



Environment, Food and Rural Affairs Committee

Oral evidence: [Appointment of Chairman of Natural England](#), HC 890

Wednesday 11 December 2013

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Members present: Miss Anne McIntosh (Chair); Jim Fitzpatrick; Mrs Mary Glendon; Mrs Emma Lewell-Buck; Neil Parish; Ms Margaret Ritchie; Mr Mark Spencer

Questions [1-33]

Witness: **Andrew Sells**, the Government's preferred candidate for Chairman of Natural England gave evidence.

Q1 Miss Anne McIntosh (Chair): Good afternoon and welcome to you, Mr Sells. Just a little bit of housekeeping if I may: we are expecting a vote in literally a few minutes' time. I will temporarily suspend and then we will come back as quickly as we can, but we are very grateful to you for joining us today for a pre-appointment hearing. Just looking at your CV and the number of positions that you have held, it was interesting to see what made you particularly apply for this position in what was obviously a very strong field of candidates.

Andrew Sells: I applied for this position because I strongly believe—and I have always been a country boy—that I could make a useful contribution to it. If I could just put that in context, when I got to the age of about 50 or 55, I decided that I wanted to devote at least half my life to putting back and being a useful public servant, if I could. I am passionate about the countryside. I live in the countryside; I was born in the countryside. I only ever came to London to earn a living. I feel that I can understand and empathise with those people who want to improve our countryside, and that is why I applied for the job.

Q2 Chair: It is quite different from the work that you have done before, which I could possibly describe as high finance. What makes you feel that you are well qualified or suitable for the position of Chairman of Natural England?

Andrew Sells: If I could just go back a year, when I took a job part-time at the Department for Work and Pensions that was very different from anything else that I had done before. I was pleasantly surprised how much I enjoyed working in a topic I knew nothing about at that stage—very detailed, very technical, not a party-political issue at all. I felt I was making a useful contribution, and I think the people concerned there had been good

enough to say so. I feel passionately about preserving our countryside, so I felt I could make a contribution here too. Just going forward a little bit, part of the contribution clearly is hard work, sharing, being driven by the statute, understanding science and technology, working hard and being able to work with people, and I felt I could do that.

Q3 Chair: Tell me when you expect to take up the post.

Andrew Sells: I have had a longstanding commitment to go to Australia and New Zealand over new year. I am not back until 20 January and I expect to take it up then, if I am confirmed.

Q4 Chair: I do not think we would expect you to have an encyclopaedic knowledge of the natural environment at this stage, but what does the natural environment mean to you and which parts of the natural environment do you most relate to?

Andrew Sells: I most relate to farming and the countryside. I realise that I am a chartered accountant and I have spent years in investment and what-have-you but, actually, I used to work as a boy on a farm in East Anglia. A lot of what I was doing was working on a tractor, increasing every size of every field wherever you could, without any concern for the wildlife, biodiversity and whatever. Actually, I think we have come a long, long way in those years but, in that time, we have lost two thirds of our bird population in a lot of rural England. I think I understand rural life. I live in the country; I breathe in the country. If I admit to a blank in my knowledge, it is much more likely to be around the marine area, where I have been briefed a little bit, but I know very little about it and I would like to learn more. I think I understand the countryside. I do not farm commercially but I roughly understand how the grants and incentives work, and can work around that.

Q5 Chair: The present Chairman has had a policy of going around the country and visiting parts of England. Would you expect to continue that, going out and meeting farmers and others involved in the natural environment?

Andrew Sells: I think that is very important and, in fact, I think it is more important than sitting in meetings in London. I look forward to doing that massively.

Q6 Jim Fitzpatrick: I am conscious that you indicated there might be a vote at 14.52 and this is a section that I think might last more than 30 seconds.

Mr Sells, congratulations on your nomination so far. You have indicated you are going to Australia and New Zealand. Forgive me for intruding; is that family? Is that private? Are you able to use the opportunity to develop your interest in your new position?

Andrew Sells: I am going to Australia and New Zealand because we have family living in New Zealand, and because I love cricket, although I am not certain that I am going to get much pleasure out of that. I will certainly do whatever I can to maximise the effect of the trip on my new position, yes.

Q7 Jim Fitzpatrick: Very good. Sorry; I was tempted to bring the Ashes series into the question. I hope it is still alive by the time you get there; at the moment, it does not look like that is going to be the case.

