Board Meeting - Open
Thursday 16 October 2014

There will be a meet the Board lunch from 1.00pm

Time: 2.00pm – 4.00pm
Venue: Ergon House, London
Quorum: 8 non executive Board members

1. Apologies

2. Declarations of Interest

3. Minutes of the meeting on 17 July 2014 and matters arising – For approval

4. Chief Executive’s update
   Paul Leinster
   For discussion
   2.10pm
   25 mins

5. Matters for Discussion and Decision
   5.1 Finance Report
      Mark McLaughlin
      For decision on future allocations
      2.35pm
      25 mins
   5.2 Corporate Scorecard Quarter 1
      Paul Leinster
      For review by the Board
      3.00pm
      25 mins

6. Matters for Information
   6.1 Progress on flood repair and recovery
      David Jordan
      3.25pm
      25 mins
   6.2 Schemes of delegation
      Mark McLaughlin
      3.50pm
      10 mins

7. Any other business

8. Date of next meeting – 29 January 2015
   Ergon House, London
Minutes of the Open Board meeting held on 17 July 2014 at Ergon House, London

Present (Board Members)

Lord Chris Smith Chairman (Items 5-16)
Dr Paul Leinster Chief Executive
Robert Light Deputy Chairman
Peter Ainsworth
Karen Burrows
Emma Howard Boyd
Clive Elphick
Richard Leafe
Richard Macdonald
John Varley

In attendance

Mark McLaughlin Executive Director of Finance
Ed Mitchell Executive Director of Environment and Business
David Jordan Executive Director of Operations
Jonathan Robinson Executive Director of Resources and Legal Services
Pam Gilder Director, Corporate Affairs
James Walker Senior Board and Executive Secretariat Officer

Item 7

Simon Dawes Head of Internal Environment Management

Items 7 and 8

Paul Woodcock Director, Corporate Assets, Safety, Health, Environment and Wellbeing

Item 9

Diana Chaloner Director, Human Resources

1.0 Robert Light opened the meeting and welcomed members of the public and staff who were observing. He explained that Lord Smith would join the meeting shortly and take over as Chair.

Item 1 Apologies for absence

1.1 Apologies were received from Jeremy Walker, David Rooke and Miranda Kavanagh.
Item 2  Declarations of Interest

2.1 There were no declarations of interest.

Item 3  Minutes of the meetings on 22 May 2014 and matters arising

3.1 Clive Elphick asked for the word ‘undesirable’ to be inserted under paragraph 6.4 between the words ‘an incentive’.

3.2 The minutes were approved as a correct record of the meeting subject to the above amendment.

3.3 There were no matters arising.

Item 4  Progress on flood repair and recovery

4.1 David Jordan introduced the item and delivered a slide presentation. He explained that all Grant in Aid requests had been approved with 329 completed projects as of 9 July 2014.

4.2 David Jordan updated the Board on the dredging work on the Somerset Moors and Levels and explained that work is progressing ahead of schedule and is due to be completed by the October deadline. A further £11 million of funding has been announced by the South West Local Enterprise Partnership to undertake further work in Somerset with £2 million allocated to support further dredging.

4.3 Emma Howard Boyd welcomed the update and asked what was happening with the silt being removed as a result of dredging. David Jordan explained that this was primarily being placed on the land with the consent of farmers but it was also being used for repairs on flood defence assets.

4.4 The Board welcomed the presentation from David Jordan and agreed that further updates should come to the Board until October. They also thanked staff again for all their work during the recovery period.

Action: Executive Director of Operations

Item 5  Annual Report and Accounts

5.1 Mark McLaughlin introduced the item and explained that the Annual Report and Accounts had been approved by the Audit and Risk Assurance Committee and laid before Parliament on 25 June 2014.

5.2 The Board welcomed the Annual Report and Accounts and thanked staff who had worked on producing them. Emma Howard Boyd also noted the good relationship between the Environment Agency and the National Audit Office.
Item 6  Pension Fund Annual Report and Accounts

6.1  Mark McLaughlin introduced the item.

6.2  The Board noted that Natural Resources Wales and Shared Services Connected Limited had both become admitted bodies in the Environment Agency Pension Fund in the last year.

Item 7  Annual Internal Environment Management (IEM) report

7.1  Jonathan Robinson introduced the item with support from Paul Woodcock and Simon Dawes. Paul Woodcock explained that there was a slight concern around carbon emissions due to pumping as a result of the extreme weather at the beginning of the year but that there was still a 19 per cent overall reduction compared to the baseline year of 2006.

