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Developing social appraisal criteria for the Environment Agency

Science Report SC010044/SR3

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It's our job to make sure that air, land and water are looked after by everyone in today's society, so that tomorrow's generations inherit a cleaner, healthier world.

Our work includes tackling flooding and pollution incidents, reducing industry's impacts on the environment, cleaning up rivers, coastal waters and contaminated land, and improving wildlife habitats.

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Steve Killeen

Steve Killeen

Head of Science

Executive Summary

Introduction

This report describes the research and development of a set of criteria for social appraisal for the Environment Agency. It also describes the use of an early version of the social criteria during 2003 to identify the social issues of most importance across the Agency's functions, and the priorities for future work on social issues.

The main driver for the work was the opportunity to strengthen the social criteria within the Environment Agency's newly developed integrated appraisal process, as an aid to developing and embedding a social policy for the Environment Agency (see Annex 1) through the Joining Up science project. Other drivers were:

- The requirement under Defra's Section 4 Guidance to the Environment Agency to take social and economic considerations into account in the Agency's work on environmental protection and enhancement.

- HM Treasury Green Book guidance requiring government bodies to take social impacts (especially distributional impacts) into account in all projects and programmes.

- An agreement by the Environment Agency Board to include reports on social impacts in its annual reports to meet its corporate social responsibility commitments.

- Growing understanding that good social practice (e.g. engagement with stakeholders) is integral to good environmental practice.

- The need to strengthen the consideration of social impacts and processes in various existing Environment Agency appraisal methods.

- The potential to use this research and development process to work with senior Environment Agency functional staff to identify existing social issues in their work, and priorities for future work on social issues.

Developing the social criteria

A comprehensive review of existing criteria and indicators relevant to the Environment Agency, and to sustainable development more generally, was undertaken, covering both external Government criteria and indicators and existing Environment Agency sets. The process is described in section 3 of the report, and a summary of the main sets of indicators considered is given in Annex 2.

An initial set of 14 indicators was developed and tested in detailed interviews with Environment Agency heads of function during 2003 (see section 3.3) to explore their specific social priorities. As a result of feedback from the interviews, and discussions with the Joining Up Project Development Group and Project Board, a revised set of 14 social criteria was agreed (see Annex 4). This final set of criteria informed the development of new questions on social issues which have now been incorporated into the Agency's overall Policy Appraisal Guidance (see Annex 5).

Overall findings from the interviews

Overall, the interviews showed that social issues were already central to the work of most of the Environment Agency functional areas investigated, and to the work of the Agency overall. Both social impacts (e.g. health) and social processes (e.g. stakeholder involvement) were seen as relevant by all functions, as was the importance of developing Environment Agency staff awareness, skills and understanding of social issues, especially through learning from practice.

A basic quantitative analysis of the interview data found the following issues were the highest priority in Environment Agency activities (see section 4 for details):

- Increasing stakeholder, citizen and community participation was the top priority (21 points) overall.

- Meeting social needs through improving local services and facilities, and contributing to regeneration, was the second highest priority (19 points).

- Health, safety and wellbeing were third highest priority overall (18 points), and the highest priority for some functions.

- Promoting fairness and social cohesion was fourth highest priority (15 points).

In terms of the priorities in the developing Environment Agency social policy (see Annex 1), the feedback was:

- Several functions suggested that the social benefits of the Agency's work could be increased, and communicated more effectively.

- Some functions saw questions of fairness (social justice), equality and improving local communities as central to their work, although it was less of a priority overall.

- Increasing access to information and participation was central to the work of all functional areas, and it was clear that the Agency was already engaging extensively with others.

- In addition, understanding social issues and social skills development were identified as a priority, and there was some existing good practice.

Functional priorities

The different functions identified different priority social issues (see section 5 for details). In summary, the six functions with most concerns about social issues, and their priorities, were:

- **Flood risk management - policy** identified *health, safety and wellbeing* as their top priority, given their responsibilities for saving lives by reducing flooding, and the health benefits of reducing public fear and anxiety of flood risk.

- **Flood risk management - National Capital Programme Management Service** identified *working with local communities and other stakeholders* as their main priority, given their need to negotiate with local authorities etc (for example on planning permission for flood defence projects) and with other agencies (for example on heritage and wildlife impacts), as well as taking public views into account.

- **Environmental quality**. *Public participation and stakeholder involvement* was their top concern, particularly in relation to the Water Framework Directive, working with farmers and rural communities, and effective waste strategy development.

- **Process Industries Regulation** identified two priorities:
  - *effective engagement with local communities*, especially early investment in good engagement to avoid excessive costs through later conflict
  - a clear *corporate social responsibility framework* covering the Agency's responsibilities to poorer communities and on health, liveability and regeneration.

- **Water resources** stressed the need to balance the environmental impacts of water abstraction with the needs of society, and thus identified *social justice* issues as a priority, alongside the need to promote greater awareness of social issues among Environment Agency staff.

- **Recreation and Navigation** identified *wellbeing* as their top priority as their work offered the potential for high-grade leisure opportunities that could provide even greater educational and enjoyable experiences. Reducing the exclusion of disadvantaged groups was also a priority.

Overall priorities for future work on social issues

In summary, the research concluded that the key areas for future work were:

- Frameworks to enable Environment Agency staff to better understand social issues.

- Resources to build awareness, understanding and skills so staff could deal with

social issues in more structured and consistent ways.

- Guidance for staff on working on social processes, especially community and stakeholder involvement.

- Greater promotion within and outside the Environment Agency of the importance of social issues to the Agency's environmental responsibilities, not least to allow staff to have the confidence to invest time in this work, and to share experience.

- Mechanisms were needed to measure the full *social* costs and benefits of the Environment Agency's activities, which were currently under-represented in Agency thinking.

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ANNEXES

1. Introduction

The 'Joining Up' science project was established by the Environment Agency in 2001. Its aim was to raise awareness, internally and externally, of the social dimensions of the Environment Agency's work, within the context of sustainable development. A further aim was to help Environment Agency staff to use social knowledge and social science, and consider social priorities, more effectively in their work.

Phase 1 of the Joining Up Project (HOCO 400) sought to evaluate the social context of the Environment Agency's work. This was achieved in part by conducting a literature review[1] and providing a summary of the Environment Agency's existing work[2]. A series of five interactive regional workshops was also held to consider how social issues impacted on the Environment Agency's work. A draft Social Policy Framework was produced (in November 2001), followed by an interim science report (in January 2002).

Phase 2 of the Joining Up project (E2-057) was designed to build on the findings of Phase 1 through pathfinder projects, and further work involving Environment Agency staff. The purpose of Phase 2 was to:

> '…strengthen the Environment Agency's contribution to sustainable development by delivering an Agency social policy, embedding this within operational activities and increasing knowledge and learning within the Agency through targeted support to *Making it Happen'* (the Environment Agency's Corporate Strategy for 2002-2007).

The social policy was formally agreed in July 2003 (see Annex 1).

During 2003 the Environment Agency developed an integrated appraisal process to assess the risks and benefits of new policies, projects and programmes. The Joining Up Project took this opportunity to develop a new set of criteria for assessing the social impacts of its work, and the social processes involved, as part of embedding its social policy and meeting its sustainable development obligations.

This report describes the research and development of a set of criteria for social appraisal for the Environment Agency. It also describes the use of an early version of the social criteria to identify the social issues of most importance across the Environment Agency functions, and the priorities for future work on social issues.

In summary, the report briefly identifies the drivers for assessing social impacts and social processes, the process of research and development, the nature of social appraisal, the identification of appropriate social criteria, the main cross-cutting findings from the interviews undertaken to test the draft social criteria, the functional priorities for Environment Agency work that emerged from the interviews, the overall priorities for future work on social issues, and conclusions on the exercise.

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[1] Warburton, D. (2005a) *Understanding the social context of the Environment Agency's work - policy and literature review.* Environment Agency Science Report E2-057/SR1

[2] Warburton, D. (2005b) *Some current approaches to the social dimensions of the Environment Agency's work.* Environment Agency Science Report E2-057/SR2

1.1 Drivers for the development of social appraisal criteria

Strengthening the social criteria within the Environment Agency's integrated appraisal process was identified within the Joining Up project as an aid to developing the Agency's social policy and integrating that policy within the key functional policy, process and operational activities of the Agency.

The other key drivers for the development of the social appraisal framework were:

- The section 4 guidance agreed with Defra[3], which requires the Agency "to protect or enhance the environment in a way which takes account of (economic and) social considerations" (para 3.4). This is to be regarded as "an integral part of the Agency's normal business" (para 3.5) and in turn requires that the Agency "develops and maintains…adequate experience and understanding of the interactions between environmental practice and social (and economic) factors." (para 3.12).

- The Environment Agency Board agreed in October 2002 that the Agency's environmental reporting should be broadened to include reporting of its social impacts, to underpin the Agency's commitment to Corporate Social Responsibility.

- There was growing acceptance that good social practice is integral to good environmental practice. For example, early and effective engagement of key stakeholders can build understanding and ownership of environmental targets and avoid potential conflict at a later stage. Equally, there is a need to understand those cases that demand a trade-off between good social and good environmental practice, as opposed to those where win-win results can be achieved.

- The Treasury Green Book new (at the time) draft guidance on Appraisal and Evaluation in Central Government[4] which included, for the first time, adjustments to the valuation of monetary benefits to reflect differences in their value to people with differing degrees of affluence, aiming to "enhance understanding of the fairness of proposals, their social impacts and their scale" (para 3.24). This requires all central government projects and programmes to take social impacts (particularly the distributional impacts) into account.

- The experience of Agency staff in applying appraisal methods, which has demonstrated that current methodologies are not taking account of social impacts in a rigorous and effective way[5].

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[3] Defra (2002) *The Environment Agency's Objectives and Contributions to Sustainable Development: Statutory Guidance.*
[4] HM Treasury (2002) *The Green Book - Consultation Paper. Appraisal and Evaluation in Central Government.*
[5] See, for example, in relation to flood defence appraisals, NCRAOA Report No 40 *The consideration of social issues in Environmental Impact Assessments of Agency flood defence schemes.*

- The potential to use this research and development process to work with senior Environment Agency functional staff to identify existing social issues in their work, and priorities for future work on social issues.

1.2   Objectives, methods and outputs

There were three original objectives for the social appraisal work:

(i)   To build understanding among Environment Agency Heads of Function of the social dimensions of the Agency's work and establish relative needs and priorities;

(ii)   To test and develop a set of social appraisal criteria that could be used as part of the integrated appraisal of Agency policies, plans and programmes and support the Agency's environmental goals;

(iii)   To enable the Social Policy team and Directors to look across the Environment Agency's 46 key targets and identify the areas of greatest social risk and of greatest value in delivering social benefit alongside the Agency's environmental goals.

These objectives were tackled through a process using a range of methods including:

- Desk research to develop a draft set of social criteria, based on an analysis of existing social appraisal criteria within the context of sustainable development (Annex 2);

- Interviews to identify existing and potential social priorities across the Agency functions, based on the Agency's 46 Making it Happen targets (see Annex 3 for detailed interview findings);

- Qualitative and quantitative analysis of the interview data; and

- Internal reviews carried out by Agency staff and the consultant team working collaboratively.

More details of the involvement of Environment Agency staff in the research process are given in section 1.3 below.

The three main outputs from the process to develop social criteria were, in summary:

- Increased understanding of the key social issues for the Agency;

- A set of social criteria which summarise the key social issues for the Environment Agency (see Annex 4), which have been used (for example) as the basis for the questions now used in the Agency's Policy Appraisal Guidance (see Annex 5); and

- Recommendations for priorities for the work of the Agency's social policy team.

The focus throughout the process was the connectivity between environmental and social issues, to ensure that thinking about social appraisal was set within the context of sustainable development.

1.3 Involvement of Environment Agency staff in the development process

A research and development process was required that increased understanding among the researchers of the current social priorities of the Agency, across all functions. It was also essential that Agency staff participated fully in the development of the priorities which determined the 'headline issues' that would be reflected in the criteria. Involvement of Agency staff was achieved through the following programme of work:

		Environment Agency staff involved
Step 1	Review of existing criteria used for social policy appraisal within the Environment Agency	Social policy team
Step 2	Review of existing criteria used by others for social policy appraisal, particularly those within a sustainable development context and promoted by Government	Social policy team
Step 3	Development and peer review of draft criteria	Social policy team; economics team; Joining Up project development group.
Step 4	Interviews during 2003 with key policy leads for the 46 Making it Happen targets, to identify the social issues of highest priority for them. The interviewees were: • Ian Barker, Head of Water Resources • Martin Bigg, Head of Process Regulation • Heidi Curran, Principal Officer, Strategic Environmental Planning, NW Region • Miles Jordan, National Capital Programme Manager • David Lawrence, Head of Recreation and Navigation • Steve Lee, Head of Waste • Peter Madden, Head of Environmental Policy • David Murphy, Strategy & Risk Policy Manager – Flood Defence • Andrew Skinner, Head of Environmental Quality.	Eight face to face interviews, plus one telephone interview, carried out jointly with members of the social policy team
Step 5	Final report on priorities emerging from the interviews for future social policy work, with recommendations	Joining Up Project Board, October 2003
Step 6	Final report on the research and development	Social policy team

The interviews in 2003 were a key element to the research. They were designed as in-depth discussions with a relatively small number of interviewees (nine) to explore the social issues relevant to the 46 targets with some key senior staff. This approach was chosen to meet the specific objective of the project to discuss the issues with Heads of Function and to feed into thinking about criteria for social appraisal. All

interviews were fully notated, and notes transcribed and shared among the research team.

The interview process was designed so that the interviewees firstly described their social priorities for each of the targets for which they had responsibility. Interviewees were then invited to discuss the proposed set of criteria for the Environment Agency's social appraisal process. In practice, there was a close correlation between the terminology used by interviewees initially, and the terminology in the proposed set of criteria.

Although the findings from the interviews cannot be taken as representative of the views of the Environment Agency as a whole, eight of the nine environmental themes in the corporate strategy were covered (except for 'an enhanced environment for wildlife') and most of the 46 targets. An interview with Heidi Curran was included to provide a regional perspective.

2. What is social appraisal?

2.1 Introduction

Initial work by the social policy team, prior to the Joining Up project work, defined social appraisal as follows:

> "Social appraisal provides information on the likely social impacts of policies, plans and projects, as an input to decision-making. Stakeholder involvement is an important part of social appraisal, ensuring that the values and concerns of all interested/affected groups are taken into account."[6]

2.2 Social impact assessment

Social appraisal draws on other closely allied activities which are sometimes called social impact assessment (SIA). The International Association for Impact Assessment (IAIA) describes SIA as essentially analysing, monitoring and managing the social consequences of development. They define it as follows:

> "Social Impact Assessment includes the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment".[7]

For the IAIA, SIA is best understood as an overarching framework that embodies the evaluation of all impacts on humans and on all the ways in which people and communities interact with their socio-cultural and biophysical surroundings. A further source defines SIA as "the systematic analysis, in advance, of the likely impacts a proposed action will have on the life of individuals and communities"[8]. The Interorganizational Committee on Guidelines and Principles for SIA (in the US) expands this definition to include "all social and cultural consequences to human populations of any public or private actions that alter the ways in which people live, work, play, relate to one another, organize to meet their needs, and generally cope as members of society" (quoted in Burdge, see footnote 7).