My question is going to be on the earlier political sensitivity, and I know one of my colleagues might want to follow up. You were transparent enough to declare being a major donor to the Conservative Party over five years. As a Labour MP, obviously we are on different sides of the fence on that issue, but on the no-to-AV campaign we are on the same side of the issue. When you declared that, were you conscious that there might be some political criticism from sections of the media that somebody with such a profile and association with the Conservative party was being nominated for the position that you sought?

Andrew Sells: Yes, I was. There are a few things I would like to say about my donations, if I might. The first is that by far the largest donation I gave, and you will find it on the Electoral Commission website, is a single donation of £75,000. In fact, it says “gift in kind” by that. I actually gave the Conservative party a picture that cost me less than £15,000. It was a portrait of David Cameron. It had a bit of publicity at the time, because I was asked to fund the artist while he did it.

Chair: I apologise; we will suspend for the vote and we will take up, if we may, and allow you to complete your answer. Thank you for your understanding.

Sitting suspended for a Division in the House.

On resuming—

Chair: Mr Sells, I am sorry to have interrupted, but if you could continue your answer, we would be very grateful.

Andrew Sells: Quite all right. I will just go back to the beginning of the answer and the question. My donations over the last five years are about £140,000, I think. £75,000 of that was one donation, which was a gift of a painting that I gave the Conservative party, which was a portrait of David Cameron before he was Prime Minister, which cost me a fraction of that figure, less than £15,000. In a way, my cash donations are rather inflated. They actually run at about £15,000 per annum for five years, which is a serious sum of money but it does not quite put me in the Lord Ashcroft league.

I would like also to say in my own defence—I have never said this before publicly and I did not think I would ever need to—but I have just done my tax return for 2012-13 and my donations to registered charities were a multiple of the sum of money, £15,000, that I have just quoted as a political donation. I invite you to see it in that context.

I would also say that I will not give any more money to any political party, and that I have found, despite some press reports suggesting that I might have got this job because of donations, funnily enough, it feels quite the opposite from my perspective; it feels that I have got it despite them. I am going to go back to the position which you referred to in respect of the no-to-AV campaign, and I am going to be studiously non-political. I would like, to coin a phrase, to sit on the metaphorical crossbenches and have no allegiance to any political party, and have the support of those who vote for either party, any other party or no party at all. I think that is the better way to do this job.

Q8 Jim Fitzpatrick: There are not many issues that one could identify as being party-political in terms of Natural England, but you must have examined the horizon and scanned the radar. Do you see any room for any potential political conflict or an issue

coming up, where you may be accused of demonstrating political partisanship that might cause you to pause for thought before making a pronouncement?

Andrew Sells: I am not aware of any at the moment.

Q9 Mrs Lewell-Buck: Good afternoon, Mr Sells. I am aware that you own land in north Wiltshire. Is that correct?

Andrew Sells: Correct.

Q10 Mrs Lewell-Buck: Just bearing in mind Natural England's statutory purpose in relation to recreation and public access, I was just wondering if you could advise the Committee how far you adhere to that principle on your own land.

Andrew Sells: I adhere to it entirely, in the sense that I have a number of footpaths across my land and around it, and they are in good condition.

Q11 Mrs Lewell-Buck: I asked the question, Mr Sells, because I have received information to say that that is not actually the case—that a lot of the footpaths are blocked, that there are no waymarks and that the land is actually inaccessible.

Andrew Sells: I have had the same complaint myself. It is not my land, if you have the same information as I have. I believe the person who has given that information is actually confusing my land with somebody else's.

Q12 Mrs Lewell-Buck: Just for the purposes of the Committee, you can categorically state that that is not your land that that information is referring to.

Andrew Sells: Before I say that categorically, I would need to know exactly which bit of access and land you are talking about. I give a categorical assurance to this Committee that the footpaths over my land are clear, open and available.

Q13 Mrs Lewell-Buck: You could see how that would be a concern if you were appointed to this post.

Andrew Sells: A very great concern.

Q14 Ms Ritchie: Mr Sells, what other professional activities do you expect to continue or undertake in addition to your post at Natural England?

Andrew Sells: I intend to do very little else actually. I intend to and have already resigned from the boards of Policy Exchange, Open Europe, which I am also on, and from at least one, possibly two, commercial boards where I am trying to wind up activities. I intend to complete the assignment that I have at the Department for Work and Pensions. In looking at my time allocation, there is a risk that they are going to ask me to take on rather more work, but I do not think it in any way conflicts with this. I intend to make this my primary professional function for the time I hold the job.