7.2  The Board welcomed the numerous awards and accreditations received over the past year and congratulated all of the staff involved with these.

7.3  Simon Dawes outlined the Zero Carbon Innovation competition and explained that two finalists have been chosen to develop prototypes. One prototype relies on wind energy while the other relies on thermofluidics. The Board welcomed the innovative process and asked for further updates to be shared with them.

*Action: Executive Director of Resources and Legal Services*

7.4  Simon Dawes outlined the future plans for the next IEM and Sustainability Plan. He explained that individual Executive Directors would be taking ownership of certain aspects of the plan.

Item 8  Annual Health, Safety and Wellbeing report

8.1  Jonathan Robinson introduced the item with support from Paul Woodcock.

8.2  Paul Woodcock explained that there were 47 Lost Time Incidents (LTIs) during the year; an increase of 10 compared to the previous year. Karen Burrows noted that the increase may be due to more people reporting incidents rather than more incidents occurring.

8.3  Paul Woodcock outlined the health, safety and wellbeing responsibilities document and explained that it has been approved by Executive Directors. The Board endorsed the document.

8.4  The Chairman asked whether LTIs increase during incidents. Paul Woodcock explained that there was no evidence to support this.
8.5 The Board noted the serious incident where a member of staff was struck by an excavator, resulting in the amputation of his legs. Board members asked that they be kept informed of the ongoing investigation by the Health and Safety Executive and expressed their deep regret and sympathy over the incident.

**Action:** Executive Director of Resources and Legal Services/Executive Director of Operations

**Item 9** Annual Diversity report

9.1 Jonathan Robinson introduced the item with support from Diana Chaloner.

9.2 Diana Chaloner informed the Board that the number of female Executive Managers had increased from 27 per cent in 2012 to 35.8 per cent in 2014. The Board welcomed the progress being made.

9.3 Robert Light welcomed the progress made but added that there is still work to be done, especially with Black, Asian and Minority Ethnic staff. Karen Burrows agreed and noted that the Environment Agency is good at promoting diversity and there is clear enthusiasm among staff.

9.4 Jonathan Robinson informed the Board that he was working with the ‘30% Club’ and that the Environment Agency was part of the public sector group and cross organisational mentoring scheme.

9.5 The Board welcomed the update and asked for future diversity reports to include case studies.

**Action:** Executive Director of Resources and Legal Services

**Item 10** Audit and Risk Assurance Committee Annual Report

10.1 Emma Howard Boyd presented the report and highlighted the work that the Audit and Risk Assurance Committee undertook, in particular the transfer of human resources and financial transactional services to Shared Services Connected Limited.

**Item 11** Annual update on WaterAid activities

11.1 Paul Leinster introduced the item and highlighted that staff have raised £238,000 in 2013/14. £151,000 of this total was raised through a WaterAid lottery for Environment Agency staff.

11.2 Paul Leinster explained that Board members could join the WaterAid lottery via a deduction in their salary. He asked the Secretariat to circulate details to the Board.

**Action:** Secretariat

**Item 12** Finance Report
12.1 The Board noted the financial position for the first two months of 2014-15 and noted the progress made on the 2013-14 Annual Report and Accounts and the issues raised by the National Audit Office.

**Item 13 Chief Executive’s update**

13.1 Paul Leinster introduced the paper.

13.2 The Board noted the update on the Water Act 2014 and agreed that they should meet with the Ofwat Board once the final determinations of the Price Review have been published.

   **Action: Secretariat**

13.3 The Board welcomed the Customer Service Excellence accreditation awarded to the Environment Agency’s finance department and three Areas. Paul Leinster explained that this is currently running on a trial basis with a view to rolling it out to the rest of the organisation should it prove successful.

**Item 14 Schemes of delegation**

**Pension Fund Scheme of Delegation**

14.1 The Board noted and approved the changes made to the Pension Fund Scheme of Delegation.

**Item 15 Board dates for 2015**

15.1 Robert Light explained that some Environment and Business (E&B) Committee dates may need to change. The Chairman reminded the Secretariat to ensure all Committee Chairs are consulted on future Board dates.

   **Action: Secretariat**

15.2 The Board noted and approved the Board dates for 2015 subject to possible amendments to the E&B dates.

**Item 16 Any other business**

16.1 There was no other business.

**Item 17 Date of next meeting**

17.1 The next meeting will be on 16 October 2014 in Ergon House, London

The meeting closed at 3.50pm
FOR NOTING

Recommendations

The Board is asked to note the update on key topics since the last meeting.