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[6] Colvin, J., Orr, P., Reilly, J., Twigger-Ross, C. (2002) Social appraisal in the Agency. Internal briefing paper.

[7] IAIA (2003) *Social Impact Assessment. International Principle*s. Special Publication Series No 2, May 2003.

[8] Burdge, Rabel J. (2003) 'The practice of social impact assessment - background', in *Impact Assessment and Project Appraisal,* June 2003.

2.3 Issues for social appraisal

It was essential throughout the consideration of a social appraisal framework for the Environment Agency to consider social issues within the context of sustainable development. This affected which social issues were considered a priority (i.e. not the same as for general social policy), as did the other guiding principle for this work: relevance to the Environment Agency's values and priorities.

Some key issues that were initially identified as potentially relevant included:
- Quality of life (including access to goods and services, employment and education, as well as local issues such as litter, graffiti, dog fouling, fly tipping and vandalism);
- Consistency with social values and behaviours;
- Social or environmental justice – effects that impact disproportionately on deprived or vulnerable groups and sectors;
- Social capital – factors which contribute to social cohesion and resilience;
- Stakeholder engagement, participation and access to knowledge and information.

2.4 Methods and tools for social appraisal

There are many different approaches to social appraisal, all involving some element of scoping of issues, information gathering, and social analysis of the relative significance of the impacts. Given the range of social impacts that may be involved, checklists can provide a useful starting point. Methods for gathering information on social impacts have been used to some extent in the Environment Agency, although experience and skills are thinly spread.

Stakeholder participation is an important tool for social appraisal. However, stakeholder participation is not in itself social appraisal. The input of stakeholder knowledge and views will generally need to be complemented by other data and further analysis of the issues involved.

2.5 Social appraisal activities in the Environment Agency

The main areas in which elements of social appraisal were already being carried out in the Environment Agency were:

- Consideration of social impacts within flood defence Environmental Impact Assessments;
- Social data collection, e.g. linking social and environmental data sets, development of health impact assessment, research on public concerns about the cement sector, and research into 'social response' to communications technologies used for flood warnings;

- Stakeholder participation and consultation in appraisal processes, for example in the Catchment Abstraction Management Strategies' Sustainability Appraisals.

2.6 Value added by social appraisal

Social appraisal makes it possible to identify the likely social impacts of a policy or development, to ensure that the future costs of mitigating impacts do not exceed the expected benefits, so contributing to better decision-making and more sustainable outcomes. At the same time, transparent social appraisal increases the legitimacy of decisions and is increasingly expected by stakeholders as part of a democratic process. Awareness of potential social impacts can also be taken into account to maximise the benefits of a policy or action, by approaches that strengthen community cohesion, build capacities, etc.

2.7 Ways forward on social appraisal for the Environment Agency

It was not considered appropriate at the time to develop a formal social appraisal tool for the Environment Agency, but rather to focus on the development of social criteria / questions that could be integrated with the Agency's overall Policy Appraisal Guidance. This was therefore the approach pursued during the remainder of the research and development process.

3. Developing criteria for the Environment Agency's social appraisal

3.1 Introduction

The research team agreed early in the process of developing work on social appraisal that a new set of social criteria should be developed which:

- could summarise the social issues which are relevant to the Environment Agency's activities, principles and objectives;

- were relevant to the specific priorities relevant to sustainable development; and

- fitted into the various appraisal processes which the Environment Agency already used.

The overall aim was to keep the number of criteria to a minimum, for two reasons:

- so they could be readily assimilated and understood by Environment Agency staff; and

- to set realistic practical limits to social appraisal in terms of scope and demands for resources.

3.2 Research into other potential criteria

The first stage of identifying criteria appropriate for use by the Environment Agency was to identify and examine criteria used by others, and existing criteria used within the Agency. A detailed research exercise was undertaken (see Annex 2).

Based on this research, three considerations were drawn out which guided the development of an initial proposed set of social criteria:

- A balanced approach was needed. Social criteria must complement economic and environmental criteria. Criteria which could be seen as primarily economic or environmental (e.g. environmental values such as the precautionary principle or polluter pays, and environmental targets such as water quality) should not be classed as social criteria even though these clearly have direct social benefits;

- Many of the categories of criteria overlap (e.g. every policy area needs to consider stakeholder and citizen engagement), but repetition should be avoided where possible;

- The criteria should be designed to contribute to the ways in which the Environment Agency fulfils its corporate social responsibility obligations. (Specific criteria on social responsibility were omitted from early drafts of criteria, but emerged from consultative processes as a priority).

Social appraisal criteria are also generally based on an organisation's core social values which, in this case, were derived from a mix of:

- The Environment Agency values statement: "We work in partnerships and openly. We may lead or support, understanding always the perspectives of our partners. We seek opportunities to involve others with relevant skills, knowledge or influence." and "We are champions of the environment within the context of economic growth and social progress."[9]

- The principles captured in the draft Social Policy Framework, social policy and guidelines for engaging with others developed through the Joining Up project including the pathfinder projects;

- The desk research on existing Environment Agency criteria and interviews with Heads of Function carried out specifically for this task;

- The values inherent in the social aspects of sustainable development as articulated in current Government policy.

3.3 Identifying the appropriate criteria

During the development of the project, it was recognised that two different levels of application of the criteria would be needed:

Level 1. A fairly short set of 14 social criteria that could be used as briefing and as an initial scoping device to use with the staff to assess the social issues arising from their work. A much longer list of criteria was initially developed, based on the categories of the Social Policy Framework developed in Phase 1 of the Joining Up Project (see Annex 2, 7), but this was considered too long for practical application. The set of 14 criteria was thus produced and used in the interviews, as follows:

> *To answer the question: How will your target ... ?*

> **A   Promote health, safety and wellbeing**
> A.1   Health
> A.2   Liveability (e.g. litter, graffiti, waste and resource use)
> A.3   Crime

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[9]   Barbara Young. *Our Values*. Internal Environment Agency paper, December 2000

B   Help meet social needs
B.1   Improve local goods and services (e.g. housing, transport, leisure)
B.2   Contribute to urban and rural regeneration (especially economic development)

C   Promote trust, fairness and social cohesion
C.1   Promote equal opportunities / social justice
C.2   Strengthen the networks which support robust communities

To answer the question: How will delivery of your target ...?

D.   Demonstrate Agency corporate social responsibility
D.1   External responsibilities (e.g. transparency, inclusivity, accountability and integrity)
D.2   Internal responsibilities (e.g. diversity)

E.   Increase stakeholder, citizen and community participation
E.1   Increase effective engagement
E.2   Develop appropriate partnerships
E.3   Support external activities which meet Agency objectives

F.   Help develop a learning organisation
F.1   Increase staff skills and knowledge of social issues
F.2   Develop new areas of social knowledge and practice (e.g. social science).

This set of criteria was revised following the interviews and consultation with the Joining Up Project Development Group and Project Board, and the final version is given in Annex 4.

Level 2. A smaller number of social criteria which would form part of the Environment Agency's integrated appraisal processes. These were identified from the longer set developed in Level 1 and incorporated into the Agency's integrated appraisal mechanism early in 2003. The first criterion is included within the set on 'Effective improvement and protection of the environment', and the remaining four criteria under the heading of 'Social progress which recognises the needs of everyone':

1. What will be the effect of the policy on people's ability or inclination to adopt more environmentally sustainable lifestyles?

2. Will the policy affect the provision, quality and choice of commercially and publicly available goods and services (utilities, housing, education, leisure and amenity facilities - including landscapes, historic and cultural sites - transport and mobility, communications, consumer goods)?

3. Will the policy affect human health, safety and well-being (including increase in fear of crime and fear of impacts from pollution)?

4. Will the policy affect equal opportunities, social justice and the particular needs of urban and rural communities?

5. What will be the effect of the policy on effective public involvement in decision-making and delivery?

In the final version of the Environment Agency's Policy Appraisal Guidance (v1, draft2; Easinet reference http://146.213.80.51/icontent/DocDir01/173_04.doc), further criteria were added - two for the environmental one and 24 in total for the social progress ones - which expand the coverage and increase explanation. The full list of social appraisal questions in the Agency's Policy Appraisal Guidance is given in Annex 5.

4.Key cross-cutting findings from the interviews

4.1 Introduction

In depth interviews were undertaken with eight Environment Agency 'Heads of Function', plus an interview with a strategic planner from a regional office to include a regional perspective (see section 1.3 for list of interviewees). The key findings from the interviews are outlined below (and see Annex 3 for detailed findings); Section 5 then outlines the priorities that emerged from the interviews for future work on social issues.

Overall, the interviews showed that social issues were already central to the work of most of the Environment Agency functional areas investigated, and to the work of the Agency overall. Both social impacts (e.g. health) and social processes (e.g. stakeholder engagement) were seen as relevant by all functions, as was the importance of developing Environment Agency staff awareness, skills and understanding of social issues, especially through learning from practice.

This section of the report provides:

- A basic quantitative analysis of the interview data to summarise the key social issues across the functional areas covered; and

- A brief analysis of the interview data against the three key themes of the Environment Agency's social policy (see Annex 1), plus a fourth on understanding and skills.

4.2 Quantitative analysis of interview data across functions

A very basic quantitative analysis of the interview data was undertaken to produce the following summary of the priority social issues in the Environment Agency's work across all functional areas covered in the interviews. The results were as follows.

- **Increasing stakeholder, citizen and community participation** was the top priority overall (21 points). This was a top priority for Process Industries Regulation, Flood Risk Management, NCPMS, Environmental Quality, Environmental Policy, and Recreation and Navigation (six of the eight functional areas covered), and it was also important to the other two functional areas (Waste and Water Resources);

- **Meeting social needs through improving local services and facilities, and contributing to regeneration** was the next highest priority (19 points). This

was a top priority for Process Industries Regulation, Flood Risk Management, Environmental Quality, NCPMS, Environmental Policy and Recreation and Navigation (six of the eight functions covered). Regeneration and economic vibrancy (especially jobs) were the most important aspects (seven mentioned this as important), although improving local housing, transport / access, and leisure facilities were also important (to four functions);

- **Health, safety and wellbeing** were third most important (18 points). Flood Risk Management, Waste, Water Resources, NCPMS, Environmental Policy and Recreation and Navigation (again six of the eight) made this a top priority. Health and safety (including loss of life, perceived impacts and mental as well as physical health) were the most important aspects (all eight mentioned these), but improving liveability / amenity / local environmental quality was also important (to seven), and crime (environmental crime and crime prevention) was important to some (three);

- **Promoting fairness and social cohesion** were important for most functional areas (15 points) and were a top priority for Process Industries Regulation, Environmental Quality, NCPMS, and Environmental Policy. These issues were also a priority (slightly less so) for Water Resources and Flood Risk Management. Promoting equal opportunities and social justice were the more important aspects (to all eight functional areas), and strengthening networks for robust communities were also important (to four);

- **Demonstrating Environment Agency corporate social responsibility** was a top priority for Process Industries Regulation, and was also important to Waste and to Flood Risk Management. External social responsibility (e.g. transparency and accountability) was thought more important (by seven interviewees) than internal responsibilities (e.g. diversity), which was mentioned by two;

- **Learning about social issues** was rather less important, although Flood Risk Management and Water Resources included it among their priorities. Increasing staff awareness, skills and knowledge of social issues were, however, mentioned by seven of the eight as relevant to their interests, especially learning from practice.

4.3 Analysis of interview data using the Agency's Social Policy priorities

A brief analysis of the interview data was undertaken using the three social policy priorities in the Environment Agency's Social Policy[10], plus a fourth on understanding and skills:

- **Understanding and communicating the social impacts of our work.** Several functions felt that the social benefits of the Environment Agency's

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[10] See Annex 1 for the Environment Agency's Social Policy

work could be greatly increased (e.g. through urban regeneration or leisure and recreational opportunities), and communicated more effectively. There was a strong message that the Agency needs to understand these social opportunities better in order to gain access to other resource streams (including external funding), so the Agency could build on social benefits to further increase environmental gains;

- **Addressing environmental inequalities.** Questions of fairness (social justice), equality and improving local communities were also seen as central by some functions, although less widely recognised overall. It emerged that these issues were not abstract theoretical puzzles to Environment Agency staff, but daily practical dilemmas as they attempt to reconcile competing demands, and try to work consistently and to common standards;

- **Increasing access to information and participation.** Many examples relevant to this theme were quoted. Environment Agency staff were constantly engaging with others. Front-line staff had to deal with angry frightened communities over regulation, and negotiate to introduce regulation to new sectors (e.g. agriculture). Strategic planning staff were faced with decisions about which stakeholders they engage with and which partnerships they should join to best advance Agency objectives and meet Agency targets, and policy staff were seeking to understand the social and political stakeholder interests associated with new areas of work;

- **Understanding of social issues and social skills development**. Although good practice in this area is expanding across the Environment Agency, and functional areas are mostly aware of the social issues implicit in their work, it was generally recognised that staff lack the frameworks, skills and understanding of either the importance or nature of these issues to deal with them effectively and consistently. For many staff, social issues are therefore considered "subconsciously at best" (as one interviewee put it). As a result, resources are not being best used for strategic advantage, and local problems have sometimes built up into crises which demand extensive additional resources.

5. Functional priorities for Environment Agency work on social issues

5.1 Introduction

The second objective for the social appraisal work was:

> To enable the Social Policy team and Directors to look across the Agency's 46 key targets and identify the areas of greatest social risk and of greatest value in delivering social benefit.

This section outlines the functional priorities for Environment Agency work on social issues based on the quantitative and qualitative analysis of interview data (see section 4 for key overall findings, and Annex 2 for full findings).

5.2 Overall functional priorities

In terms of priorities for future Environment Agency work on social issues, three functional areas clearly found social issues particularly important to their work – Flood Defence (now Flood Risk Management), Environmental Quality (including waste strategy) and Regulatory Development (Process Industries Regulation and waste regulation). There were however significant social issues also for Water Resources, Recreation and Navigation and the National Capital Programmes Management Service (NCPMS).

5.3 Flood Risk Management - policy

Social issues were seen as being central to the work of Flood Risk Management policy, with the highest priority being saving lives by reducing flooding. Health, safety and wellbeing were all seen as crucial, from protection from actual flooding to health benefits from reducing public fear and anxiety of flood risk.

Four additional social priorities/ needs were highlighted for Flood Risk Management:

- the need to ensure that social issues - including policies on *regeneration* and promoting *social justice*[11] - are integral to the prioritisation frameworks being developed for flood risk management;

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[11] For example, in relation to ensuring equal and consistent treatment of communities at risk around the country, balancing property valuations with other measures to increase the fairness of spending priorities, and dealing with particularly vulnerable groups and communities.

- the need for a *social appraisal framework* which could provide a shared understanding across Flood Risk Management (and the whole Environment Agency) of social issues and could be used as the basis for a communications strategy;

- the need for *effective stakeholder engagement frameworks* for the whole flood risk strategy cycle, including: block grant implementation; Catchment Flood Management Plans and Shoreline Management Plans; PAG2 strategies and project appraisal reports; linked to a clear policy framework governing Flood Risk Management's *work with local communities*;

- the need for programmes to enable Flood Risk Management staff to *develop relevant social skills* and competencies.

