

NATURAL ENGLAND BOARD

Meeting 2
5 December 2006



Paper No. **NEB P06 04**

Title: **Natural England's Corporate Plan 2007-2010**
Sponsoring Director: **David Young – Executive Director, Strategy and Performance**

1. Purpose

1.1 The purpose of this paper is to recommend the key issues, process and timeframe for developing Natural England's Corporate Plan for 2007 – 2010.

2. Recommendations

2.1 That the Board:

1. Endorse the key strategic issues to be factored into the development of Natural England's Corporate Plan 2007– 2010.
2. Approve the process and timeframe for the development of the Corporate Plan.
3. Endorse the proposal to update Natural England's Strategic Direction.

3. Introduction

3.1 Natural England published its three year Strategic Direction in June 2006. Due to the in year budget uncertainty and the late approval of the Natural England budget, a Corporate Plan and Business Plan for 2006/7 was not published. Internally however, Delivery Agreements are in place for all national and regional teams to provide clear accountability across Natural England's activities.

3.2 Under the Management Statement Natural England is required to prepare a Corporate Plan and secure its approval from the Minister on an annual basis. The Corporate Plan will form the basis of the budget negotiation and settlement with Defra for 2007/8.

3.3 It is proposed that Natural England's Corporate Plan will comprise:

- A three year outlook based on our Strategic Direction
- A one year Business Plan for 2007/8.

3.4 The Corporate Plan will need to be submitted to the Board for approval at its February 2007 meeting.

4. Key strategic issues

Six key strategic issues have been identified that need to be addressed in Natural England's corporate planning process.

4.1 Defra Strategy Refresh

Natural England is actively engaged in the Defra "*Strategy Refresh*" process, with the protection and enhancement of natural resources and climate change being recognised as the two key strategies underpinning "*One Planet Living*". Ensuring that Natural England's Corporate Plan priorities are reflected in the emerging priorities of the Defra process will be critical to secure a favourable budget outcome both for 2007/8 and the longer term.

4.2 Comprehensive Spending Review 2007

Defra is due to make its submission to Treasury on the Comprehensive Spending Review 2007 (CSRO7) in March 2007. Ensuring that the Defra submission recognises the importance of protecting and enhancing the natural environment and reflects Natural England's Corporate Plan priorities will be a key factor in determining our future funding.

4.3 Climate Change

Climate change has continued to grow as the key environmental priority across all political parties. It will be important that the Corporate Plan demonstrates clearly how Natural England is leading and contributing to both adaptation and mitigation. The development of new policies and sources of funding for adaptation and responding to the Stern Review and Energy White Paper will be critical.

4.4 Planning and Local Government

Local Government are key partners in the delivery of Natural England's Strategic Direction. We will need to ensure that our new Corporate Plan takes into account the recent release of the Local Government White Paper and the forthcoming report of the Lyons review of local government funding. Ensuring that Natural England is a major contributor to the possible development of a planning white paper will also be important.

4.5 Common Agricultural Policy

Maximising European funding for the natural environment is critical to the delivery of a significant proportion of the targets in our Strategic Direction. It will be essential that the UK secures a favourable outcome from both the 2007/8 CAP health check and 2008/9 mid-term review of the EU Budget.

4.6 Marine Bill

The Marine Bill has not been scheduled for debate in the current session of Parliament. Its introduction in the next session of Parliament is central to the achievement of Natural England's target for marine protected areas.

4.7 Water Pricing

The next periodic review of water pricing is scheduled for 2009. Previous reviews have resulted in significant investment by water companies in water quality initiatives. Securing further investment through this review will be critical in order to reduce the risk that RDPE funding will be redirected from biodiversity, landscape and access conservation initiatives to subsidise the implementation of water quality regulations.

5. Process and timeframe

- 5.1 The recommended process and timeframe for the development of Natural England's Corporate Plan is outlined in the table below.

Stage	Timeframe
1. Board approval of key strategic issues, process and timetable	5 December 2006
2. Meeting between the Chair and Minister to discuss key strategic issues and indicative budget for 2007/8	December 2006
3. Meetings of Board Outcome Working Groups to discuss proposed targets for 2007/8	January 2007
4. Meeting between the Chair and Minister to discuss Draft Corporate Plan	Early February 2007
5. Board approval of Corporate Plan	21 February 2007
6. Submission of Plan to the Minister	End February 2007

6. Update of Strategic Direction

- 6.1 Natural England's Strategic Direction outlines our long term strategy. However it is an unusual document created for unusual times and has also served the purpose as our Corporate Plan in our first year. Once our Corporate Plan is in place for 2007/08, there will be an opportunity to update our Strategic Direction to reflect new and emerging issues and importantly to extend its time horizon. It is therefore proposed that an update of our Strategic Direction would commence in June 2007 and be completed in time to provide clear direction for the 2008/09 Corporate Plan.