Q15 Ms Ritchie: In addition to that or supplementary, will you have any other activity that you have not indicated to us that you will still continue with?

Andrew Sells: I have indicated in the possible conflicts of interest the current activities I have, and I am doing everything I can to wind them all back.

Q16 Ms Ritchie: You will ensure that those other commitments will not impinge on your role as Chair of Natural England.

Andrew Sells: I certainly will.

Q17 Ms Ritchie: Do you have any other directorships, save for those that you have mentioned that you will be standing down from?

Andrew Sells: Not that I am aware of. Sometimes one is told that one is still a director in Companies House or something, but I am not aware of one.

Q18 Ms Ritchie: Just to confirm, you will not be undertaking any further political activities during your role as Chair of Natural England.

Andrew Sells: Correct.

Q19 Neil Parish: Good afternoon, Mr Sells. You have talked a little bit about your previous experience and the fact that it did not particularly lead into the natural environment, so I just want to press you just a little bit on your role to conserve and enhance the natural environment. You said a bit to the Chairman earlier, but where would you like to take Natural England? What is your vision for the future, so to speak?

Andrew Sells: Thank you, Mr Parish. That is quite a big question. If I could start, I think that Natural England has been through a period of considerable uncertainty. I think its future was uncertain. We have had the triennial review. There was talk of Natural England losing its independent status. The first thing I need to do is to make it clear to all the people who work for Natural England that we have an independent future. We have a set of statutory duties and we intend to fulfil them. We intend to carry on as an independent body doing that.

In an era of budget cuts, if possible we have to do more with less. I am concerned that, for example, some of the biodiversity schemes are at risk if less money is made available for them. That is an ongoing concern. I am fairly briefed on what the issues that we are going to face are, so I certainly know the questions, even if I do not know the answers. There are some things that need to be done within Natural England's structure down the line and to implement the triennial review.

It is worth stating that, although Natural England has had a slightly uncertain future for a little bit, and has had some less than favourable press in certain quarters, people down the line are very passionate, very hardworking and need to be supported. Actually, they are doing a very good job. We need, at the top, to get the message out about what is actually going on. We have the opportunity to restructure the board in the next year, with seven out of the eight directors coming up for renewal. We have the opportunity to put in place a stronger area management team and a management team above that as well. There will be quite a considerable effort and I see it as very hard work, for the next 18 months, to put in place and send those messages out. Arising from that, we will fulfil our functions. We will be really keen on biodiversity. We will fulfil our marine functions, and I can go

through the list of other responsibilities if you want, but I think you probably know them better than I do.

Q20 Jim Fitzpatrick: On the point that Mr Sells made about the eight directors and some coming up for renewal, in any organisation, there will be some people who will be renewed and some who will move on. Are there any gaps among the directors that you spot, Mr Sells, which you would like to reinforce in terms of Natural England's remit?

Andrew Sells: I am quite reluctant to get into individual gaps for the very obvious reason that it suggests who might stay and who might not. What I have always believed, in any management team, is you identify the strengths and weaknesses you have and then you look to put pit props around where you do not have what you need. We will be going through that exercise, working out, for example, whether we need individual expertise in certain areas or whether we buy it in, as and when we need it. These are serious questions we will be looking at but, with great respect, I am not yet ready to answer.

Q21 Neil Parish: My next question probably has a little bit of a sting in its tail. You formerly, as you say, chaired a house-building company, so what lessons did you learn from that about the balance between environmental improvements and rural growth?

Andrew Sells: Quite a lot is the short answer. Let me just say a few things. Firstly, this company was an absolute specialist in developing brownfield sites, so we were the pioneer in developing exclusively brownfield sites, although in parenthesis I must say one or two greenfield-ish types were let through. We transformed Caterham Barracks, where my father signed up in the war, into a modern urban village with a small Tesco, doctor's surgery and whatever. Actually, I was always the one fighting for conservation there and preservation of trees and what-have-you. I think I learned that you can do huge amounts of development and enhance the landscape and the environment. I also understand how impatient developers are to get on with it. You can see the impatience from the other end of the telescope in the offices of Natural England struggling to deal with the requests they have to deal with.

