders receiving coaching to improve their leadership practice in teams. We are designing an ambitious new Executive Leadership Programme which will include external and internal stakeholders as full and active participants. We will be progressing with our work to develop leadership capability through talent and succession management during quarter 4.</p>
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AG	<p><b>B1.2 Developing Capability</b></p> <p>88% of new starters attended induction events during quarter two and 48% of staff are currently using the Technical Development Skills Framework. We are confident of meeting our year end targets for these measures of 90% and 50% respectively. We have developed our 'Introduction to Environmental Leadership' induction process and it is receiving excellent reviews. Modules on SSSIs, agriculture, Environmental Stewardship, agri-business, biodiversity, and access are now in place or in development. Overall, 520 individuals attended Development Framework events this quarter compared to 121 in the previous quarter. We will accelerate delivery of our marine training programme in quarter three. We have now started work to gain professional accreditation and validation for our land management advisers' programme. This would act as a springboard to professional status, whilst proclaiming the quality and credibility of our internal training offering.</p>
G	<p><b>B1.3 Organisational Contract</b></p> <p>A very positive 2009 Staff Survey result shows that 91% of people have a clear understanding of how their work aligns to our Corporate Plan, exceeding our 71% target. However, we need to do more on our People Plans to ensure that teams have the future capability to deliver more stretching targets. The first Natural England Diversity Conference for Managers and Team Leaders took place this quarter and received very positive feedback. We now have 3 Teams selected to roll-out our work experience scheme proposals with an emphasis on Diplomas, Internship, Sandwich placements and School Age Work experience. 62% of people now say Natural England is a good place to work, 66% know how their performance is measured and 51% believe their team has the capacity to deliver its targets. We have now established the baseline for measuring the diversity of our new recruits but further worked is needed to increase the percentage of new starters who provide diversity data.</p>
AG	<p><b>B1.4 Health &amp; Safety</b></p> <p>All teams have Health &amp; Safety plans. Equally, good progress has been made on the training of managers and in recognising the IOSH qualifications that already exist. We are preparing plans to ensure that 100% of our people have seen the Health &amp; Safety policy and understand their accountabilities. Currently, 90% have done so. There has been an increase of 13% in near miss reporting so far this year. Over the same period there has been a 13% decrease in the number of accidents reported. However there was an increase in accidents reportable to HSE (RIDDOR) as a direct result of tick bites. We have trained 465 people through our Risk Assessment workshops and 191 new risk assessments have been completed using these new methods. By year end we plan to re-audit the 3,385 risk assessments currently in use across the business.</p>

AG	<p><b>C1.1 Business Process</b></p> <p>We continue to make solid progress across this target with all measures running close to profile. The index mechanism to gauge the health of our business partnerships has now been fully established with IBM, Atos Origin and Global Crossing (each scoring Silver/Silver/Bronze, respectively). We are fully involved in discussions over the future of the Defra Network e-enabling contract. Work to develop a refreshed ICT Strategy has progressed to plan and our desk top and delivery IT systems met all Service Level Standards during this quarter. A major release of new software into Genesis was delivered very successfully, preparing ELS Online for much greater customer usage. Work on the Emergency Response Plan is similarly well placed. Our Land Management Performance Programme has progressed strongly, in particular on HLS Productivity gains and the development of a new model for land management delivery. So far this year we have delivered £2.5 million of cash efficiencies (target £1.8 million) and £3.75m of non cash efficiencies (target £2.4m). We are on course to achieve £5.9m of external revenue growth (target of £5 m).</p>
AG	<p><b>C1.2 Sustainability</b></p> <p>We continued to make significant progress during the last quarter. We have achieved a 32.9% saving on estates (against a target of 50% for 2009/10) and an 11.4% saving for travel (against a target of 20%). However, we are very aware that achieving the remaining reduction in carbon emissions from travel will prove increasingly difficult and we are continuing to be innovative in developing smarter ways of working to avoid impact on delivery. We have applied our supplier assessment tool to all existing and new suppliers. As a consequence, we have developed sustainability improvement plans for our five top suppliers (as identified through supplier prioritisation methodology) and we are currently measuring the benefits. We have a strong external programme in place including a 'carbon dinner' hosted by Acting Chair and our signing up to 10:10, the campaign to get individuals, companies and institutions to reduce their carbon footprints by 10% during 2010. We have also applied for accreditation with the Carbon Trust.</p>
AG	<p><b>C1.3 Customer Services</b></p> <p>We are close to our 95% target for meeting published service standards in key areas. Our Enquiry Service responded to 5075 enquiries in quarter two, all within standard (100%). 92% of Regulatory Service enquiries and 87% of HQ correspondence met the standard. 98% of FOI/EIR requests met the standard (only 1 miss). The latest available figures (July) for our Central Telephone Operator service show a 81.42% performance and efforts continue to improve monitoring of this standard. We have successfully piloted Cabinet Office guidance on 'customer journey mapping' and this provides a basis for our delivery of an additional 5% reduction in customer administrative burden savings over the next 3 years (against a baseline of c£9m). Planning for the 2009/10 Reputation Tracker customer survey is now complete and fieldwork will commence in October, with results available during November. During quarter two, we completed contract strategies for 90% of our contracts over £25,000</p>