1.0 Onshore Oil and Gas

1.1 We have permitted 15 sites since June 2013 – none involved hydraulic fracturing. We are in the process of permitting another 6 sites and are in pre-application discussions for a further 25 sites (3 shale gas, 3 coal bed methane and 19 conventional sites). Permitting times remain well below 13 weeks.

1.2 We have been consulting on permit applications from Cuadrilla for 2 sites in Lancashire at Preston New Road and Roseacre Wood. Each site would have up to 4 exploration wells from a single pad that would be hydraulically fractured. This would be the first high-pressure hydraulic fracturing since Preese Hall in 2011. We consulted with the public for 8 weeks due to the high volume of material that accompanied the applications, in particular the Environmental Statement (c.4000 pages). Both consultations closed in August and we are currently assessing the responses. If we decide to issue a permit we will carry out a ‘minded to’ consultation which explains our decision.

1.3 We have published 2 new reports that are now available on GOV.UK. The first examines the available techniques to quantify and monitor for fugitive methane emissions; the second is an environmental risk assessment for coal-bed and coalmine methane exploration and production.

1.4 We aim to publish the first set of standard rules permits for onshore oil and Gas exploration later this year and to consult on a second set that will include some types of well stimulation, but not high-pressure hydraulic fracturing.

2.0 Navigation charges to increase by 1.6% in 2015/16

2.1 Boat registration charges contribute to funding our responsibilities as a navigation authority. This year is the last of the 3-year charging plan that set out national charge increases at the July Consumer Price Index (CPI) plus 2%. We had previously consulted on this charging plan.

2.2 As agreed by the Environment Agency Board in July 2014, we consulted customers over this summer about a 1-year increase of CPI only for 2015/16. We received 13 responses to the formal consultation, all supporting the CPI increase approach and most expressing an unwillingness to accept anything more than CPI for the next 3 years unless additional services are offered.
3.0 Consultation launch date for draft River Basin Management Plans and Flood Risk Management Plans

3.1 We have now secured a consultation launch date of 10 October 2014 with Defra. This is earlier than we were expecting and represents a 3-week delay from our original plan. We are managing expectations of stakeholders who are planning to support and engage in the consultation. This includes lead local flood authorities and catchment partnership groups.

3.2 We have advised Defra that we can still upload final river basin management plans onto the European Commission’s water data portal in time for the March 2016 deadline.

4.0 Growth Deals

4.1 Announced by the government in July, Growth Deals are new local agreements which implement policy to devolve funding and powers from central government to local areas. There are 39 Growth Deals, one for each Local Enterprise Partnership (LEP). There are two elements to Growth Deals:

- Allocation of the Single Local Growth Fund, which is drawn from the existing budgets of central government departments and will be at least £2 billion a year from 2015/16 to 2020/21
- Freedoms and Flexibilities given by central government, including devolution of powers and accountability or commitment to different ways of working

4.2 Defra did not put any funding into the Growth Deal budget for 2015/16. However, LEPs secured £130 million to be used as partnership funding for flood risk management works, with £13 million to be spent in 2015/16. Ten of the Growth Deals specifically refer to Defra and its agencies providing a commitment to local working with the LEP and its partners. A further 10 deals commit the LEPs to working better with local authority partners on the Duty to Co-operate, mainly to promote housing delivery. A focus on the Duty to Co-operate could present us with opportunities for improved environmental outcomes through our engagement with strategic plans.

5.0 Simplified information management

5.1 Our new registration service for upper tier waste carriers is now scheduled to go live in October following further review and testing by the Government Digital Service.

5.2 We have gained CIO network support (with final confirmation due shortly) for up to £1.8 million funding from Defra to extend the ‘digital by default’ approach to our permit and licence application services. We will be putting forward separate business cases for projects that will satisfy Red Tape Challenge actions and are also on our own IT roadmap. We don’t underestimate the challenge of these projects and are currently completing detailed scoping.
5.3 Our simplified information management approach has been implemented by Natural Resources Wales. We are also sharing our approach with others including the Animal Health and Veterinary Laboratories Agency and the Marine Management Organisation. We are working with Defra to establish a forum for sustaining such collaborations.

6.0 Oxford and Abingdon Scheme

6.1 Our programme team continues to progress the options for the Oxford Flood Alleviation Scheme. A conveyance channel continues to be the leading option, with a favourable benefit-to-cost ratio.