5.4 Flood Risk Management - National Capital Programme Management Service (NCPMS)

The top social issue here was *working with local communities and other stakeholders* to get the 'best fit' in terms of reconciling different interests in designing and building flood defences. The NCPMS often worked in partnership with others, which enabled added social benefits to be gained from flood defence projects through accessing additional external funding (e.g. new bridges to improve access, design to fit in with the historic environment). There were also practical reasons for investing time in these relationships, especially the need for planning permission to be given for flood defences, which meant that public acceptability and the support of other bodies could be crucial.

Health and safety was also a priority, as was ensuring that new developments did not attract or increase *crime* (e.g. vandalism, graffiti etc). Their main priority for future work on social issues was *education for local communities* (especially on flood risks) and more Environment Agency support for *community self help* on these matters.

5.5 Environmental Quality

Development of experience in *public participation and stakeholder involvement* stood out as the key priority for this group of functions, and corresponding corporate strategy targets. What was once seen as 'nice to do' had become recognised as a 'must do' – and moreover a 'must do well'. It was also recognised that greater experience and confidence in this area was needed both for front line staff *and* for those who set policy and process and manage these staff at all levels in the Environment Agency, and extending up to Defra.

Within Environmental Quality, three areas of need for support on social issues were further highlighted: the Water Framework Directive, relationships with farmers and rural communities, and effective waste strategy development. Each of these areas was characterised by the need to manage and prioritise within complex and/or sensitive

networks of stakeholder relationships. A further challenge was the need in many cases to also engage 'the public'.

5.6 Process Industries Regulation

Two priority areas were identified in interviews with staff responsible for Process Industries Regulation, including waste regulation:

- *effective engagement with local communities*, recognising that properly targeted resources were crucial to ensure that relations with key communities were managed well, to avoid excessive costs later;

- a clear *corporate social responsibility framework*, indicating the Environment Agency's responsibilities to poorer communities and on health, liveability and regeneration.

5.7 Water resources

Water resources had to focus on balancing the environmental impacts of abstraction with the needs of society. This includes a major focus on *social justice issues* because "everyone has fundamental rights to supply of water".

It was also felt that, for Water Resources staff, *awareness of social issues* was more important than specific skills, and that a more structured approach to dealing with social issues was needed

5.8 Recreation and Navigation

The top social priority here was *wellbeing*, as navigation offers opportunities for high-grade leisure experiences. There was particular concern within Recreation and Navigation that the Environment Agency should focus more on the social benefits of its activities overall, to increase people's satisfaction by enriching their experience, and provide educational experiences and enjoyment.

Social justice was a core concern (although not using this term), and all work within this function was based on ensuring disadvantaged groups were not excluded.

Recreation and Navigation's main priority was that the Environment Agency's social appraisal criteria should be promoted more explicitly to the public, by the Agency and by Government, with more investment in public information. This was seen as part of a wider shift in the Environment Agency's priorities towards education rather than enforcement.

6. Overall priorities for future work on social issues

In summary, the specific needs identified in the interview data were as follows:

6.1 Frameworks for understanding social issues were needed, so staff could begin to assess which were the priorities for the Environment Agency in the delivery of its environmental outcomes (and which were outside the Agency's remit) in more structured and consistent ways. The Agency's environmental policy and practice must include consideration of social and economic issues (as well as environmental), within the understanding that sustainable development requires that all three subject areas are tackled *at the same time*.

6.2 Resources were needed to build awareness, understanding and skills to enable staff to deal with social issues. There has been considerable pressure on staff who lack adequate support and skills for this work, resulting in growing problems of low morale, stress and sick leave. Investment of resources immediately was recommended in order to enable the Environment Agency to reduce costs in the medium to long term, both to reduce time spent on regulation (as problems are identified early and dealt with before becoming expensive and time-consuming crises), and in tackling the immediate needs for staff support.

6.3 Guidance for staff on social issues was required, including on effective engagement with local communities, and in providing professional advice on the social policy issues the Environment Agency needed to prioritise (and how to apply these insights in practice). Practical support and staff development were seen as at least as important as formal written guidance.

6.4 The organisation needed to develop greater awareness of the importance of social issues, increasing the visibility and accountability of Environment Agency action in this area, so staff could feel confident they could invest the time needed to deal with social problems, could share problems and promote successes. Much good work was already being done but it was often isolated. It was suggested that this work needed to be promoted, publicised and developed to ensure that the Agency gains the benefits from experience.

6.5 Mechanisms were needed to enable the Environment Agency to measure the full costs and benefits of its activities, including the social costs and benefits:

- The social <u>costs</u> identified included staff stress, ill health and staff leaving because of the pressures of negative feedback (and personal attacks) from the public and interest groups, staff time dealing with crisis situations, the poor public image of the Agency as a result of inexperienced staff dealing with local problems, and wider reputation issues. There were also wider social costs (to society as a whole) which

were not currently being taken into account (e.g. public anxiety, and impacts on social justice and social capital);

- The social <u>benefits</u> identified included jobs and business opportunities, recreation and leisure activities, improved health and wellbeing, liveability and amenity, regeneration, strengthened communities (e.g. from positive work with flood affected communities), and community cohesion from measures which help build community networks and which ensure the inclusion of minority interests.

7. Conclusions

The research found that the importance of social issues was already apparent to most functional areas across the Environment Agency, and there were some instances of good and innovative practice. However, there was no consistent understanding of the nature and importance of social issues across the organisation (even though this area results in external pressures and demands) or of which social issues were a current priority for the Agency.

In practice, therefore, the process was less focused on building understanding among the Environment Agency Heads of Function of the social dimensions of the Agency's work (as envisaged in the original objectives for the work, see 1.2), and rather focused on developing a shared understanding of mutual priorities.

The social appraisal development process identified the priorities of the different functional areas, feeding into the development of programmes of work on social issues designed to support and serve the Environment Agency's environmental priorities, while also aiming to minimise negative social impacts and maximise (and publicise) the wider social benefits of Agency activities.

The social appraisal development process also investigated the place of social issues within sustainable development, to identify a set of social appraisal criteria which were appropriate to the Environment Agency's objectives, duties and values. These criteria have been integrated into the Agency's integrated appraisal system, and offered as a set of key social criteria to enable Agency staff to assess the social issues relevant to their work in more consistently and effectively.

It was not considered appropriate to develop a formal social appraisal tool at this time, but rather to simply add social criteria / questions to the overall Environment Agency Policy Appraisal Guidance, and to offer the finally revised and agreed social criteria (see Annex 4) to those wishing to consider social impacts and processes in more detail in partnership with the Social Policy team.

Finally, the social appraisal development process provided the opportunity for a detailed discussion of the social dimensions of the Environment Agency's work between the Social Policy team (supported by the consultant team) and Heads of Function across the Agency. The involvement of the Joining Up Project Development Group and the Joining Up Project Board in this research and development process further widened the shared understanding of the social issues of most relevance to the Agency, and enriched the research and development process itself. Learning about social issues relevant to the Environment Agency's work was integrated with the process of developing the new Social Policy for the Agency (agreed in July 2003), and helped embed the principles behind the policy into the thinking, planning and delivery of Agency core priorities.

Annex 1.

The Environment Agency's social policy

Environment Agency Policy
SOCIAL POLICY
Policy Number: 22_04
Policy Statement (This should be read in conjunction with the attached explanatory note and implementation plan for 2003/04) The role of the Agency is to champion the environment in the context of sustainable development. This is reflected in the explicit duty placed on the Agency through the revised Defra Section 4 guidance to 'protect or enhance the environment in a way which takes account of [economic and] social considerations'. (The Section 4 guidance agreed with the National Assembly of Wales requires the Agency to 'develop approaches which deliver environmental requirements and goals without imposing excessive costs…on society more widely'). (This guidance is relevant to the formulation of approaches that the Agency should take to its work, decisions about priorities for the Agency and allocation of resources. It is not directly applicable to individual regulatory decisions of the Agency.) The aim of this policy and explanatory note is to set out further clarification of these "social considerations", so that staff can work within a clear set of boundaries. The Agency's social responsibilities are defined through three principles: 1. Understanding and communicating the social impacts of our work, including opportunities to deliver combined environmental and social benefits. 2. Addressing environmental inequalities. 3. Transparency, information, and access to participation. Each of these principles is further detailed in the explanatory note attached. To demonstrate our social responsibilities we will: • Formulate policy for our regulatory and operational activities in ways which, where appropriate, minimise any negative social impacts and maximise positive social benefits; • Develop our advice to Government and others in ways that takes account of people, whatever their backgrounds; • Ensure that our policy development process takes account of the social dimension of the Agency's business; • Develop evidence to support our work on social considerations; • Report progress to others, including Government.
Policy Author: John Colvin
Policy Sponsor: Peter Madden

Signature of Authorisation by Policy Sponsor:		
Version: 9	Date: July 2003	Available from: http://146.213.80.51/icontent/DocDir14/22_04.doc

Explanatory Note

Social Policy

Background
The role of the Agency is to champion the environment in the context of sustainable development. The recent revision of the Section 4 guidance (December 2002, under the Environment Act 1995) makes explicit the role of the Agency in contributing to sustainable development. While it is for Government to take the eventual policy decisions which will integrate social, economic and environmental needs (Section 4 guidance, para 3.8), the Agency nonetheless has two key roles to play:

1. "To protect or enhance the environment in a way which takes account (subject to and in accordance with the 1995 Act and any other enactment) of [economic and] social considerations" (para 3.4).
2. In "framing its advice and views to Government, the Agency should…bring its knowledge of the interactions between environmental practice and social [and economic] factors" (para 3.8).

The Government places a strong emphasis on the relationship between environmental and social conditions. The importance of recognising and addressing these links in the UK was highlighted in a recent speech by the Prime Minister (February 2003).
There is also a strong emphasis within the Corporate Strategy on the Agency's role in contributing to quality of life for people. This commits the Agency to:
• taking a more proactive, collaborative approach to building understanding, informing and influencing on environmental issues;
forming close and responsive relationships with our partners and contributing to Local Strategic Partnerships;
• placing a greater emphasis on environmental awareness, and how people experience and perceive the environment;
• contributing to community life, shifting the focus of our contribution to where we can make the greatest difference, especially in low quality and degraded environments, and ensuring that we include the interests of disadvantaged communities and minority groups in our work.

Principles defining the Agency's social policy
The aim of this policy and explanatory note is to set out further clarification of what social considerations are most relevant for the Agency, so that staff can work within a clear set of boundaries. Based on the environmental benefits to be derived from taking social considerations into account, and on the political risks of failing to properly understand these considerations; and drawing also on the guiding principles of the UK Sustainable Development Strategy, set out in the section 4 guidance (para 3.3), the Agency's social policy covers three key themes:
• understanding and communicating the social impacts of our work, including opportunities to deliver combined environmental and social benefits;

- addressing environmental inequalities;
- transparency, information and access to participation.

Reflecting section 4 guidance (para 3.11), the way we apply these principles will vary across the business. 'The requirement to take account of [economic and] social considerations must be seen in the context of the specific activity the Agency is engaged in, and the degree of discretion it has under its statutory powers and duties'.

(1) Understanding and communicating the social impacts of our work: A broad understanding of the social impacts of our work can help deliver environmental benefits, in at least two ways. First, in situations where delivering social improvements also delivers environmental benefits. There are many such areas, for example in recreation, health, education, reducing crime, regeneration and reducing deprivation. In some of these areas – for example recreation and health - the Agency has already established an active programme, whereas in others – for example reducing deprivation - it is at an earlier stage of clarifying the linkages and understanding more precisely where the combined benefits lie. Second, we also need to engage with and gain leverage over other agendas which carry greater political resonance in which environmental priorities are sidelined, but could be 'mainstreamed' by connecting them with politically more popular social agendas. To succeed requires an understanding of the relevant social agendas and of how environmental priorities can connect to these.

(2) Addressing environmental inequalities: While 'combating poverty and social exclusion' (one of the guiding principles of the UK sustainable development strategy) is not a primary responsibility of the Agency, the Agency does have a contribution to make to tackling environmental inequalities. At the very least, the Agency should be able to demonstrate that we have considered any potentially negative social impacts of our work and clarified our responsibilities for mitigating these.

(3) Transparency, information, and access to participation: The way in which the Agency communicates with and involves others in the delivery of its objectives can be critical to their effective implementation. This reflects a move across the public sector towards engaging with others, rather than telling them what to do. Furthermore, transparency is a key to building trust with stakeholders. Providing high quality environmental information enables citizens to take better informed action on behalf of the environment. And effective stakeholder and citizen involvement is increasingly key both to good policy making and to effective delivery on the ground.
The Agency is already working actively in this area. The new Corporate Affairs programme, 'Building trust in local communities', the work in Environmental Protection on 'effective engagement with special interest groups' and the development of a public participation strategy to underpin River Basin Planning (Water Framework Directive) are all current examples.

The level of engagement with stakeholders and the public needs to be proportionate to the environmental objectives we are seeking to deliver. However, this is now a business critical issue for many of our functions, including flood defence, waste, process industries regulation, recreation & navigation and the Water Framework Directive.

Annex 2.

Research for development of criteria

Introduction

In drafting the social criteria for the Environment Agency, an extensive research exercise was undertaken during 2002 to examine a wide range of existing social criteria, within a sustainable development context, from both inside and outside the Agency.

Overall, the research found that the social aspects of sustainable development were far less developed than either the environmental or economic aspects. Numerous sources were examined, and the following were found to include relevant and useful criteria, which were used to draft the initial set of social criteria for the Agency. This annex summarises the findings of this initial research.

In summary, the sources covered in this paper are (full references at the end of this annex):
1. HM Treasury Green Book
2. Government's sustainable objectives, guiding principles and indicators
3. Defra's sustainable development strategy
4. The Government's Integrated Policy Appraisal
5. The Environment Agency's Sustainable Development Policy Analysis
6. The Environment Agency's Section 4 Guidance
7. The Joining Up Project's Social Policy Framework
8. Social issues in EIAs of Environment Agency flood defence schemes
9. Integrated Appraisal of Environment Agency Policies
10. The Environment Agency's Chemicals Strategy Options Appraisal Guidance.

1.   HM Treasury Green Book

HM Treasury's Green Book on Appraisal and Evaluation was currently undergoing revision at the time of the social appraisal research. The last full version had been produced in 1997, and a new draft was out for consultation, with the final version of the redraft expected to be issued by the end of 2002.

The Green Book is aimed at improving economic appraisals of the policies, programmes and projects promoted by Government and its departments and agencies. The redraft focused on addressing three issues:
•   a longer term perspective;
•   better informed policy-making, rooted in a more substantial evidence base;
•   a greater focus on evaluating the <u>benefits</u> from investment.

The emphasis throughout was on capital projects, but it also covered policy and programme development. Key relevant issues in the appraisal model included:

- **Distributional adjustments** (para 3.23 of consultation paper). This is about adjustments to the valuation of monetary benefits to reflect differences in value to people with differing degrees of affluence (i.e. an extra pound spent may give more benefit to a person who is poor than someone who is well-off). The aim was to enhance the 'fairness' of proposals, and to address their social impacts and their scale. The draft proposed that an economic analysis should identify:
  - If there were any significant distributional issues;
  - If anything could or should be done about them;
  - The costs and benefits associated with taking action.