I do not really want to get into a conversation—I do not think that is where you were leading me—into biodiversity offsetting, but one of the complaints of the developers, for example, is that it is very expensive. Actually, quite a lot of compensation for the environment is not being enforced currently, so there is a case for looking at some of these things and holding the developers to greater account. I do not want anybody to think that I am a friend of the developers. I think I know exactly what they want and they will have to comply with the statutes that we operate under.

Q22 Neil Parish: You talk about biodiversity offsetting. In many ways, it is a good idea provided that the biodiversity offsetting is practical and actually delivers something for the environment. I do not know whether you have any ideas on that.

Andrew Sells: I have a number of ideas. The first one is that, if offsetting becomes the norm, we will overlook the need to conserve what is actually there to be conserved. The first stop must be to try not to damage what we otherwise might damage. If ultimately it is decided to offset somewhere, it is then for discussion what type of offsetting we have. It is out for consultation now. It might be compulsory; it might be voluntary. I ask the

rhetorical question: how do you offset some ancient woodlands that HS2 is going to remove? It cannot be done.

Neil Parish: You are getting yourself into a hornet's nest there, if I may say so.

Jim Fitzpatrick: Sounds very interesting.

Q23 Neil Parish: Can I have just one final question, Madam Chair? In the national parks, there is always a balance between making sure you maintain the national parks, but also where a little village or a hamlet may need a few houses, affordable homes or whatever. It is always an interesting one to make sure that we can actually have that as well. Have you ever given that any thought?

Andrew Sells: As you said, that is a question of balance, is it not? You are going to have to measure each situation as and when it arises.

Q24 Mrs Lewell-Buck: As you are aware, the job description says that you are going to be leading Natural England through a period of unprecedented reform. I do not know if you can give the Committee an example of any major reform programmes that you have led in the past or been part of.

Andrew Sells: In commercial terms, when I took over being Chairman of Wyevalle—it later became the Garden Centre Group—it was in a very difficult state. It had huge financial obligations. It was trading poorly. Thanks to a very hardworking management team—because I was only chairman—we turned that business around, but it meant a lot of hard decisions. It meant a lot of people losing their jobs. It meant a lot of relocation. Actually, all it comes down to is sound management. What we are talking here about is drawing up a well thought out plan, bringing people together, taking them through it, taking them through the process and arriving at the other end.

Actually, I do not think Natural England needs to go through quite the unprecedented level of change that is almost implied in the question. It is doing very well on the ground. It certainly has to make some changes. It has to work closer with the Environment Agency but, actually, as I have looked at this job, it is working quite closely and very effectively with the Environment Agency on a whole host of things. It understands down the line what it has to do. I do not think it is a problem we are facing is what I am saying.

Q25 Mrs Lewell-Buck: The difference is, I suppose, in this role Defra has already set out a programme for reform for Natural England. In your own business, you were not incumbent on anyone else. You made those decisions separately. To what extent do you think you will be able to set your own priorities and maintain the arm's length independence of Natural England from the Department?

Andrew Sells: Natural England is its own statutory organisation. It will fulfil its functions and it has a grant to do that. It has a management team to do that, and the board will hold the executive to account and the executive will hold its people down the line to account. No doubt we, instead of having shareholders in a public company, will have to go and meet the Secretary of State twice a year to explain whether we have met the objectives and be held to account. We will no doubt be held to account here, but that is how it is. That is the job.

Q26 Mrs Lewell-Buck: Do you feel you will have scope to set your own priorities, in terms of when I was asking to what extent you feel you will have that?

Andrew Sells: My understanding is that we will draw up a plan. There is a two-year plan; there is a five-year plan. We will take that off to discuss it with Defra. They will agree it, not agree it or amend it. There will be a very close consultative process.

Q27 Jim Fitzpatrick: Chair, you might rule me out of order here, but Mr Sells did open up HS2, which was not on our suggested list of possible questions. The question is: HS2 clearly is a hugely controversial issue. All the major political parties are committed to it. Natural England has, as you say, statutory responsibilities. Have you had a chance to examine the role of Natural England vis-à-vis being an independent agency, advising Defra as to how it should be trying to influence the rest of Government policy vis-à-vis HS2 Limited and being a brake or an influence on how they do things? Is that something that you can clearly say is something you are going to have to do quite a bit of work on? I am sure Natural England has already been doing a lot of work.