## **Outcome One Q2 Regional Highlights**

In the East Midlands, we have established a ground-breaking joint 3 year Action Plan with the Peak District NPA to enhance delivery in this important upland area. On 31 July, Board member Lynn Crowe and the Peak Park Chair signed off the Plan after endorsement from the English National Parks Authority. In addition to agreed projects including on landscape, agri-environment, protected sites and communications, there will be a new planning protocol setting out joint expectations, delivery and service levels.

The West Midlands region has launched the Wetland Vision through the 'Meres and Mosses' initiative along with our delivery partners. We have established partnerships with local AONBs including an innovative art project ('InsideOUT') in the Wye Valley AONB which encourages under-represented groups to connect with the natural environment whilst addressing their health issues through creative learning experiences.

West Midlands have also facilitated a £1.3 m European Union funded woodland management initiative with the Shropshire Hills AONB to provide integrated advice to woodland owners, particularly focused on high biodiversity-interest locations such as valley oak woodlands.

In the North West, £1.4 m Wetland Vision funding has been allocated to support the creation and restoration of 500ha of wetland BAP habitats in Morecambe Bay, Lancashire mosslands and the Cheshire Meres and Mosses. This funding has generated another £1.5m of matched funding from partners.

In July the North East region suffered a second major flood in North Northumberland affecting designated river sites (Ingram Valley & Kirknewton). We are involved in a joint agency approach with the Environment Agency, Northumberland National Park and Northumberland County Council to co-ordinate joint press releases, participate in public meetings and work with the local MP, councillors and the local community to agree what measures can be undertaken - particularly in order to maintain the local infrastructure.

North East also held 3 Marine events helping raise awareness of the Coast and Undersea Landscapes at the Hartlepool Sea Festival, the "Celebrating Our Coast" at Castle Eden Dene NNR and at the new Great North Museum. The latter had attendances of 30,945 and newspaper coverage to over 100,000 people.

In the South West, we collaborated with the National Marine Aquarium to showcase the region's undersea landscapes and marine life at 'roadshows' on the beaches of Devon and Cornwall. The events helped to raise awareness of the special character of the undersea landscape of the region and the associated marine life. We also participated in the Exe Estuary Festival, the Charmouth Pirate Event and the Torbay Sea Festival. These events generated considerable media and web interest that will raise the awareness of the undersea landscape in the region.

Also in the South West Region habitat restoration works at Shapwick and Ham Wall NNR with the RSPB has resulted in an increase in the breeding population of Bitterns in England and the return of the Breeding Marsh Harrier after many years.

In the Yorkshire and Humber region, the Humberhead Levels Partnership, which we chair, has secured £1.76m towards the creation and restoration of wetland habitats. £594,000 Wetland Vision money was awarded in July which helped to lever in the remaining funds. The Humberhead Levels is a low-lying landscape spread over 2,000 square kilometres and made up of a mosaic of wetlands and arable farming criss-crossed with rivers and dykes. The Partnership is driving forward a number of projects in collaboration with the Internal Drainage Board, Environment Agency, RSPB and local Wildlife Trusts.