  Analysis of impacts should:
  - be of a depth proportional to the importance of the proposal;
  - reveal the degree to which different socio-economic groups are, or will be, affected;
  - cover those who would benefit, who would be worse off, and those who will consider that they will suffer a loss relative to their current situation or their legitimate expectations;
  - identify any significant social issues or opportunities associated with a proposal;
  - outline the extent to which they may impact on the proposal;
  - develop strategies and options to deal with these issues.

  Two key areas identified in relation to social issues were:

  - **Variations in impact according to income**. Essentially that the cost benefit equation will vary according to <u>income</u> (e.g. it has been accepted that cost benefit analysis applied to measures affecting consumers must take into account that greater weight has to be given to detriment suffered by low income consumers (Green Book para 4.12.1, footnote). So decisions have to take these differences into account, and distributional weighting may need to be used in assessing cost benefits.

  - **Social equality**. Essentially that options may have a differential impact on different <u>groups in society</u> (e.g. socio-economic groups, gender, ethnic or others). Social equality is affected by the extent to which an option intensifies or mitigates inequalities (e.g. income levels).

One of the draft new Annexes to the Green Book covered Valuing Non-Market Impacts. These impacts include:

- **Valuing time**. Well-established in transport appraisals.

- **Valuing health benefits**. Covering not just life or death but also changes in life expectancy and quality of life. Recommends the EuroQol instrument for measuring these things; EuroQol weights life

expectancy for health-related quality of life over time. The recommended approach to doing an economic analysis including health benefits was the one used in An Economic Analysis of the National Air Quality Strategy Objectives (see Annex A for the five step process this involves), although the Green Book said this does not value health impacts in monetary terms.

· **Preventing fatalities or injuries**. Essentially about calculating the monetary value of a prevented fatality or injury, and giving examples of existing calculations (e.g. Department for Transport calculates reduction of risk in road transport at about £1.145 million per casualty prevented, down to HSE tariff for pain, grief and suffering for minor non-reportable injuries which starts at £150).

· **Valuing environmental impacts**. Recognised the 'common goods' nature of the environment and concluded the market is failing to match the supply of, and demand for, environmental quality. Covered use value (users/consumers), option value (not current users), existence value (never intend to be users) and bequest value (desire to pass benefits or options to future generations). Also covered 'contingent valuation', which constructs hypothetical markets to elicit monetary estimates of values.

2. Government Sustainable Development objectives, principles and indicators

2.1 UK Sustainable Development strategy

The UK Strategy for Sustainable Development (*A Better Quality of Life*, DETR 1999) had four objectives which have to met <u>at the same time</u>, in the UK and the world as a whole:
· social progress which recognises the needs of everyone;
· effective protection of the environment;
· prudent use of natural resources; and
· maintenance of high and stable levels of economic growth and employment.

These four objectives were supported by ten guiding principles, which were:
· Putting people at the centre;
· Taking a long term perspective;
· Taking account of costs and benefits;
· Creating an open and supportive economic system;
· Combating poverty and social inclusion;
· Respecting environmental limits;
· Using the precautionary principle;
· Using scientific knowledge;
· Transparency, information, access to justice and participation;
· Making the polluter pay.

2.2 National headline indicators for sustainable development

The Government's official Headline Indicators for Sustainable Development (against which the Government reported progress towards sustainable development), quoted directly from *Achieving a Better Quality of Life. Review of Progress towards sustainable development. Government annual report 2001* (DEFRA March 2002) were as follows.

Economic
H1   Economic output (GDP at constant prices)
H2   Investment (current prices)
H3   Employment (% of working age people in work)

Social
H4   Poverty and social exclusion (selected indicators)
H5   Education (% of 19 year olds with level 2 qualifications)
H6   Health (expected years of healthy life)
H7   Housing (non-decent homes)
H8   Crime (violent crime, theft and burglary)

Environment
H9   Climate change ('basket' greenhouse gases)
H10   Air quality (days of moderate or higher air pollution)
H11   Road traffic (vehicle miles)
H12   River water quality (percentage of total river length)
H13   Wildlife (populations of wild birds - especially farmland and woodland birds)
H14   Land use (% new homes on previously developed land)
H15   Waste (arisings and management)

The social indicators, in more detail, were as follows:

H4   Poverty and social inclusion. Focuses on
        • single elderly households experiencing fuel poverty
        • children in low income households
        • working age people with no qualifications (especially basic skills e.g. literacy and numeracy)
        • working age people in workless households

H5   Education
        • raising numbers of % of 19 year olds with level 2 qualifications

H6   Health (life expectancy and expected years of healthy life), focusing on:
        • health inequalities, especially affecting infant mortality and disparities in life expectancy between different localities and the particular problems of disadvantaged groups
        • related Public Service Agreement (PSA) targets mentioned here are:
            • Department of Health: reducing mortality from heart disease, cancer and suicide
            • DEFRA: improving air quality

H7   Housing (reducing non-decent homes), included focus on:

- degree of thermal comfort (so energy efficiency), as well as standards of repair and level of facilities
- social housing in the most deprived areas

H8   Crime (reducing violent crime, theft from vehicles and domestic burglary). Related PSA targets included a focus on drug-related crime.

Other headline indicators for sustainable development with a social component were:

H3   Employment (% of working people in employment)
H10   Air quality (days when air pollution was moderate or higher)
H11   Road traffic
- aim was to improve access for people and goods, whilst reducing traffic growth and tackling congestion and pollution
- related PSA targets include:
  - increasing rail and bus use
  - reducing road accidents
H14   Land use (% new homes on previously developed land)
- related PSA target is that 60% of new housing by 2008 should be on previously developed land and building conversions
H15   Waste (waste arisings and management). Aim here was to reduce waste by:
- improving resource efficiency
- reducing landfill
- increasing recycling and composting.

2.3   Government priorities for sustainable development

The 2001 Sustainable Development progress report also identified some Government priorities for sustainable development. These were:

- **Economic priorities.** Overall priority was to increase growth which was of a higher quality than in the past, while reducing pollution and the use of resources. This required:
  - a sustainable economy = resource productivity / efficiency
  - corporate social responsibility
  - electronic / digital developments
  - rural economy
  - adult skills
  - information about environmental regulations
  - reducing pollution.

- **Building sustainable communities.** Overall priorities were that prosperity needed to be shared more widely and fairly around the country (reduce regional disparity), and to make towns and cities better places to live and work while retaining the special characteristics of landscape we most value. This required the following factors:
  - strengthening regional and local communities
    - regional sustainable development frameworks (one now done for every region)
    - local strategies (i.e. community strategies)

- meeting people's social needs (promoting better health, housing and access to services and recreation)
  - tackling health inequalities
  - tackling homelessness
  - transport (Transport Plan)
- improving local surroundings (revitalising town centres, tackling degraded urban environments and ensuring that development respects the character of the countryside)
  - tourism
  - planning
  - urban communities
  - heritage
  - rural communities
- reducing crime and the fear of crime
- addressing problems of poverty and social exclusion in the most deprived communities
  - neighbourhood renewal
  - New Deal for Communities
  - fuel poverty strategy
- co-ordinating policies to bring these objectives together.

- **Managing the environment and resources.** Overall priority repeated the economic one - economic growth must be of a higher quality than in the past, and it needed to be achieved while reducing pollution and use of resources. This required tackling:
  - the impact of climate change
  - sustainable energy (energy efficiency and renewables)
  - air quality
  - soil
  - diffuse pollution (nitrates, transboundary air pollution)
  - biodiversity
  - waste.

- **International co-operation and development.** Overall the priority was to contribute to global sustainable development, in particular for those in extreme poverty. The factors identified to achieve sustainable development internationally were:
  - work with others to eliminate global poverty and raise living standards in developing countries
    - Millennium Declaration goals
    - focus on young and poor
    - least developed countries
    - better health for poor people
    - environmental democracy, as defined in Principle 10 of the Rio Declaration i.e. 'the promotion of access to environmental information, justice and participation in decision-making'; and the Aarhus convention
  - work with others to tackle global pressures on the environment and resources

- promote a fair and open trade system which respects the environment (WTO and Doha)
- strengthen the place of sustainable development in international organisations (OECD).

3. Defra's sustainable development strategy

Defra's own sustainable development strategy supplemented the overarching ten guiding principles with additional statements, as follows:
- Putting people a the centre: encompassing the food we eat, the water we drink, the air we breathe.
- Taking a long term perspective: responsibilities such as climate change, resource efficiency, access to rural services and agriculture require a long term perspective.
- Taking account of costs and benefits: Government policy requires careful appraisal of the benefits and measures it seeks to achieve, the costs it entails, and the burden on business.
- Creating an open and supportive economic system: a strong and competitive economy is integral to sustainable development; it means providing goods and services which meet consumers' needs and are produced and used efficiently.
- Combating poverty and social inclusion: policies to help shape quality of life, through influence in areas such as local environments, warm homes, affordable food, flooding, and jobs and services in rural areas.
- Respecting environmental limits: in a world where climate change and environmental degradation are recognised and addressed; defining limits is difficult, but are vital to avoid irreversible loss of resources such as some fish stocks through overfishing.
- Using the precautionary principle: covering many areas such as chemicals, biotechnology and animals diseases.
- Using scientific knowledge: policies based on the best scientific advice, information and evidence.
- Transparency, information, access to justice and participation: commitment to openness and transparency, especially on environmental information, and delivering improved access to environmental justice, encouraging local action and participation.
- Making the polluter pay: where possible, the polluter should pay the costs of pollution, resource depletion and social disamenity.

Defra's 22 Indicators of Progress on its sustainable development strategy included only three which were social, with the vast majority being environmental. The three social criteria were:
- socio-economic impacts of climate change (under development);
- weekly consumption of fresh and processed fruit and vegetables (balancing 'affordable' food with sustainable food production, and focusing on health effects of nutrition including cancer and heart disease);
- access to key rural services in England (health, education, social, employment and post office).

Defra also had seven cross-cutting themes, of which two were explicitly social:

- **Public Health and Wellbeing** covers access to clean air and water and safe food; risks from radioactivity, other sources of pollution, chemicals, flooding, climate change etc, and distributional impacts of "sources of pollution such as landfill sites and industrial incinerators". They have issued specific guidance on assessing these (para 3.47). Defra had commissioned research into the health impacts of air quality in low income areas, but had not yet found any obvious indicator (para 3.48).
  Wellbeing and recreation is another element of this theme, related to Defra's responsibility for countryside recreation; also noise (no indicator, but consultation issued December 2001).
- **Rural economies, communities and countryside character**. No indicator here, but Defra was expecting to devise one based on income.

In assessing Defra's own social impacts, its sustainable development strategy talks about personnel and management strategies, with the focus almost entirely on staff terms and conditions (including flexible working, health and safety), with some mention about how Defra deals with appointments to boards, and contractors.

4. The Government's Integrated Policy Analysis

The Government had developed an Integrated Policy Analysis (IPA) to meet its obligations under the sustainable development strategy. The criteria are outlined below, together with extracts from the appropriate sections of the Government's Supplementary Guidance relevant to social issues: on valuing environmental and other non-market impacts (with a mention of multi-criteria analysis), and on distributional impacts including deprivation and income groups.

ECONOMIC

Public accounts
- Will the policy or project involve costs to exchequer funds?
- Will it result in receipts or savings to the Exchequer?
- Will it impose administrative or other burdens on public service providers?
Quantitative assessment:
- Money value of exchequer cost for each of the next 3 years, separated between DEL and AME, running costs and programme spending. Total effect on public spending in next 3 years. Any quantified effect for subsequent years, with (if possible) the Net Present Value. Any consequent effect on tax revenues and other Departments' spending programmes.

Consumers
- Will the policy or project affect the cost, quality or availability of commercially available or publicly-provided goods or services?
- Will it result in a change in the choice available to consumers, or the availability of information to enable them to exercise choice?
- Will it introduce a new technology or process that will make existing goods redundant over time?

Business
- Will the policy or project impose or relieve a cost or burden on business, charities or the voluntary sector?

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- Will it result in a change in the investment in people, equipment, infrastructure, or other asset?

Quantitative assessment:
- All quantified cost; any quantitative effect on competitiveness indicators

SOCIAL

Public health and safety
- Will the policy or proposal lead to an increase or decrease in the risk of injury or ill-health due to accidents or working methods?
- Will it affect health related behaviour such as diet, physical activity, alcohol, tobacco and drug consumption, sexual behaviour, excessive gambling?
- Will it affect any other determinant of health not covered elsewhere in the checklist?
- Will it affect the use of preventive services such as health screening, immunisation, sexual health services?

Crime
- Will the policy or project affect the rate of violent and non-violent crimes?
- Will it divert people away from crime?
- Will it affect peoples' fears about being a victim of crime?
- Will it create a new offence or create an opportunity for crime e.g. through fraud?

Quantitative assessment:
- Likely increase or decrease in cases on and off police statistics.

Social capital, community and education
- Will the policy or project affect the number of people involved in voluntary and community activities?
- Will it affect people's access to information or enabling social networks?
- Will it affect the availability of affordable homes of suitable quality?
- Will it affect the capacity for parents/ guardians to provide a stable environment for their children?
- Will it affect the level of skills and education, in the workforce, among children, or otherwise?

ENVIRONMENTAL

Climate change
- Will the policy or project lead to a change in the emissions of any of the six greenhouse gases?
- Will it affect, or be affected by, vulnerability to the predicted effects of climate change e.g. flooding?

Quantitative assessment:
- Million tonnes of carbon equivalent saved.

Air quality
- Will the policy or project lead to a change in the emissions of air pollutants?
- Will it result in greater or fewer numbers of people being affected by existing levels of air pollution?
- Will it have a bearing on areas of existing poor air quality?

Quantitative assessment:

- Volume change in emissions of a pollutants; or likely impact on levels of concentrations of pollutants in affected area, or total number of households affected by increase/decrease.

Landscape
- Will the policy or project involve visually intrusive construction works?
- Will it involve demolition or modification of historic buildings?
- Will it impact on a location in such a way as to change its sense of place or identity in any other way?

Land use, waste and water
- Will the policy or project consume a substantial volume of natural, non-renewable resources, including land?
- Will it lead to a change in the volume of waste produced or to the way it is processed?
- Will it affect the efficient use of energy or water?
- Will it lead to an increase or decrease in water pollution?
- Will it increase or decrease water abstraction or otherwise affect the flow, run-off or recharge of water?

Quantitative assessment:
- Additions/reductions in pollution load and costings if appropriate. Volume of water abstracted/returned.

Biodiversity
- Will the policy or project involve disturbance or relief of disturbance to habitats or species by change of land use, light or noise?
- Will it lead to severance, fragmentation, isolation or change in size of habitats?

Quantitative assessment:
- Number of protected species impacted upon – quantification of impact if feasible.

Noise
- Will the policy or project lead to increase or decrease in exposure to noise of sensitive buildings such as schools and hospitals?
- Will it lead to an increase or decrease in the number of people affected by existing noise?
- Will it lead to a change in standards or use that would increase or decrease the noise generated by products?

Quantitative assessment:
- Number of people/households affected by quantified increase/decrease in ambient levels

Other
- Will the policy or project have a significant impact that does not appear to be reflected in any of the categories above.

Distributional impacts
Assessment of differential impacts relating to:
- Deprivation and income groups
- Age
- Gender
- Disability
- Race
- Regions and localities
- Rural areas

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- Small firms
- Other effects that differ across different groups.