Chair: Mr Sells, you may want to answer in general terms without commenting on a specific.

Andrew Sells: Thank you, Madam Chair, but I did open the subject up; I talked about ancient woodlands on HS2. HS2 is a very major environmental project and Natural England will have a very big say in the effect it has. It has already been working closely with the company on the environmental impact statement. It has identified certain SSSI sites, some ancient woodlands, of course damage potentially to the Chilterns AONB, and is working very closely to help the company, HS2, mitigate against all these points I have raised. To that end, it has, I understand, seconded one of its members of staff into the company itself. That should facilitate a close liaison between the two. I also understand that quite a lot of the phase one London to Birmingham has not yet been totally surveyed, so that is yet to be done. There is an ongoing role and there will be an important role for Natural England during this phase of HS2, yes.

Q28 Jim Fitzpatrick: Forgive me for pressing, and I should have declared at the outset that I am a bit of a sceptic on HS2, as a former Defra Minister and a former Transport Minister to boot. Should the company not take the advice and the assistance that you are offering, and should campaign groups have very significant concerns, how would Natural England then be able to straddle the two different camps? This is not party-political partisanship; this is people expecting Natural England to be the defender of the faith and yet, at the same time, Government expecting Natural England to be the adviser to do the mitigation that you expect. Do you see there may be a conflict there? Can you help both sides? How might you bridge that gap?

Andrew Sells: Natural England has statutory duties here, as you know well. It will give appropriate advice. It is above the Chairman of Natural England's pay grade to decide whether HS2 gets built. You are not quite asking me that, but we will do our very best to protect the natural environment.

Q29 Chair: Thank you very much. Thank you for the spirit in which you answered the questions as well, Mr Sells. Can I just take you back to an answer you have just given? Did I

hear correctly that perhaps you do not see a turbulent period or a period of unprecedented reform for Natural England?

Andrew Sells: Natural England has a five-year plan and it has a two-year plan. It will implement its plans. It will have some new directors; it will have some new members of the executive. It will have new areas and it will have some new area managers. Whether you choose to call that radical or evolutionary, I think it is evolutionary management myself. I do not think any major surgery is required.

Q30 Chair: It is just that the advert for the position to which you applied says that “the new Chairman will lead Natural England through a period of unprecedented reform, with the need to implement continuing efficiencies and work with many interested parties”.

Andrew Sells: It will certainly have to implement efficiencies. It will certainly—I forget the last phrase—work with many parties. I prefer a style of management and leadership that is evolutionary rather than revolutionary. Can I put it to you that way?

Q31 Chair: That is a fair comment. Have you identified any immediate inefficiencies that you would like to see addressed or are these too early days yet?

Andrew Sells: Madam Chair, you have kindly answered the question; it is too early.

Q32 Chair: This is something I am particularly interested in. During the course of our recent inquiry into how the next stage of CAP reform will be implemented in England, it was put to us by the farming community that they would very much welcome Natural England staff in constituencies like mine, which are obviously very benefited by stewardship schemes as well as direct payments. What happens in Scotland is very helpful to the farming community. The Scottish equivalent is called Scottish Natural Heritage; their staff are allowed to give advice as well and inspect and cost-comply. Is that something that you would look favourably upon allowing Natural England staff to do, going forward?

Andrew Sells: I am afraid I am out of my depth here. I simply do not know.

Chair: Would it be something you could give some thought to?

Andrew Sells: It is certainly something I would be very happy to look at and consider.

Chair: Obviously I am sure the Committee would wish to record—I have to declare an interest because Paul Christensen is, like myself, half-Danish so we can revert to our second language on occasions. I fear, Mr Sells, I will not be able to do that with your good self.

Andrew Sells: I have an advantage you are not aware of, Madam Chair. I will tell you later.

Q33 Chair: The Committee would like to record our gratitude for the work to those interested parties who have benefited from his stewardship during his years as chairman. This gives us an opportunity to do so. When your tenure eventually comes to an end as chairman, how would you judge and how will we know that you have been successful in what you have set out to achieve?

Andrew Sells: The slightly glib answer is that I hope you will ask me to extend it for another three years, because I think that you should be the judge as to whether I have done a good job. That is really where I come from.

Chair: We thank you very much indeed for making yourself available and shall now break into private session once again. We do record our gratitude. Thank you very much indeed for the opportunity to hold this pre-appointment hearing.