In the South East, we have established the South Downs and Harbours Clean Water Partnership Delivery Strategy project in conjunction with the Environment Agency and Portsmouth Water to implement an action plan to reduce diffuse pollution. This has so far enabled us to bring 974 ha of

SSSI coastal habitat into improving condition. We have also agreed with the Environment Agency a strategic plan and site actions to bring 25 ha of SSSI experiencing coastal squeeze into improving condition. Whilst the latter is a small area, this is the first step towards realising major SSSI PSA gains for our coast by Dec 2010.

The Thames Festival took place on 12/13 September 2009 in the London region attended by approximately 750,000 people. Our marquee was staffed by 15 people from our London regional team supported by marine specialists promoting the Undersea Landscapes Campaign.

Also in London Region in August, Ashdown House got its very own beehive – or rather ‘Beehaus’ – which has been installed on the 6th floor roof. Both national and international press covered the story. The bees were subsequently featured on BBC Countryfile on Sunday 11th October.

## **Outcome Two Q2 Regional Highlights**

In the East Midlands region, there was a widespread media for a 'making a million' (steps) story about Dennis Shimwell, an 82-year-old volunteer who regularly walks long distances on his volunteering rounds on the Derbyshire Dales NNR. The press coverage across Derbyshire and South helped raise awareness of our access, health and volunteering work.

The North East region has been working with the Castle Eden Dene NNR team to set up the first 'NNR Week'; this started with a weekend Summer Festival and was followed by daily environmental activity events for families and children. Over 500 people attended with many activities oversubscribed. This year's successful event provides a platform to build upon for next year and opportunities are already being explored to join forces with Area Tourism Partnerships campaigns (Outdoor & Active).

The first 3G (3 generation new technology) Woodland Games Festival in the South West attracted more than 500 people and was organised as part of our Green Exercise initiative. Plans are already in place for a second event in 2010. The event was covered locally by press (total circulation approx 184,000) and filmed for the internet.

Visitors flocked to our stand at the Great Yorkshire Show in the Yorkshire and Humber region this quarter. Under the theme of health and wellbeing in the natural environment, nurses carried out blood pressure and cholesterol checks and we provided advice on Walking for Health and other benefits. Three players from Leeds Rhinos Rugby League Team attended and helped to raise awareness and attract visitors. The Regional Public Health Group gave £15,000 towards costs and Hilary Benn MP and Rosie Winterton MP both visited the stand.

Also in Yorks and Humber Regional Minister Rosie Winterton and Local MP and Chair of the Health Select Committee Kevin Barron spoke at the regional launch of the Natural Health Service in Rotherham with 40 other partner organisations which resulted in significant press coverage. Every regional MP has been sent a copy of the Regional SoNE report which has received positive comments and prompted a successful meeting with Nick Clegg MP at Whirlow Hall Farm, where he met colleagues and heard about our work.

In the South East, the ‘Sounds Like Summer’ event at Aston Rowant National Nature Reserve (NNR) was organised by us in conjunction with the Chilterns Conservation Board, with support from Berks, Bucks and Oxon Wildlife Trust, ARocha UK and Starlight Enterprises and other local partners.. The event used music, instrument and drum making from natural materials, storytelling, bird watching and health walks to connect people to nature.

In the North East the region worked alongside Groundwork & Friends of St Lawrence Park in a practical volunteering session to improve the entrance to the park following on from our work in funding a green gym co-ordinator in this area of high deprivation. Twelve Natural England volunteers and fifteen volunteers from Groundwork and the local community took part, and a double spread and full page of coverage appeared in two regional newspapers, which further raised awareness of our health and access to the natural environment work.

In the London region, 3,000 school children attended the Countryside Live event. Our marquee focused on promoting Environmental Stewardship, educational access, natural play, and our 'one million children outdoors' campaign, emphasising the role played by urban farms. At the event we worked in partnership with The Woodland Trust (making earth art and prints of pond life/mini-beasts) and Surrey Docks Farm (making butter and focusing on the life of a bee and candle rolling).