Risk

(Summary of main risks identified, of any special assumptions made)

5.   The Environment Agency's Sustainable Development Policy Analysis

A paper on the Environment Agency's Sustainable Development Policy Analysis was produced in July 2000 and reported on two pieces of work: a review of the statutory guidance on sustainable development for the Agency, and a review of Environment Agency policies.

The overall conclusion of the review of the Agency's policies was that it was doing "quite well" overall, with internal policies coming out "very favourably, with a slight weakness on the social side of sustainability"; and external policies seen to be "very strong" on environmental aspects, doing "quite well" on social aspects but doing "quite badly" on economic aspects.

This split between internal business support policies (e.g. personnel) and external service delivery policies (e.g. waste licensing) was adopted throughout the review, although they recognised the difficulty of drawing a line between them.   The approach was to set appraisal 'objectives', which were actually appraisal criteria, around internal and external policy issues, as follows.

INTERNAL POLICY APPRAISAL CRITERIA
Sustainability criteria

Governance and ethics
G1   To be transparent about our organisation and processes
G2   To achieve the highest standards of integrity
G3   To meet all legislative requirements
G4   To meet the standards of codes of practice relevant to the organisation
G5   To increase investment in, training for and use of information and communication technology

Stakeholders - general
G6   To value our stakeholders
G7   To communicate with our stakeholders and involve them in our decisions
G8   To ensure equal access to information
G9   To establish and publicise routes of appeal and complaint
G10   To handle complaints speedily, professionally and courteously
G11   To respond to public enquiries speedily and professionally
G12   To achieve stakeholder satisfaction, as far as is possible

Social
Employment
S1   To motivate employees
S2   To create a working environment that is open, honest and unprejudiced and which encourages people to achieve their full potential
S3   To value people's individual and team contributions
S4   To recruit, employ and reward on ability and contribution

S5   To provide opportunities for personal growth and professional development
S6   To protect and enhance the health of employees
S7   To promote a healthy lifestyle
S8   To ensure pay is of a reasonable level and is distributed fairly
S9   To create an environment which is family friendly and flexible
S10   To achieve a high level of job satisfaction

Local communities and neighbours
S11   To protect and enhance the health of our neighbours
S12   To ensure equal opportunity of access to Agency-owned/managed facilities
S13   To be part of the community within which we are based

Economy
Good financial practice
E1   To be efficient in our business and provide Best Value
Environmental accounting
E2   To ensure that we understand the external environmental costs of our business
Pension fund
E3   To make ethically sound investments through our pension funds
Local community and neighbours
E4   To promote the New Deal
E5   To increase the use of locally produced goods, food and services
Suppliers
E6   To ensure prompt payment of invoices
E7   To ensure the environmental impact of our suppliers and the products used is minimised
E8   To ensure the social impact of our suppliers and the products we use is minimised

Environmental Protection
EP1   To protect and enhance the biodiversity on our sites
EP2   To protect and enhance surface waters on or connected to Agency sites
EP3   To reduce emissions of gases which contribute to poor air quality and climate change
EP4   To protect and enhance the natural and built heritage on our sites
EP5   To protect, enhance and, where necessary, restore the quality of land on our sites

Resources
R1   To increase the use of demand management and new technologies to reduce energy and water consumption in our buildings
R2   To increase the proportion of renewable energy consumed
R3   To minimise the production of waste and increase recycling and recovery rates
R4   To reduce the use of primary minerals
R5   To minimise intrusion of new Agency office locations onto greenfield sites and green spaces in the countryside and in urban areas.
R6   To ensure the use of best practice in the management of general and special wastes on our sites
R7   To reduce the need to travel and improve choice and use of sustainable transport modes

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EXTERNAL POLICY APPRAISAL CRITERIA
Sustainability criteria

Governance
G1   To integrate environmental management
G2   To operate to sound scientific principles
G3   To value our stakeholders
G4   To communicate with our stakeholders and involve them in our decisions
G5   To ensure equal access to information
G6   To identify stakeholder values and achieve their satisfaction, as far as is possible.

Economy
E1   To reclaim dereliction, accelerate regeneration and optimise the beneficial use of brownfield sites
E2   To increase investment and employment in the environmental services sector
E3   To increase the level of engagement of large companies in corporate social responsibility and business excellence
E4   To increase investment and employment in, and development of, sustainable leisure and tourism
E5   To increase investment, employment and innovation in clean technologies and services
E6   To increase investment and employment in, and development, of sustainable agriculture
E7   To encourage the production and consumption of local goods, services and resources
E8   To recognise the external costs of environmental and social impacts
E9   To ensure charges are applied fairly and consistently
E10   To promote the New Deal
E11   To increase employment.

Social
S1   To reduce social exclusion
S2   To encourage communities to be actively involved in local decision making and voluntary activities
S3   To encourage community cohesion ("Sustainable communities")
S4   To improve and ensure equal access to Agency services and facilities
S5   To protect health and reduce health inequalities
S6   To increase the proportion of resource efficient housing and reduce fuel poverty
S7   To reduce environmental crime
S8   To increase awareness of the environment through educational establishments
S9   To improve the quality of living environments
S10   To improve the quality of and access to recreational and other leisure facilities.

Environmental protection
EP1   To protect and enhance endangered and valued species and habitats

EP2   To create new areas of habitat and manage existing networks of sites, which are essential for the movement and interchange between populations of wildlife and the general enhancement of biodiversity

EP3   To protect and enhance local distinctiveness, wildlife value and the general quality and accessibility of landscapes

EP4   To protect natural heritage and sites of archaeological importance

EP5   To protect, enhance and, where necessary, restore the quality of inland, estuarine and coastal waters

EP6   To protect or, where necessary, improve local air quality

EP7   To reduce the potential impacts of climate change

EP8   To protect, enhance and, where necessary, restore the quality of land

EP9   To reduce emissions of gases which contribute to climate change.

Resources

R1   To increase the proportion of energy generated from sustainable and renewable sources

R2   To minimise the production of waste and increase recycling and recovery rates

R3   To reduce the use of primary minerals

R4   To ensure the preservation, sensitive adaptation and re-use of the built heritage

R5   To minimise intrusion of new development onto greenfield sites and green spaces in the countryside and in urban areas.

R6   To ensure the sustainable management of water resources

R7   To achieve sustainable inland and coastal fisheries

R8   To promote the use of good design in projects to maximise net social and environmental gain

R9   To ensure the safe management of nuclear waste

R10   To ensure the use of best practice in the management of general and special wastes

R11   To encourage the use of the proximity principle for waste management

R12   To reduce the need to travel and improve choice and use of sustainable transport modes.

6.   The Environment Agency's Section 4 Guidance

Section 4 Guidance is the Government's statutory guidance to the Environment Agency, required under Section 4 of the 1995 Environment Act. The relevant paragraphs in the current guidance (2002) to a social appraisal process were (all are direct quotes):

- **Under 'Agency roles', paras 3.4 - 3.6:** The Agency had two roles in contributing to the achievement of sustainable development. These were:

  - to protect or enhance the environment in a way which takes account (subject to and in accordance with the 1995 Act and any other enactment) of economic and social considerations; and

  - to be an independent advisor on environmental matters affecting policymaking, both within Government and more widely."

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These roles were an integral part of the Agency's normal business. It follows that, in the allocation of its resources, sustainable development should not be seen as a separate and additional undertaking.

The Agency's main contribution to achieving sustainable development will be to deliver the objectives in part 4 of this guidance in a way which takes account (subject to and in accordance with the 1995 Act and any other enactment) of economic and social considerations.

- **Under para 3.8**: It is for Government to take the eventual policy decisions which will integrate social, economic and environmental needs. The Agency's advice and influence should reflect the environmental perspective, where its expertise is greatest. In framing its advice and views the Agency should however bring to bear its knowledge of the interactions between environmental practice and social and economic factors.

- Under ' **Economic and social considerations', paras 3.10-3.12:** The Agency's work can have major social and economic as well as environmental consequences. The Agency should develop approaches which deliver environmental requirements and goals without imposing excessive costs (in relation to benefits gained) on regulated organisations.

  The requirement to take account of economic and social considerations (set out in paragraphs 3.4 and 3.6 of this guidance) must be seen in the context of the specific activity the Agency is engaged in, and the degree of discretion it has under its statutory powers and duties.

  The Agency's ability to take account of economic and social considerations will in practice be affected by the extent of its knowledge of how these interact with environmental practice. It thus needs to develop and maintain or have access to adequate experience and understanding of the interactions between environmental practice and social and economic factors. The partnerships it forges with other organisations (including those described in paragraph 4.1 i) will be particularly germane to this and thus help the Agency meet its objectives. The Agency should not duplicate the existing role of other expert bodies. For example, it will need to consult as appropriate with bodies with responsibilities for protection of public health, including the Department of Health, the National Health Service, the Health Development Agency, the Health and Safety Executive and local authority Environmental Health Departments. The Agency should where possible enter into agreements with other expert bodies to enable it to have continuing and rapid access to the necessary advice, while developing 'in-house' capability to act as an intelligent client.

  In considering how best to integrate environmental, economic and social considerations the Agency should bear in mind all relevant Government policy and guidance.

- Under 'Government objectives for the Agency', para 4.1 objectives are particularly relevant. The Guidance says: In discharging its functions and in developing its corporate strategy the Agency's objectives shall be to [extracts only cited here]:

  a) Protect or enhance the environment, taken as a whole, in a way which takes account (so far as is consistent with the Agency's legal obligations) of economic and social considerations, so as to make the contribution towards achieving sustainable development which the Secretary of State considers appropriate, as set out in this guidance.

  b) Adopt an integrated approach to environmental protection and enhancement, which considers impacts of substances and activities on all environmental media, on natural resources, and where appropriate on human health.

  d) Meet high standards of professionalism (based on sound science, information and analysis of the environment and of processes which affect it), transparency, consistency and environmental performance.

  e) Conduct its affairs in an open and transparent manner in full compliance with the requirements of all relevant statutory provisions and codes of practice relating to the freedom of, and public access to, environmental and other information and to make such information broadly available subject to legislative constraints.

  i) Reflecting on and building upon the principles of public accountability, develop a close and responsive partnership with the public, local authorities and other representatives of local communities, regional chambers and other regional bodies, other public bodies and regulated organisations, and adopt effective procedures to manage these relationships.

- **Under the Guidance on discharging its main operational functions and in developing its corporate strategy, para 4.2, there are some specific social objectives**: The Agency, having regard to the guidance in paragraph 4.1 above, should pursue the following objectives in [extracts only cited here]:

  a) **Flood defence**. To reduce the risks to people and to the developed and natural environment from flooding, and in particular:
     - to provide adequate, economically, technically and environmentally sound and sustainable flood and coastal defences;
     - to provide adequate and cost-effective flood warning systems which contribute to a seamless and integrated service of flood forecasting, warning and response; and
     - to discourage inappropriate development in areas at risk from flooding.

  b) **Water quality and water resources** [extracted]. To plan to secure the proper use of water resources by using strategic planning and effective resource management which takes into account environmental, social and economic considerations.

e) **Fisheries**. To maintain, improve and develop salmon and freshwater fisheries, and in particular [extracted]:
  - to enhance the social value of fishing as a widely available and healthy form of recreation.

h) **Navigation**. To maximise the social, economic, environmental and heritage benefits of the waterways for which the Agency is the navigation authority and to work with other navigation authorities and others to create an enhanced and integrated inland waterway system and in particular:
  - to maintain its assets in a condition which ensures the safe use of its waterways; and
  - to promote urban and rural regeneration.

j) **Recreation**. To promote the recreational use of inland and coastal waters and associated land in accordance with the Code of Practice on Conservation, Access and Recreation, and in particular:
  - to promote greater recreational use of its waterways by all sectors of society and provide improved facilities for users; and
  - to regularly review the Agency's regional recreation strategies.

- **Under 'The Agency's work in relation to climate change, land use planning and regeneration', para 5.8:** The Agency is required to promote urban and rural regeneration under its objective for navigation, where this activity is especially relevant. In exercising its other functions it may also have opportunities to promote regeneration, especially in collaboration with other public bodies, in a manner which is consistent with its legal powers and proportionate.

7. The Environment Agency Joining Up Project's Social Policy Framework

Phase 1 of the Environment Agency Joining Up R & D Project produced a draft Social Policy Framework, which drew on desk research (literature reviews) and a series of regional workshops to devise a set of categories under which social policy issues in the Agency could be considered. This framework also took into account the Government's ten guiding principles for sustainable development. The version agreed at the end of Phase 1 of Joining Up was as follows:

SOCIAL IMPACTS
Social responsibility
- Corporate social responsibility
- Accountability and legitimacy

Social inclusion and social justice
- Principles of social justice, social inclusion and environmental justice within framework of sustainable development
- Poverty, inequality and social inclusion in the UK
- Urban and rural regeneration policy, including the National Strategy for Neighbourhood Renewal

Health, risk and wellbeing
- Health
- Risk, uncertainty and safety
- Wellbeing and quality of life

Commitment to communities
- Policy drivers
- Social capital, communitarianism etc
- Sustainable communities

Employment and Economy
- Economic development, growth
- Environmental modernisation
- Responsibilities of employers

SOCIAL PROCESSES

Stakeholder consultation and involvement
- Participation by whom, and in what
- Principles of participation
- Implications for public organisations

Partnerships
- Partnerships with local authorities
  - Community strategies
  - Local strategic partnerships
  - Public service agreements
  - Best Value
- Partnerships with the voluntary and community sectors
- Partnerships with the private sector

Skills and learning
- Education and learning
- Formal education initiatives relevant to sustainable development
- Capacity building and professional development
- Learning from experience
  - Evaluation and assessment
  - Action learning
  - Action research
  - Learning organisations, networks and communities

VALUES AND PRINCIPLES

Values
- Agency values
- Environmental values
  - Respecting environmental limits
  - Precautionary principle
  - Long term perspective
  - Polluter pays
- Trust
- Values and public policy

Using scientific knowledge
- Social science
- Civic science, including lay knowledge

Transparency, information and access to justice and participation
- Principles (e.g. transparency, openness)
- Legislation (e.g. Aarhus)
- Access to environmental and other information

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8. Social issues in Environmental Impact Assessments of Environment Agency flood defence schemes

In July 2002, the Social Policy Team produced a paper outlining the principles of social appraisal[12]. The paper included, as an annex, a Prompt List of social issues likely to arise from Agency flood defence schemes, taken from the NCRAOA report No 40, 2001, on the consideration of social issues in Environmental Impact Assessments of Agency flood defence schemes. This prompt list was:

- **To what extent will the scheme change the provision and quality of goods and services available to the public?**
  - Access to transport and mobility of individuals (e.g. following severance)
  - Changed recreational opportunities
  - Quality of leisure facilities, recreation areas, parks, fisheries
  - Adequacy of physical infrastructure (water supply, sewerage, services and utilities)
  - Impacts on angling clubs and organisations
  - Rights over and access to resources (e.g. nature reserve, access to land)
  - Disruption to navigation.

- **What impacts will the scheme have on human health and safety?**
  - Impacts on safety of local population
  - Actual personal safety, hazard exposure (protection from flooding, structures such as sluices, weirs)
  - Annoyance, dust, noise, vibration
  - Impacts on vulnerable groups (e.g. elderly, children)
  - Exposure and health impacts.

