

Natural England Performance Report for the six months to 30 September 2006

OVERALL SUMMARY OF HALF YEAR PERFORMANCE

Summary of Outcome 1:

England's Natural Environment will be Conserved & Enhanced

- The overall uptake of Environmental Stewardship is on target. However the SSSI target is unlikely to be met and the risk around the delivery of the Autumn round of agri-environment payments remains high. Budget uncertainty has delayed some critical work on SSSIs and the Biodiversity Action Plan, however these are expected to be progressed once the budget settlement with Defra is reached. Work on the marine environment has been advanced significantly by securing £1.685m of additional funding to initiate a survey of potential sites for designation as Special Areas of Conservation (SAC).

Summary of Outcome 2 :

More People Enjoying, Understanding & Acting to Improve the Natural Environment, More Often

- Natural England has secured an additional £25 million to increase public engagement with the natural environment. A Green Exercise bid is being developed for a further £18m. Work on this outcome has been significantly impacted by the in-year budget cuts, however critical work on National Nature Reserves, National Trails and coastal access will proceed and is expected to be on target. In-house research, planning and project development for 2006/7 will proceed in areas where funding is not available.

Summary of Outcome 3:

The Use and Management of the Natural Environment is More Sustainable

- Work to promote sustainable use of the natural environment is progressing although generally behind schedule. The Catchment Sensitive Farming project is on track to deliver on the diffuse source water pollution objectives, but is not expected to deliver on wider biodiversity, landscape or climate change objectives (see outcome 4). A substantial caseload of planning and statutory advice is being managed.

Summary of Outcome 4:

Governments, businesses, communities and individuals make decisions which collectively secure the future of the natural environment.

- Our work on the future agenda for the natural environment is progressing, particularly in the area of climate change and our *Breathing Spaces* campaign to engage the public in conserving and enhancing the natural environment. However, some areas have made slow progress or have not progressed at all, largely since they represent the new Natural England agenda for which scoping and planning has only recently commenced.

	Current	Outlook
Outcome 1	R	R
Outcome 2	A	A
Outcome 3	A	A
Outcome 4	A	A

Key Risks and Issues

- Operational capacity to deliver remaining outcomes in the six months remaining, once 06/07 budget is finalised.
- The need to integrate and align existing work with Natural England's Strategic Direction.
- Communicating internally and externally how existing work is linked to our Strategic Direction to harness energy and resources.
- In year budget cuts will limit the development of the evidence base needed to both target activity and measure success in the future.

Outcome 1: England's Natural Environment will be Conserved & Enhanced

Summary of Outcome 1

- The overall uptake of Environmental Stewardship is on target. However the SSSI target is unlikely to be met and the risk around the delivery of the Autumn round of agri-environment payments remains high. Budget uncertainty has delayed some critical work on SSSIs and the Biodiversity Action Plan, however these are expected to be progressed once the budget settlement with Defra is reached. Work on the marine environment has been advanced significantly by securing £1.685m of additional funding to initiate a survey of potential sites for designation as Special Areas of Conservation (SAC).

	Current	Outlook
Outcome 1	R	R
Objective 1.1	R	R
Objective 1.2	A	G

Objective 1.1: To conserve and enhance England's natural environment

- The uptake of Environmental Stewardship is on target, although it slowed over the summer months.
- The administration of agri-environment payments by the RDS in the first half of the financial year was underpinned by the use of a significant number of temporary and casual staff. The cost of these staff was not budget and amounted to approximately £4.5m of over budget expenditure in the first half of the 2006/7 financial year. Defra have agreed to underwrite the expenditure incurred by the RDS, however Natural England has not been provided with any budget to cover these costs in the second half of the financial year. As a result, temporary and casual staff have had to be substantially scaled back. This has increased the level of risk in successfully completing the autumn round of payments. Business continuity plans are however in place and weekly monitoring and reporting on progress has been established.
- 10,715 ha of SSSI reached target condition in the first six months of the year. A further 60,000 ha will require to reach target condition in the remainder of the financial year if the overall target of 78% is to be met. Although significant progress will be made, it is not expected that the target will be achieved this year due to the scale of work remaining. Adjustments have been made to the RDPE budget to ensure that there is sufficient funding to enable Natural England to enter into HLS agreements for the remainder of the year, which are the major driver of progress towards the target. Wildlife Enhancement Scheme agreements which also contribute to the SSSI target will be able to be delivered in full once the budget settlement with Defra is finalised, although some seasonally related work may not now be able to be completed this year. Options are being discussed with Defra for increasing the focus of HLS on the SSSI target to increase the rate of progress.
- Work on establishing local biodiversity partnerships, threatened species and other Biodiversity Action Plan activities has slowed due to funding uncertainty, however is expected to progress once the budget is finalised.