### **Outcome Three Q2 Regional Highlights**

Approximately 120 planners attended a programme of five one day Sub-Regional Green Infrastructure and Local Development Framework (LDF) training events in the North West region. These one day events were delivered in association with the North West RTP1, 4NW, Natural Economy North West, Greenspace North West and CABE and raised awareness of Green Infrastructure and its significance to Local Development Framework Core Strategies.

In the North East, we led a local Green Infrastructure meeting hosted by Ian Wright, MP for Hartlepool to look at green space needs in the area. The event was attended by representatives from Hartlepool Borough Council and the Homes Communities Agency.

The South West team is tackling *Phytophthora* disease (sudden oak death) through Environmental Stewardship. A HLS agreement has been negotiated at Trengweinton in Cornwall with the aims including the removal of rhododendron from over 70 ha of affected land.. This approach will be extended across Cornwall as part of our joint efforts with Defra and historic gardens to limit the spread of the disease.

Also in the South West as part of another HLS agreement with the National Trust and a local grazier, cattle have been reintroduced to Leigh Woods NNR after an absence of over 140 years. Leigh Woods is a section 32 NNR managed by the National Trust, and is part of the larger Avon Gorge SSSI / Special Area of Conservation (SAC). The cattle will help control scrub on areas such as Stokeleigh Camp, a two thousand year old Iron Age fort and Scheduled Monument, revealing its ramparts and ditches finally allowing visitors to see the history under their feet. At the Bath and West Show, the Southwest team met HRH Prince Charles, who showed great interest in conservation grazing.

In the Yorkshire and Humber region, we have established a new partnership with RSPB and Kirklees Council to save the rare twite in the South Pennines where numbers have plummeted to only 100 pairs in recent years. The partnership is working with local farmers to advise them on how they can help create favourable conditions for twite on their land using Environmental Stewardship. Local farmers have been impressed with how small changes have already resulted in an increase in twite as well as other birds.

In the South East, the region's Green Infrastructure Partnership held two meetings to highlight the role that green infrastructure plays in creating sustainable communities. Those attending the September event included the leading architect and urban designer planner Sir Terry Farrell, Dougal Driver (GOSE), Ian Hepburn (Wildlife Trusts) and the Environment Agency while regional minister Jonathan Shaw endorsed the event with a supportive statement. This is a significant partnership where we are working with the Environment Agency, the Government Office for the South East, the Forestry Commission, Wildlife Trusts in the South East, Groundwork, the South East England Development Agency and the South East England Partnership.

The London region has worked in partnership with a wide range of organisations and groups to produce a CD entitled – '*The natural environment: a resource for London's planners*', which has been sent to the Heads of Development Control and Forward Planning in each of the London Boroughs. The CD contains a number of guidance documents and web links and is designed to provide a central point of information for planners and development control officers raising awareness of the natural environment within the London Boroughs.

## **Outcome Four Q2 Regional Highlights**

We have established an innovative partnership to restore and enhance 60 of Yorkshire and Humber region's peatland habitats. 1651km of actively eroding moorland grips have been identified on 41 of the 60 regional sites, and a grip-blocking and re-vegetation plan will be taken forward through environmental stewardship and other AE schemes. The ambition is for peatlands across Yorkshire and the Humber to flourish and fulfil their potential for the storage of greenhouse gases, flood mitigation, water resources and biodiversity. The working partnership includes the Yorkshire Wildlife Trust, Natural England, the regional National Park Authorities, with further support secured from the Environment Agency, Yorkshire Water and National Trust.

The North East region has produced a Climate Change Advocacy Plan supporting active engagement with partners. We are now a key player on climate change thinking in the region as part of the Regional Climate Change Partnership and as a key member of the Steering Group for the "Economic Implications of Climate Change in the North East Economy".

In the London region, the 'Discover the Greenway' event was the first delivered by the Discovering Places partnership in which we are a key player. This is a Major Project contributing towards the London 2012 Cultural Olympiad. The event, part of the London 2012 Open Weekend, was held on the Greenway a five mile long walking and cycle route built on top of the giant Victorian Northern Outfall Sewer in East London, running alongside the Olympic Park. The event was promoted by the BBC, Time Out and the London Press.