- **To what extent will the scheme affect the opportunities available to individuals (equal opportunities, reducing the level of social exclusion, increasing involvement in local democracy)?**
  - Impacts on unemployment in areas of interest (e.g. managed retreat resulting in changed land use; construction work opportunities)
  - Uncertainty about impacts, development possibilities, about own life as a result of social change
  - Changed autonomy, independence, security of livelihood
  - Impacts on poverty
  - Reduction in standard of living, levels of affluence
  - Worsening of economic situation, level of income, property values
  - Equity of impacts (e.g. disproportionate distribution of impacts on certain groups)
  - Involvement in decision-making
  - Level of community participation in decision-making; objection / opposition to the project.

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[12] Colvin, J., Orr, P., Reilly, J., Twigger-Ross, C. (2002) *op. cit.*

- **What effect will the scheme have on public perceptions of quality of life (fear of crime, fear of impacts from pollution, sense of community)?**
    - Concerns about risks to health and safety (e.g. from flood risk, risk associated with road and traffic speeds and volumes during construction)
    - Fear of crime (e.g. vandalism)
    - Changed attitude towards local community, level of satisfaction with the neighbourhood (e.g. enhancing area e.g. landscape; reducing flood risk)
    - Change to social networks (enhanced recreation / access; severance)
    - Social tensions, conflict or serious divisions within the community (e.g. landowners versus nature conservation)
    - Change in environmental quality (e.g. aesthetic quality, outlook, visual impacts)
    - Changed mental health, changed stress levels, anxiety, depression
    - Density and crowding (e.g. development on area protected from flooding)
    - Disruption to daily living, way of life (having to do things differently e.g. for those with mobile homes, caravans)
    - Dissatisfaction due to failure of a project to achieve heightened expectations (e.g. following consultation on the scheme)
    - Influences on heritage and other sites of archaeological, cultural or historical significance.

9. Integrated Appraisal of Environment Agency Policies

Vicky Pollard produced an Integrated Appraisal of Environment Agency Policies document in February 2000. The Guidance Paper provided a flow chart of how to use the appraisal mechanism, and gave detailed step by step guidance. It also provided a proforma, with the criteria developed in three strands, as follows:

- **Risks to be addressed**, in relation to
    - the environment
    - civil society (individuals, communities)
    - operators / business
    - the Agency.

- **Appraisal questions**, under the headings of the Government four sustainable development objectives. Under the social category ('social progress which recognise the needs of everyone'), it asked:
    - To what extent will the policy change the provision and quality of goods and services available to the public (utilities, housing, education, leisure facilities, transport and mobility, communications)?
    - What impacts will the policy have on human health and safety?
    - To what extent will the policy affect the opportunities available to individuals (equal opportunities, reducing the level of social exclusion, increasing involvement in local democracy)?
    - What effect will the policy have on public perceptions of quality of life (fear of crime, fear of impacts from pollution, sense of community)?

- **Examples of direct and indirect input**, under the same four headings. The impacts listed under the 'social' heading were:
  - To what extent will the policy change the provision and quality of goods and services available to the public (utilities, housing, education, leisure facilities, transport and mobility, communications)?
    - Provision of good quality and affordable clear water, waste water collection and treatment, electricity, heating, waste collection, community and other utility services
    - Availability and quality of affordable housing
    - Efficiency of transport systems, choices of modes of transport
    - Availability and quality of leisure facilities, recreation areas, parks, fisheries
    - Angling clubs and organisations
  - What impacts will the policy have on human health and safety?
    - Impacts on health and safety in the workplace
    - Impacts on health and safety on the local population
    - Acute and chronic impacts on health of local population from pollutant emissions
    - Inequalities in exposure and health impacts
    - Impacts on vulnerable groups (e.g. children, the elderly, people with respiratory problems etc)
  - To what extent will the policy affect the opportunities available to individuals (equal opportunities, reducing the level of social exclusion, increasing involvement in local democracy)?
    - Impacts on poverty
    - Involvement in local decision making
    - Distribution of employment opportunities and income
    - Type of jobs available
    - Impacts on unemployment in area
  - What effect will the policy have on public perceptions of quality of life (fear of crime, fear of impacts from pollution, sense of community)?
    - The quality of the environment in which people live (e.g. urban environment)
    - The fear of crime
    - Concerns about risks to health and safety e.g. from pollution from local plants, waste management facilities, risks associated with roads and traffic speeds and volumes.

10.   The Environment Agency's Chemicals Strategy Options Appraisal Guidance

The Environment Agency's Chemicals Strategy Options Appraisal Guidance includes evaluation criteria under which the social criteria are:

- Acceptability to stakeholders
  - Does the option respect the values of the communities and social sectors affected?
  - Does the option require change in the way of life of the communities and social sectors affected?

- Health impacts
  - Does the option impact negatively on health - physical and psychological?
- Environmental justice
  - Does the option provide benefits for deprived or disadvantaged geographical areas or social sectors?
  - Are the costs and benefits associated with the option distributed fairly between geographical areas and social sectors?
  - Do the benefits associated with the option favour better-off geographical areas or social sectors?
  - Do the costs of the option fall principally on more deprived or disadvantaged areas or social sectors?
  - Effect on availability of opportunities: to what extent will the option affect the opportunities available to individuals (equal opportunities, reducing the level of social exclusion, increasing involvement in local democracy)?
  - Impacts on vulnerable groups: does the option impact on vulnerable groups e.g. older people, children, people with disabilities.

References / sources

The main sources used for the research in this annex were:

External sources:
- *A Better Quality of Life*. The UK Sustainable Development Strategy published in May 1999 (especially the four objectives and the 10 guiding principles).
- *Achieving a Better Quality of Life*. The Government's review of progress for 2001 (especially the indicators).
- The European Commission's *Structural Indicators*, published 16 October 2002, CON (2002) 551 final.
- The *Welsh Assembly Government Integration Tool* (via Environment Agency Wales), developed (by Forum for the Future) during 2002.
- Defra's *Sustainable Development Strategy: Foundations for our future*, published 2002.
- DTLR Integrated Appraisal Framework (used for the 2002 Spending Review by the Agency).
- Draft revision of HM Treasury 'Green Book' (November 2002), which governs the appraisal and evaluation of public expenditure.
- *Building a Better Quality of Life into Projects, Programmes, Plans and Strategies. An Integrated Appraisal Toolkit: Guidance for the North West*. Consultation draft, version 1/2002 (via Heidi Curran, January 2003).
- *Rural Proofing - policy makers' checklist*. Countryside Agency, 2002.
- *Making Sense of Community*, by Victoria Nash with Ian Christie, IPPR 2003 (which includes a preliminary community-proofing tool).

Internal Agency sources:
- Work on *Sustainable Development Policy Analysis*, July 2000.
- *Integrated Appraisal of Environment Agency Policies*. Vicky Pollard, February 2000.

- *Chemical Strategy Options Appraisal Guidance*.
- The Agency's draft *Social Policy Framework* document, produced during Phase 1 of the Joining Up R & D project, January 2001.
- *Summary Sustainability Appraisal of selected components of the draft corporate strategy*, by Sue Reed, 19 August 2002.
- *Strategic Integrated Appraisal Methods*. Environment Agency R & D Technical Report E2-044. Consultation draft, November 2002 (SIAM).
- Various papers by the social policy and economics teams, and the NCRAOA, on social and other appraisal processes.
- *The Environment Agency's Objectives and Contribution to Sustainable Development: Statutory Guidance*. The formal guidance for the Agency from Defra under Section 4 of the Environment Act 1995.

Annex 3.
Detailed findings from the interviews

1. INTRODUCTION

This Annex provides a more detailed analysis of the data from the interviews conducted during 2003 as part of the social appraisal research and development process. The functional areas covered were:
- Environmental Quality
- Process Industries Regulation
- Waste
- Recreation and Navigation
- Water Resources
- Flood Defence - Policy
- Flood Defence - National Capital Programme Management Service (NCPMS)
- Environmental Policy.

The findings are presented here according to the functional area, and each section includes:
- An introduction, covering the 46 Making it Happen (MiH) target areas covered, and any overall remarks.
- The priority social issues for the interviewee for their target areas and interests.
- Other important social issues for their functional area (and more detail on the priority issues), structured around the initial social appraisal criteria (see section 3.3 for that initial set of criteria).
- Priorities for future work on social issues.

2. ENVIRONMENTAL QUALITY

2.1 Introduction
Their MiH targets included a range of targets for water-related issues; and targets for the Greening Business theme. Environmental Quality has extensive experience of facing social issues, especially through its work related to agriculture and to the Water Framework Directive, for which the Environment Agency is responsible and which takes account of social and economic factors.

2.2 Priority social issues
The particular social priorities Environmental Quality was facing were:
- Working with farmers and rural communities, which was raising issues about working sensitively with disadvantaged rural communities (e.g. deprived upland communities) and sharing learning with deprived urban locations (including about the need for regeneration programmes "to be mindful of environmental risks"). In this context, economic development and regeneration were core concerns, related to the impacts on rural communities of changes to the regulation of agriculture. This had implications in terms of rediscovering the skills needed to

work more effectively with farmers in relation to waste and pollution legislation, rather than rushing to threats and legal action.

- The concerns about fairness and equity had central relevance here in terms of the perceived political influence of farmers, which resulted in delays in enacting new regulatory legislation and crucially affecting the acceptability of regulation to other stakeholders who see farmers escaping regulation applied to other rural small and medium enterprises (SMEs). As well as relating to social justice and equal opportunities, this required creating and maintaining relationships of trust with a wide range of stakeholders.

- Working with others generally was a vital area for Environmental Quality. This was partly related to regulation of water quality, including negotiations with the water industry and other stakeholders through the new public consultation mechanisms such as the regional Water Voice consumer committees. It was also related to strategic policy areas, especially as a result of the Water Framework Directive which requires much more extensive public involvement. Environmental Quality was widely experienced in establishing partnerships with shared goals (e.g. with local authorities and pressure groups such as RSPB), but was facing difficult decisions about which partnerships have the highest priority in terms of meeting Environment Agency objectives.

2.3   Priorities related to the draft social criteria

- A1 (health): Relate to this quite easily. Often about perception rather than reality, but that was no less important.

- B2 (regeneration): Urban regeneration programmes needed to be mindful of environmental risks if environmental dimensions are not taken into account, including cleaning up land. "The Agency is a force for change and optimisation in these areas".

- C1 (equal opportunities and social justice):
    - Need an equitable regulatory regime. Farmers were seen as being treated differently from other SMEs, which affected the way the Environment Agency was seen in regulating the different industries, including being seen as regulating some rural SMEs (e.g. scrap metal dealers) differently from others (e.g. farmers). But "it is important that there is perceived to be a level playing field ... This all crucially affects the acceptability of regulation to other stakeholders". "Regulators needed to use appropriate tools in working with disadvantaged communities: we need to be sensitive and to encourage greater sensitivity on the part of the Government".
    - In upland areas there was rural deprivation and needed to link that to the way the Environment Agency was working as a regulator with deprived rural communities compared to urban communities.

- C2 (robust communities):
    - Water quality targets relate to managing the activities by farmers and others in the rural economy, so "the big issue is about the status of perception / finances of farmers and impacts on rural communities". "Most issues in rural areas are social rather than environmental".
    - "Strengthening networks is very important".
    - "Environmental regulation is never achieved without the tacit support of the regulated", so supportive and understanding communities were critical. Needed more people on the ground e.g. the model of Landcare

Science Report SC010044/SR3

in Australia, where environmental quality was achieved by consensus and voluntary monitoring networks.

- D1 (external Agency corporate social responsibility):
    - Needed to include "equitable treatment of different groups"
    - Integrity needed to cover both business integrity and scientific integrity (sound science)
- D2 (internal Agency corporate social responsibility): Diversity needed to cover more than just ethnic diversity.
- E1 (stakeholder etc participation): Issues for dealing with stakeholders included:
    - Within the current negotiations with the water industry for water quality, there would be more public consultation, more structured and done jointly with others. There was an elaborate structure, managed by Defra, including public opinion surveys, consumer priorities and willingness to pay, and the establishment of Water Voice consumer committees in each region.
    - The Agency is the 'competent authority' for the Water Framework Directive, and has to make decisions based on public involvement, and needs to put choices before people. Some would "beat a path to your door" (e.g. pressure groups like RSPB), others may not be so easy to engage. And very difficult to put complex issues out for public consultation (e.g. increased costs as a result of urban pollution).
    - Farmers used their political influence with Government, which had meant delays in legislation over control of toxic discharges (e.g. sheep dip), but lack of recognition among farmers of these environmental problems.
    - Participation needed to be proportionate, efficient, cost effective and timely.
- E2 (partnerships): Need to work with local authorities to ensure plans meet environmental targets. Generally need appropriate partnerships, with shared goals. Need a tighter focus for deciding which partnerships to enter into.
- E3 (supporting external activities): Focus on those which advance Agency objectives.
- F1 (staff skills):
    - The increase in Agency staff working on waste issues in rural areas, as a result of new legislation, meant that staff had been taking a more regulatory focus, which was not what farmers are used to from the Agency (NRA), and "the techniques used need to be different" from talking about prosecution immediately. Training was happening, to ensure the staff were sensitive to the politics of farming but "in a way the Agency has lost these traditional skills".
    - Would need more skills and ability to do public participation because would need to do more of it and need to do it well. Need to be good at stakeholder engagement and need to understand this should be done in a business context.
- F2 (social knowledge): It was the job of the social policy team to lead this, but three kinds of Agency staff need this:
    - Staff in the areas, who were <u>doing</u> most public participation, around contentious sites and making environmental plans.
    - Policy staff, who needed greater awareness of social issues in general.

- Specialist social policy staff, who have to champion this subject and ensure good practice is used.

- Others: There was a particular rural context within which the Agency is trying to shape environmental policy around these targets (as above - powerful farmers lobby).

2.4 Priorities for future work

- Developing greater Agency skills and ability to do public participation and stakeholder involvement because new legislation means the Agency would need to do more of this, and do it better, and would need to understand it more in a business context rather than something which was 'nice to do'. The staff who were most relevant to this were those in the Areas responsible for direct relationships with the public (especially around contentious sites and making plans), the policy staff who needed greater awareness of social issues, and the social policy staff who have the particular social expertise. There need to be closer links overall between the social policy team, planning, economics and risk assessment.

- Professional advice was needed on social issues, as and when appropriate, from the social policy team, to ensure that the Agency was always using good practice as recognised by the wider environmental and social policy community, was recognised as competent in these fields (especially under the Water Framework Directive), and thus creating and maintaining trust, particularly the trust of Government and other institutions.

3. PROCESS INDUSTRIES REGULATION (PIR)

3.1 Introduction

Their MiH targets included *Cleaner air for everyone*, including reduction of emissions of key pollutants and air quality; *Restoring protected land*, and reducing SOx and NOx pollution; *Limiting and adapting to climate change*, including reducing greenhouse gas / carbon dioxide emissions; *Greener business*, including reducing pollution incidents. Overall, the feedback was that social issues were both the biggest problem facing PIR ("the greatest work and grief") and the most important outcome ("social impacts make [frontline regulation] all worthwhile in the long run").