Objective 1.2: To conserve, recover and enhance the marine environment

- Natural England was successful in securing an additional £1.685m of funding over two years to initiate a survey of potential sites for designation as Special Areas of Conservation (SAC). The contract for this work has been let, with planning and desk studies to be completed this financial year, with field survey work being undertaken in 2007/8.

Key Risks and Issues

- Operational capacity to deliver remaining outcomes in the six months remaining, once 06/07 budget is finalised.
- Failure of the RPA to supply Rural Land Registry data for cross checking inspections on time.
- Failure of the RPA to complete the 5% of on farm inspections on time to approve payments.

Outcome 2 : More People Enjoying, Understanding & Acting to Improve the Natural Environment, More Often

Summary of Outcome 2

- Natural England has secured an additional £25 million to increase public engagement with the natural environment. A Green Exercise bid is being developed for a further £18m. Work on this outcome has been significantly impacted by the in-year budget cuts, however critical work on National Nature Reserves, National Trails and coastal access will proceed and is expected to be on target. In-house research, planning and project development for 2006/7 will proceed in areas where funding is not available.

Objective 2.1: Increase the number, diversity and frequency of people enjoying the natural environment

- Natural England has been successful in securing £25 million from the BIG Lottery Fund, to increase public engagement with the natural environment over the next six years. The funding will be used to provide grants to NGOs and community groups targeting in particular groups whose use and enjoyment of the natural environment is currently under represented.
- The in-year budget cuts have substantially impacted on the work to establish baseline data on access to the natural environment. Work during the remainder of the year will be limited to reviewing existing data and developing a plan for work to be undertaken in 2007/8.
- Work to expand the “Walk your way to health” initiative progressed with 13 partnerships projects developed for a new Green Exercise initiative. The initiative has been submitted to the BIG Lottery Fund for a further £18m of funding. Advice on whether the bid has passed the first stage assessment will be received in November, with final decision on funding being made around the middle of 2007.

Objective 2.2: Increase everyone’s understanding of and ability to take action for, the natural environment

- Discussions with Northern Rail have identified a range of partnership opportunities to promote the use and enjoyment of the natural environment to rail travellers, in particular the provision of information on recreation facilities in National Nature Reserves.
- The in-year budget cuts will largely limit the work in this area to in house research, planning and developing projects for implementation in 2007/8, including obtaining baseline data on volunteer numbers and reducing the transport impact of nature based tourism.

Objective 2.3 : Improve places for people to enjoy the natural environment

- Funding uncertainty has delayed some of the work to improve facilities for visitors at National Nature Reserves, however it is expected that all work will proceed once budget settlement is agreed.
- Work on National Trails is on target for the year. Once the budget is finalised, it is expected that funding will be available for the maintenance of existing trails and restoration of sections of closed trails, particularly on the coast. Work on new trails will not proceed this year.
- Natural England has been asked to review the work undertaken by the Countryside Agency on improving access to the coast and provide advice to the Minister on the way forward by the end of December 2006. Data collection is largely complete and analysis is underway. Reports on the cost of options and research on demand are nearing completion.

	Current	Outlook
Outcome 2	A	A
Objective 2.1	A	A
Objective 2.2	A	A
Objective 2.3	A	G

Risks and Issues

- In year budget cuts will limit the development of the evidence base needed to both target activity and measure success.
- Provision of incentives to businesses reduced thus limiting progress, could be offset to some extent by the BIG Lottery funding.
- Existing partnerships may be strained as expectations on funding provision can not now be fulfilled and priorities not sufficiently clear.

Outcome 3: The Use and Management of the Natural Environment is More Sustainable

Summary of Outcome 3

- Work to promote sustainable use of the natural environment is progressing although generally behind schedule. The Catchment Sensitive Farming project is on track to deliver on the diffuse source water pollution objectives, but is not expected to deliver on wider biodiversity, landscape or climate change objectives (see outcome 1). A substantial caseload of planning and statutory advice is being managed.

Objective 3.1: To improve the quality of environmental land and sea management through the development and adoption of sustainable practices, taking account of the impact of climate change

- Natural England has developed a campaign to highlight the role of farmers and land managers in providing a range of public goods, including biodiversity conservation and climate change adaptation and mitigation. The campaign will be announced at the official launch of Natural England.
- Natural England and Defra entered into a Wildlife Management Agreement outlining the principles by which wildlife licensing will operate from 1st October 2006.