3.2 Priority social issues

Top social priorities were employment, corporate social responsibility and the Environment Agency's responsibilities to poorer communities. Health was important (covering both actual and perceived health impacts), as were liveability in terms of amenity (e.g. smell), regeneration and the social impacts of regulatory burdens on business (e.g. loss of jobs if industries close because of higher environmental standards being enforced), and working with others especially effective engagement with local communities and partnerships with local authorities. The benefits of better local engagement were very practical, resulting in "fewer complaints and less worry".

3.3 Priorities related to the draft social criteria

- A1 (health): This is the biggest issue for PIR in terms of social impacts, covering both actual impacts on health and perceptions of risk / concerns, which also impact on health.

- A2 (liveability): Smell is important and does affect amenity. "Social issues give the greatest work and grief" in relation to PPC legislation.
- B2 (regeneration): Burdens on business:
  - Any regulatory changes (e.g. to improve air quality) have implications for the local community by affecting the viability of local businesses (and jobs).
  - Employment was one of people's key personal priorities, alongside shelter. Examples given where the decision to shut down polluting industries had to be seen in the context of the potential of high employment elsewhere.
- C1 (equal opportunities and social justice): Agency responsibilities to poorer communities was important, including:
  - The Pollution Inventory was worst in areas of social disadvantage, but there was a question of which flows from which.
  - It is bad news when lower quality standards (e.g. air quality or lead standards) are used in some places.
  - There is a logic that poorer communities should have <u>higher</u> standards.
- D1 (external Agency corporate social responsibility): This was important both in terms of the Agency's own CSR and also encouraging others, including:
  - Local engagement as part of this brings benefits i.e. "fewer complaints and less worry".
  - Pushing CSR [by others] is an extension of EMS work (environmental management systems).
  - This had to hang off regulation: unless do regulation right, it would be more difficult to get others to do CSR.
- E1 (stakeholder etc participation): There did need to be guidance to support effective engagement with local communities.
- E2 (partnerships): There could be 3-4 years of negotiation with local authorities on closing a polluting local industry, because of the jobs element. "Local environmental detriment has to balanced with wider social gain".
- Others:
  - "PPC legislation does not specify social impacts, but the Agency's Section 4 guidance goes wider. We have to be in the business of balancing those interests."
  - Raising awareness about industrial pollution takes a very long time: "There is still pride in industry running at full pelt and the chimneys belching black smoke".

3.4   Priorities for future work
- "Frontline regulation needs to look at social impacts because they make it all worthwhile in the long run."
- Also need to see the Agency responsibility to consult and engage, and for local authorities, PCTs etc to be clear about the Agency role: need to manage expectations. Agency had raised expectations with PPC, but responsibilities limited on consultation.
- The greatest success factor for process and regulation staff in terms of social appraisal work would be to "take the weight off their shoulders" about community groups who complain about decisions.
- More important than guidance was the need for <u>resources</u>, properly used and targeted. Have to argue for resources on the basis that "it will incur far greater

costs if don't invest in these issues" e.g. Clitheroe was expected to cost around £25,000 to regulate but it actually cost about £500,000 because of complaints which arose because the Agency did not manage relations with communities well. A parliamentary question was being asked over Drax over the coming months. "All this costs a lot to deal with".
• Training for staff [in social issues - impacts and working with others].
• Although the majority of complaints may come from a relatively small number of people, have to "remember the implications for the Agency and its staff, and the problems caused by personal attacks".

In summary, PIR's priorities for future work on social issues were:
• In consultation and engagement, there needed to be clarity about the Agency's role, to manage expectations given the limits to the Agency's actions.
• Solving the problem (for staff) of community groups who complain about decisions.
• 'Invest to save' in this area. Properly targeted resources were crucial to ensure relations with communities were managed well, to avoid excessive costs later. Parliamentary Questions and other demands as a result of complaints and queries were expensive to deal with, and Agency staff suffered great stress from the personal attacks which were becoming more common. If these costs were taken fully into account, the cost effectiveness of traditional regulation and enforcement (i.e. without adequate engagement) may be questionable.

4.   WASTE

4.1   Introduction
MiH targets were under headings of *Wiser, sustainable use of natural resources*, including minimising environmental costs of manufacturing, reductions in waste (from regulated processes and households), environmental crime, excluding hazardous wastes from landfill, and *A Greener Business World*, including reduced breaches in permit conditions on toxic discharges, and reduced pollution incidents (including fly-tipping).

Overall, for the Waste function, the key social issues were about managing the interface with others, as the Environment Agency develops new ways of working and communicating which were much more externally focused. Environment Agency staff were dealing with "frightened, angry communities", but staff were working in a vacuum because social issues had not been absorbed into the 'thinking' of the Agency and staff had no guidance about how social pressures should be dealt with in relation to environmental priorities.

4.2   Priority social issues
• Health, safety and liveability, especially public health, local environmental quality / quality of life, and the growing problems of environmental crime (under recent and forthcoming legislation) which would require new relationships between the Agency and local authorities and local people.
• Waste activities contributing to economic vibrancy and regeneration through, for example, the waste minimisation requirements of PPC, which should save

businesses money, and through job and business opportunities created by increased recycling.

- New waste legislation (especially on Producer Responsibility and landfill) was likely to impact most on the poorest people (e.g. they were likely to be the last owner of cars and other goods and would have to deal with disposal; and if fly-tipping increased as a result of higher landfill charges, it was likely to continue to be in or near the poorest areas). There was already work going on within Waste to examine how these issues were likely to affect, and be affected by, different social sectors including looking at issues of equity, gender and minority ethnic communities.

- Working with others was crucial, especially local authorities and local communities, and there were major questions around the Environment Agency's role and boundaries, to avoid duplication or gaps, and also around the diversity of staff needed to enable the Agency to provide waste advice to different groups in society, and the different skills which would be needed to deal with the new legislative focus on Producer Responsibility (i.e. less need for engineers and more for negotiating and communication skills).

- There were huge opportunities to move people to more sustainable behaviours, but this would require increasing awareness and a sense of responsibility, and the Agency would need to work with others (who may be more trusted by the public) to achieve this.

4.3 Priorities related to the draft social criteria

- A1 (health): Biggest concern. "That concept is built into the Agency's role in legislation". Both actual and perceived impacts.
- A2 (liveability): Aesthetic impacts, local environmental quality, quality of life.
- A3 (crime): No comprehensive data on environmental crime as yet, but this would be a major issue and involve new relationships with local authorities (to monitor progress from a baseline), and local people (to report incidents).
- B2 (regeneration): Economic vibrancy, especially:
  - Additional regulatory pressures seen as reducing competitiveness
  - But waste minimisation as part of PPC should save businesses money, so positive
  - Opportunities from increased recycling for jobs / businesses.
- C1 (equal opportunities and social justice):
  - Costs likely to fall on last owner who was likely to be poorest and least able to pay so more likely to dump (especially due to Producer Responsibility)
  - Done some work on gender issues and waste, and ethnicity and waste (including with SMEs in Bradford)
- D1 (external Environment Agency corporate social responsibility): Mattered a lot; need to demonstrate transparency and accountability.
- D2 (internal Environment Agency corporate social responsibility): Diversity very important, although there was no Agency target for it.
- E1 (stakeholder etc participation): Working with others:
  - Needed clarity about the Environment Agency role and boundaries of Agency work, to avoid duplication or gaps
  - Agency may push for community involvement but not always actually do it

- Need to engage people earlier in decisions (e.g. about types of facilities rather than waiting for site focused debate)
- Main interface at regional and local government levels.
- F (learning organisation): The Environment Agency needs to be a learning organisation, including around:
  - New Waste priorities will require people to deal with Producer Responsibility etc, so less need for engineers, which will mean a culture change for the Agency
  - Greater diversity of staff needed, including ethnic diversity, to enable the Agency to provide waste advice for different groups in society.
- F2 (social knowledge): Need awareness of wide social issues e.g. in environmental quality and regeneration.
- Others:
  - The Environment Agency needs to work in an informative, educational and consensus building role, not least because Agency has a national view and will know about good practice.
  - Want fly-tipping to be as abhorrent as drink driving, which needs the Environment Agency to take a new role in raising awareness. Also need to educate people about the waste problem. The Agency only has a modest role in raising awareness, and need to think about working with others on these issues, but there are huge opportunities to move people to more sustainable lifestyles.

4.4 Priorities for future work

- New skills and knowledge for staff, throughout the Waste function but especially at the interface with others which is where it "will get hottest quickest".
- Clarifying the Agency's role and boundaries in waste management, and how that relates to the roles and responsibilities of others (institutions and the public).
- Embedding social issues in the 'thinking' of the Agency, because that was what drives the 'front end' where the Agency is taking action.
- Communications with the public, in language and terms which really mean something to people, so they could understand the current environmental threats and the need for new responsibilities.
- Explicit support from Defra for work on social issues, so staff feel comfortable about spending time on these problems.

5. RECREATION AND NAVIGATION

5.1 Introduction
MiH targets included increasing navigation license sales, maintenance of waterways and increasing public access.

Most of the work in Recreation and Navigation was about relationships with users, the public, local communities and business. Recreation and Navigation had undertaken specific research and practical projects promoting equal opportunities and equity including investigating measures such as how reduced licence fees for youth organisations impact on ethnic minority and poor communities, promoting

human powered as well as powered craft (so that poorer users are not discriminated against), and ensuring that the approach to recreation and navigation does not reflect narrowly white middle class concerns rather than serving the wider society.

Recreation and Navigation already worked closely with many external bodies, including boating and recreational bodies, and undertook extensive research with licence holders and other users to gauge satisfaction with Environment Agency-led improvements.

5.2   Priority social issues

Recreation and Navigation's top priority in terms of social issues was wellbeing, as navigation offers opportunities for high-grade leisure experiences. Wellbeing was also linked to ensuring that open spaces were well-managed (liveability) and preventing crime through careful design and management to avoid creating areas which could be used for criminal activities (e.g. walls built close to river banks which create spaces which cannot be seen by the public and cannot be patrolled).

Recreation and Navigation was particularly concerned that the Environment Agency should focus more on the social benefits of its activities, to increase people's satisfaction by enriching their experience, and provide educational experiences and enjoyment. These benefits also include economic spin-offs (and regeneration opportunities) including the role of improved waterways in stimulating regeneration, as well as new jobs and business opportunities in leisure industries on and near waterways. All its work was based on ensuring disadvantaged groups were not excluded, with projects including promoting good public transport links to new facilities.

5.3   Priorities related to the draft social criteria
- A1 (health): Wellbeing was very relevant. Navigation offers the opportunity for high-grade leisure experiences.
- A2 (liveability): People need to see that spaces around them are well-managed.
- A3 (crime): Closed areas are closely patrolled and managed because of risk of crime. Similar problems where walls built close to river banks, creating risks of wrong use.
- B1 (local goods and services): Have looked at promoting public transport links to encourage use of facilities by wide range of users.
- B2 (regeneration): This was important: leisure activities generate economic activities.
- C1 (equal opportunities and social justice): This was an area where they have been doing work, e.g.
  - How current measures such as reduced licence fees for youth organisations impact on ethnic minorities and poor communities
  - Would promote human-powered activities, so focus not just on powered craft for both environmental (noise and disturbance) and social reasons (expensive)
  - Some concern over the use of the term 'social justice'.
  - There was concern that the approach to navigation and recreation may be reflecting white middle class perspectives.

- C2 (robust communities): Navigation Strategy will take account of use of facilities by local communities
- D1 (external Environment Agency corporate social responsibility): The Navigation Strategy talks about creating an environment in which business can thrive, and would be better to work with business within a CSR framework.
- E1 (stakeholder etc participation): Would be measuring satisfaction with navigation improvements of both licence holders and other users. "The Agency needs to recognise that engagement means that both sides will have to yield something".
- E2 (partnerships): Worked closely with many other bodies including boating and recreational bodies
- F (learning organisation): The Agency needs to become an organisation that recognises opportunities and learns from failure.
- Others:
  - Need to focus more on social benefits of Agency activities, e.g. to increase people's satisfaction by enriching their experience, providing educational experiences, providing enjoyment.

5.4   Priorities for future work
- All the social criteria proposed during this research should be promoted more explicitly to the public, by the Environment Agency and by Government, requiring Agency lobbying and more investment in public information. This should be part of a wider shift in the Environment Agency's priorities towards education rather than enforcement.
- The right macro-policies were needed to pursue these social goals throughout the organisation.

6.   WATER RESOURCES

6.1   Introduction
MiH targets covered Catchment Abstraction Management Strategies (CAMS), remediation of sites damaged by abstraction, water supply shortages, and water supply and climate change.

The Water Resources function was constantly aware of social issues, given that the legislation for managing water resources is founded on equity, balance and public health needs. Within the Environment Agency's responsibility for water resources, it has to focus on balancing the environmental impacts of abstraction with the needs of society. Staff have to bring together a range of pressures to make a risk-based decision. In so doing, they are conscious of the fundamental need for access to water supplies. This includes a major focus on social justice issues because "everyone has fundamental rights to supply of water". Managing drought is a particular challenge. As a drought event becomes more extreme, the balance may have to shift from protection of the environment towards the crucial imperative of maintaining public water supplies.

6.2   Priority social issues
- Health was most important, given their explicit public health responsibilities, alongside contributing to quality of life, wellbeing and liveability. For Water

Resources, this also required tackling issues of fairness and equity between different communities and social groups.

- Improved water quality, and reliable water supplies, were key to economic development and regeneration because all industry, agriculture and commerce need water (and regeneration without consideration of ensuring adequate water supply is already creating problems).
- Staff awareness of social issues was more important to Water Resources than specific skills, and this needed a more structured approach especially for regulators.
- Working with others was a priority area, especially the formal consultations around Catchment Abstraction Management Strategies (CAMS), building relationships with new sectors being regulated for the first time (under the new Water Bill), and consulting on the principles as well as negotiating the actual fees for abstraction charges. Water Resources already had many partnerships with others (including industry bodies, and environmental and wildlife NGOs), but "need to do more [engagement], better".
- The Environment Agency's policy on metering recognised the need for tariffs to protect vulnerable households.

6.3   Priorities related to the draft social criteria

- A1 (health), especially public health / avoiding illness. Water legislation founded on public health. Agency has to mitigate the environmental impacts of meeting public health needs. Includes social equity issues.
- A2 (liveability): Quality of life that contributes to wellbeing.
- B1 (local goods and services): Especially leisure, where the Agency work on Recreation and Navigation has particular social benefits, which are good for profile and PR.
- B2 (regeneration): All industry, agriculture and commerce needs water. A healthy economy is necessary for a healthy environment.
- C1 (equal opportunities and social justice): Everyone has fundamental rights to supply of water.
- E1 (increasing stakeholder etc participation): Especially around CAMS, new Water Bill (new sectors being regulated), abstraction charges. "Need to do more [engagement], better."
- E2 (partnerships): With industry bodies, environmental and wildlife NGOs etc.
- F2 (social knowledge): Staff awareness more important that skills. A more structured approach needed, especially for regulators.

6.4   Priorities for future work

Water Resources made a specific proposal for future work on social issues: a one day session for Heads of Function (HOFs) and their immediate reports who drive policy-making and strategy, to further examine what they know about social issues, what they don't know (structured around the criteria used for this research), and to consider what further guidance may be needed.

7. FLOOD DEFENCE - POLICY

7.1 Introduction
Social issues were central to all the work of Flood Defence, with the highest priority being saving lives by reducing flooding.

7.2 Priority social issues
Health, safety and wellbeing were all crucial, from physical dangers from actual flooding to health benefits from reducing public fear and anxiety by reducing flood risk. Flood Defence projects were already designed to provide multiple benefits (including social benefits) including increasing the desirability of areas when flood risk is reduced or removed, cycle paths and other access improvements, developments to encourage leisure activities etc.

"All of Flood Defence's work is about engaging with stakeholders", so this was also a top priority, alongside meeting social needs in terms of reduced flood risk improving housing and transport services and providing opportunities for leisure.

Equal opportunities and social justice were central principles to this work already, in relation to ensuring equal and consistent treatment of communities at risk around the country, balancing property valuations with other measures to increase the fairness of spending priorities, and dealing with particularly vulnerable groups and communities.

7.3 Priorities related to the draft social criteria
- A1 (health), including stress (from flooding and aftermath). There were also some health benefits from flood defences in reducing likelihood of flooding and thus reducing fear and stress.
- A2 (liveability), including
  - Desirability of an area reduced by flood risk
- B1 (local goods and services), including:
  - Reduced flood risk improves housing
  - Positive impact on transport networks
  - Opportunities for leisure (e.g. cycle paths, leisure activities on reservoirs e.g. sailing, etc).
- B2 (regeneration): flood defences often necessary first step to allow redevelopment of brownfield land – but developers should bear the financial cost
- C1 (equal opportunities and social justice):
  - Flood Defence seeks to be fair in its decisions, to avoid giving unequal treatment to people in different parts of the country
  - Poor information about flood risk may impact negatively on people's ability to get insurance
  - Vulnerability of certain groups / sectors of the population.
- C2 (networks for robust communities): Working with community groups to develop better flood warning services contributes to social cohesion.
- D1 (external corporate social responsibility): This was important in terms of how the Environment Agency demonstrates CSR (accountability, transparency and diversity) because of the diverse populations the Agency is working with). Information should be made available to the public, using messages that are not confusing.

- E1 (increasing stakeholder etc participation): "All of Flood Defence's work is about engaging with stakeholders". Very important criteria.
- F1 (staff skills): Developing a learning organisation is important for the Environment Agency, not just on social issues. Flood Warning staff need skills and competencies in engaging with local communities.
- F2 (social knowledge): "Staff skills and competencies should include understanding social issues"

7.4 Priorities for future work
- "There is a need for greater internal awareness of social issues, both in Flood Defence and the Agency as a whole. Going through the list of criteria helps identify these issues. This should be built into a communications strategy."
- Developing skills and competencies among Flood Defence staff in engaging with local communities.

8. FLOOD DEFENCE - NATIONAL CAPITAL PROGRAMME MANAGEMENT SERVICE (NCPMS)

8.1 Introduction
The National Capital Programme Management Service (NCPMS) was not directly responsible for any targets, but had to contribute to their delivery. The main focus was on flood risk, flood defence and flood management.

8.2 Priority social issues
Stakeholder engagement at all levels was the top priority for the NCPMS (especially partnerships and detailed consultation), which they saw as including trust, fairness and social cohesion. NCPMS saw this as integral to delivering projects most effectively, especially Flood Defence projects. Effectiveness was achieved by working closely with local communities to get the 'best fit' in terms of reconciling different interests in designing and building flood defences. There were very practical reasons for this approach, including the need to gain planning permission for developments: in these cases public acceptability and the support of other bodies could be crucial.

NCPMS also stressed that "Schemes should improve local communities" and, where possible, NCPMS worked in partnership with others to gain additional local social benefits (e.g. new bridges to improve access, de-mountable flood defences to maintain the historic character of the local environment, building locks and sluice gates to improve navigation of waterways for leisure activities etc). These projects were usually linked to the provision of additional (external) resources through these partnerships (including funding). In addition, NCPMS supported the work of other organisations where this advanced Agency objectives (e.g. an RSPB wetlands creation scheme).

The other major social issue for NCPMS was health and safety, which was central to scheme design and covers new physical construction projects, water quality and safety, and minimising the potential for new structures to attract or increase crime (e.g. theft, vandalism and graffiti).

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8.3 Priorities related to the draft social criteria

- A (health, safety and wellbeing:
    - All three are part of NCPMS programmes.
    - A1: Defra guidance limits the extent to which these impacts could be taken into account e.g. loss of life was not valued, only property, in Defra's Project Appraisal Guidance (PAG) notes. Health and safety were always taken into account in scheme design, alongside other issues e.g. water quality.
    - Liveability (A2) was particularly relevant e.g. de-mountable flood defences at Bewdley to meet community and other agency requirements (e.g. English Nature and English Heritage) for defences which fit the area's history and character. "Public acceptability is considered a good argument" for going against a strict cost-benefit ratio (e.g. rock armour is seldom used on beaches).
    - A3 (crime). Scheme design would be affected by potential to attract or increase crime (e.g. theft or vandalism) e.g. NCPMS had collaborated with a local school to develop 'in built graffiti' for a new structure.
- B (meet social needs):
    - NCPMS promotes the scheme which best meets people's needs.
    - B1 (housing, transport, leisure etc): "Taking account of access is inherent in how we go about our work" e.g. bridge built near Kings Lynn, as part of a flood defence project, to link the town to the other bank of the river, and locks and sluice gates have been built elsewhere for social benefit. These schemes were often driven by availability of additional funding.
- C (trust, fairness and social cohesion):
    - "These issues are brought to the table at the start of a flood defence project."
    - C1 (equal opportunities and social justice). There could be dangers where vocal communities get extra benefits, but NCPMS were only responsible for the viability of projects, not priorities.
    - C2 (networks / robust communities). The Agency developed networks with other institutions.
- D (corporate social responsibility). This was important to NCPMS: "The emphasis the Agency is putting on common standards for communities shows how seriously the Agency is taking social issues." There was recognition that the current procurement policy may not address the issue of local benefits.
- E (stakeholder engagement):
    - "Engagement and partnerships are key to any initiative - without them you will struggle."
    - E1 (increase effective engagement): "NCPMS will bring all parties round the table, to consider the broad needs of the community as well as the aspirations of statutory bodies like English Nature and English Heritage. The aim is to achieve the 'best fit' in terms of reconciling the different interests", not least because it was likely to affect practical matters such as getting planning permission.
    - E2 (partnerships): Effective partnerships were important.
    - E3 (supporting external activities): NCPMS were involved in this e.g. development of a wetlands creation scheme by RSPB (a joint funding opportunity).
- F (learning organisation):

- The skills needed in the Environment Agency were changing (e.g. less civil engineering and more project management). "There is a need to develop staff's awareness of people-driven issues. We are in the front-line." Defra's new Service Delivery Agreement (SDA) targets would need new mindsets / different ways of thinking.
  - The learning organisation idea was particularly important at the moment for NCPMS, as part of restructuring. There was a major programme of staff development, which was two-thirds complete, to change the culture of NCPMS, "particularly in making the transition from project management to relationship management", and to meet the challenges of growth.
- Others:
  - Rural communities face particular problems as it is not viable to provide protection for some small rural communities.
  - A holistic and strategic approach will be essential to link all these social issues with economic and environmental criteria; the Agency may be leading where others may have a more compartmentalised approach.

8.4   Priorities for future work

- Education, because "communities need to be more aware of flood risks", especially the idea of 'protecting yourselves'. There needs to be shift in the way Agency targets resources to take account of self help in this way (driven partly by changes to flood defence committees)..
- Further investigating multi-criteria analysis (MCA) as an approach to assessing projects and programmes as part of the current Defra/Agency R & D project on this.
- The implications of Defra's Service Delivery Agreement (SDA) targets, which include social issues and which will be paramount for NCPMS.

9.   ENVIRONMENTAL POLICY

9.1   Introduction

Discussion focused around the targets for which Environmental Policy staff were responsible, including Local Strategic Partnerships (LSPs) and community strategies, planning issues, energy efficiency, renewables and energy policy.

9.2   Priority social issues

The most important social issues for Environmental Policy were health (top priority), including physical health and wellbeing; stakeholder engagement (especially in terms of their view of the Environment Agency), regeneration (especially economic vibrancy) and environmental equality. All current Environmental Policy work incorporated these concerns.

Specific areas of concern related to the need to consider targeting, given that disadvantaged communities and ethnic communities suffer the worst environments, the distributional impacts of decisions (i.e. that decisions should not further disadvantage poorer people), and the potential social benefits of Environment Agency policy (e.g. jobs from renewable energy and energy efficiency programmes). In addition, there were concerns that effective engagement needed to focus on outputs, especially increasing satisfaction with the Agency and better decisions.

9.3 Priorities related to the draft social criteria

- A1 (health): Health was very important for the Agency.
- A2 (liveability): Renewable energy facilities could have negative impacts because of noise and visual intrusion, possibly especially in rural areas (while urban areas gain the benefits of the energy produced). More generally, this related to environmental quality type issues such as noise, air quality, congestion and public space.
- B2 (regeneration): Social impacts were mainly around jobs and livelihoods.
- C1 (equal opportunities and social justice):
  - Disadvantaged communities and ethnic minorities suffer the worst environments, and that affects targeting. There were also potential distributional impacts of different decisions e.g. flood defences in one area displacing the problem elsewhere.
  - Energy efficiency industry would create a big demand for skilled manual labour, which will create job and training opportunities.
  - Also job opportunities in developing renewable sources of fuel because more distributed and low tech, resulting in local jobs in building, installing and maintaining facilities.
  - Energy policy was moving towards energy being more expensive which could have negative distributional impacts unless poor households are given more help. The Agency had been supportive of fuel poverty and energy efficiency measures.
- D1 (external Agency corporate social responsibility): The Agency needs to be seen as efficient in spending money effectively, and doing a good job.
- E1 (stakeholder etc participation): Engagement was important, but question is whether it is should be a goal for the Agency or a means to an end? Needs to focus on improving engagement, to help satisfaction with the Agency and better decisions.
- E2 (partnerships): This related to relationships with local authorities on planning and community strategies targets. Local authorities are major delivery bodies on the environment and quality of life, and they need to be persuaded (e.g. through Agency involvement in community strategies) that involving the Agency will result in an improved environment.
- F (learning organisation): Focus on learning from practice.
- **Others: There was an issue missing from the criteria, around changing behaviours and attitudes.**

9.4 Priorities for future work

- Immediately, examining the social / distributional impacts of flood risk.
- In the medium term, giving consideration to how environmental regulations are drafted and framed (at EU and national levels) so that the Agency could take account of a wider range of issues in implementing them. At present, economic impacts were taken into account, but not social impacts.

10. ISSUES RAISED ACROSS THE FUNCTIONAL AREAS

- The rural context raised different problems and had different priorities. It was suggested that this distinction raised the wider issue of the importance for the Agency of understanding the differences between the various locations in

which it is working, and using this knowledge to design appropriate strategies for different contexts.

- It was suggested that education and awareness among the public about sustainable lifestyles, to influence attitudes and behaviours, needed to be a higher priority for the Agency. This was not something the Agency could do alone, but there were currently inadequate resources to enable staff to investigate these issues or enter into partnerships to take action.

- There was little understanding of the wider social benefits of what the Agency does among staff, other organisations or the public, in spite of those benefits being profound (including to health, regeneration and stronger communities).

Annex 4.

Revised criteria for social appraisal

1. INTRODUCTION

The following set of criteria for assessing the social impacts and social processes relevant to the Environment Agency have been developed from the original criteria used in the research and development process described in this report.

These revisions take into account feedback from the interviews and discussions of the criteria, in the light of those findings, at the Joining Up Project Board and Project Development Group (both in May 2003), and discussions between the Environment Agency social policy team and its economics team (June 2003).

2. THE NEW CRITERIA

A   Promote health, safety and wellbeing
A.1   Health and safety (including mental and physical health, actual and perceived)
A.2   Liveability, amenity and local environmental quality (e.g. litter, dust, graffiti, public spaces, water quality, free from crime and vandalism)

B   Improve local communities
B.1   Improve local housing, access, transport and recreation
B.2   Support economic vibrancy (especially jobs/livelihoods), and urban and rural regeneration
B.3   Recognise the role of new and existing groups and interests (e.g. community groups, informal networks, local values and priorities)

C   Promote social justice and social inclusion
C.1   Reduce risks to vulnerable communities
C.2   Respect diverse cultures, values, heritage and identity

D.   Demonstrate Environment Agency corporate social responsibility
D.1   Improve Agency reputation externally (e.g. transparency, inclusivity, accountability, equity, integrity)
D.2   Recognise responsibilities for a diverse workforce (e.g. diversity of staff, equal opportunities)

E.   Increase access to information and participation
E.1   Ensure effective engagement with stakeholders, citizens and communities (e.g. respectful, timely, efficient, cost effective, proportionate)
E.2   Develop appropriate partnerships with shared goals
E.3   Support independent external activities which advance Agency objectives (e.g. self help, community projects and schemes by other organisations)

F. **Capacity building and learning**

F.1   Increase Agency staff skills, knowledge and awareness of social issues (especially learning from practice)

F.2   Influence attitudes, behaviours and cultures towards sustainability.

Annex 5.

Social issues in the Environment Agency's policy appraisal guidance

1. INTRODUCTION

The following are the questions integrated into the Environment Agency's overall Policy Appraisal Guidance (Environment Agency Easinet reference http://146.213.80.51/icontent/DocDir01/173_04.doc). These questions were devised following the research and development process outlined in this report.

2. ENVIRONMENT AGENCY POLICY APPRAISAL GUIDANCE (SOCIAL)

Social Progress which recognises the needs of everyone

Will the policy affect the provision, quality and choice of commercially and publicly available goods and services (utilities, housing, education, leisure and amenity facilities – including landscapes, historic and cultural sites - transport and mobility, communications, consumer goods)?
Provision of good quality and affordable clean water, waste water collection and treatment, electricity, heating, waste collection, communication and other utility services
Availability and quality of affordable housing
Access to transport and mobility of individuals
Efficiency of transport systems, choice of modes of transport
Access to and quality of education and training opportunities
Availability, quantity and quality of leisure facilities, recreation areas, parks, fisheries
Effects on landscape or on urban and industrial heritage
Availability and choice of consumer goods.
Will the policy affect human health, safety and well-being (including increase in fear of crime and fear of impacts from pollution)?
Impacts on health and safety in the work place
Impacts on life expectancy, risk of injury and risk of mental or physical ill health
Risk of tangible and intangible health impacts of flooding
Acute and chronic impacts on health of local population from pollutant emissions (from plant, transport etc)
Impacts on vulnerable groups e.g. children, the elderly, people with respiratory problems, etc.
Impacts on local environmental quality (e.g. noise, litter)
Crime and the fear of crime (including fly tipping, criminal activities adjacent to navigation or flood defence assets, etc)
Perceptions of health and safety.
Will the policy affect equal opportunities, social justice and the particular

needs of urban and rural communities?
Differential impacts on social groups and communities, particularly disadvantaged groups or communities
Access to facilities and services for disadvantaged individuals or communities
Distribution and type of employment opportunities and income.
Impacts on identity, cultural and social development of rural and deprived urban communities.
What will be the effect of the policy on effective public involvement in decision-making and delivery?
Creation of opportunities for public involvement in decision-making (through information, consultation or active engagement).
Impact on existing public participation processes.
Impact on opportunities for partnership working
Impact on formal and informal local networks and social ties