Objective 3.2: Environmentally sustainable farming, fishing and forestry with protection of natural resources, reductions in diffuse pollution and enhancement of the natural environment

- Work to identify and report on the most beneficial and damaging land management practices has commenced with the appointment of a major project manager and an initial review of the currently available data. Burning practices and overgrazing have been a focus of activity and advice to farmers and land managers to date.

Objective 3.3: To influence markets and supply chains to develop and adopt more sustainable practices and cut greenhouse gas emissions

- Catchment Officers have been recruited for the 40 priority catchments and all are now in post. Catchment assessments are underway in all catchments. Arrangements are also in place to provide targeted technical advice to individual farmers and land managers on how to address diffuse source water pollution. £5 million has been secured for the one year capital grants programme to be delivered in 2007/2008.
- An "Eat the view" project has been proposed by which and exploratory contacts made with some of the major markets for sustainable grazing products.

Objective 3.4: Secure commitment to natural environmental goals in EU, national, regional, local and sectoral, policies and strategies

- Work has commenced to develop an integrated planning policy and advice function for Natural England, to ensure that the planning system fully and consistently reflects the needs of the natural environment. In the meantime, business continuity on a wide range of case work is being maintained.

Objective 3.5 : To increase investment in environmental enhancement and thereby the contribution of the natural environment to national, regional and local economies.

- Work has not commenced to establish partnerships with industry on key habitat creation and enhancement projects.

	Current	Outlook
Outcome 3	A	A
Objective 3.1	A	A
Objective 3.2	A	A
Objective 3.3	G	G
Objective 3.4	A	G
Objective 3.5	R	R

Risks and Issues

- The key risk to delivery of this outcome is the need to integrate and align existing work with Natural England's Strategic Direction.
- Communicating internally and externally how existing work is linked to our Strategic Direction to harness energy and resources.
- These will be a key priority for National and Regional Directors over the remainder of the financial year.

Outcome 4: Governments, businesses, communities and individuals make decisions which collectively secure the future of the natural environment.

Summary of Outcome 4

- Our work on the future agenda for the natural environment is progressing, particularly in the area of climate change and our *Breathing Spaces* campaign to engage the public in conserving and enhancing the natural environment. However, some areas have made slow progress or have not progressed at all, largely since they represent the new Natural England agenda for which scoping and planning has only recently commenced.

Objective 4.1: Engage public and specialist audiences in debating what our future natural environment should be like.

- Work to develop a State of the Natural Environment Report commenced with the appointment of a Major Project Manager and preliminary scoping.
- There has been significant work with the Department for Communities and Local Government (DCLG) on assessments of New Growth Points.
- Natural England made a major submission to Defra on the proposed Marine Bill. The submission highlighted the need to ensure continuity of spatial planning between terrestrial and marine ecosystems and the need to improve coordination of licensing without duplicating the expertise of existing bodies.

Objective 4.2: Increase the ability of the natural environment to adapt to climate change and contribute to greenhouse gas pollution reduction.

- Two joint character areas have been identified as priorities for piloting the development of climate change response programmes. A further two areas are being evaluated, linked to the nine integrated catchment management projects. A partnership with the Environmental Change institute is being explored to work with Natural England on the methodology for the project.
- A workshop of scientists and policy makers has been organised for 28 November to review the scientific evidence on land management practices which have the potential to contribute to carbon management. The workshop will scope the opportunities to maximise the contribution of farmers and land managers to play an active role in climate change mitigation.
- Natural England continues to provide input into a range of energy development proposals, particularly wind energy developments.

Objective 4.3: Ensure that future threats to the natural environment & opportunities for environmental improvement are identified and acted on

- No work has been done to develop a framework for the cumulative impact of development on the natural environment.

Objective 4.4: Ensure society lives within the limits of the natural environment, growing and developing the evidence base to support this

- The Spring Watch initiative was completed successfully with 1500 community related project events on local greenspace across the country. The Autumn Watch programme launched an initiative to provide up to £4m to community groups and schools, primarily to restore and establish local woodlands. The design for the joint BBC – Natural England web portal for the *Breathing Spaces* campaign has been completed. The portal is expected to be completed and launched early in the new year.

	Current	Outlook
Outcome 4	A	A
Objective 4.1	A	A
Objective 4.2	A	G
Objective 4.3	R	R
Objective 4.4	G	G

Risks and Issues

- Insufficient evidence to make a compelling case for our agenda.
- Capacity to reach agreement with major government departments to deliver outcomes which depend on their active support.