6.2 The medium-sized western conveyance channel is estimated at £141 million present value costs. Of this, £120 million is the cash cost.

6.3 The scheme will follow the Major Projects Assurance and Approval gateways to gain Defra, Treasury and Cabinet Office sign-off following the 5-case business model. The scheme will only gain final approval to go ahead when the Full Business Case is signed off, estimated to be spring 2018. A significant amount of investigation is needed to prepare the business case.

6.4 We will now develop the Strategic Outline Case for discussion with the Board prior to submission to Defra and HM Treasury in spring 2015. The Strategic Outline Case will detail the strategic vision of the project and a recommended option. The submission will include a funding strategy outlining potential funding opportunities. We are currently drafting both the procurement strategy and documentation for the Water and Environmental Management Framework tender, with a view to tendering the contract in autumn 2014.

7.0 Flood recovery

7.1 The government provided £270 million to repair, restore and maintain priority flood and coastal risk management structures in England, after last winter. 890 urgent projects were identified and the Environment Agency and local councils are on track to restore flood protection to communities near these structures before the coming winter.

7.2 As of 22 September, 532 (60%) of the 890 urgent projects have been completed with work to the remaining structures in progress. These repairs have restored flood risk protection to approximately 190,000 properties.

7.3 By the end of October, no communities will be at an increased flood risk compared to the situation before winter 2013/14, as contingency plans such as temporary repairs, mobile temporary defences and additional pumps are in place.

7.4 On the Somerset Moors and Levels we have removed approximately 101,000 cubic metres of silt from the Rivers Parrett and Tone. We have completed 5.4km of the 8km dredge, and remain on programme to complete the work by the end of October.
8.0 Results from the 2013/14 public flood survey

8.1 Each year we survey the 'at risk public' to help us understand people's perception of risk, attitudes to flooding and what they do to prepare. We use the results to help monitor our performance and inform future communications and service developments.

8.2 The 2013/14 survey took place in May 2014. Ipsos MORI carried out 795 telephone interviews, split between people at risk, community engagement areas and those affected by the winter floods.

8.3 For key questions, comparisons are made with the 2012/13 flood survey. The comparisons should be treated with caution due to a change in the sample profile and alterations to the questionnaire.

8.4 Highlights from the 2013/14 survey are:

8.4.1 People's perception of risk to their property hasn't changed from last year but there has been an increase in acceptance of risk to their area.

8.4.2 Most respondents (61%) agreed that taking action to prepare their home for future flooding is worthwhile, an 8% increase from 2012/13, and 60% acknowledge protecting their home is their responsibility, a 5% increase.

8.4.3 More people are taking action to prepare for flooding. 69% of respondents said they had done 1 of 5 key actions, compared with 62% in 2012/13, and 4 out of the 5 key actions have seen an increase in uptake among respondents:

- Checking whether their property is in an area at risk of flooding: up 10% to 56%
- Signing up to Environment Agency’s flood warning system, Floodline Warnings Direct: up 6% to 37%
- Thinking through or preparing a flood plan: up 4% to 34%
- Investing in suitable flood protection: up 7% to 21%

The number of respondents joining a local community flood group remained static at 9%.

8.4.4 Respondents who had taken 4 or 5 of the key actions identified by the Environment Agency were more likely to have received support or advice (from a variety of sources) than respondents overall (57% compared with 31%). Of the respondents who received advice:

- 77% had checked whether their property is in an area at risk of flooding, compared with 47% who had not received advice
• 65% had signed up to the Environment Agency’s flood warning system, Floodline Warnings Direct, compared with 25% who had not received advice

• 53% had thought through or prepared a flood plan, compared with 25% who had not received advice

• 30% had invested in suitable flood protection, compared with 17% who had not received advice

• 15% had joined a local community flood group, compared with 6% who had not received advice

9.0 Finance teams achieve Customer Service Excellence accreditation

9.1 In mid-2013, Finance teams achieved independent accreditation under Customer Service Excellence (CSE). This is the Cabinet Office-recommended award for the public sector. To achieve it, evidence is required to demonstrate a commitment to customer service.

9.2 Finance teams now receive an annual check to ensure we are continuing to focus on customer service, based on documentary evidence and interviews with staff and customers, including Defra.

9.3 We were successfully re-accredited, with two areas identified as particularly high achievement and two areas for improvement. Our customers were particularly positive in recognising the improvement that Finance staff have made in their approach to customer support.

9.4 Next year, other teams in the Directorate are going to start to implement customer excellence including CIS, Procurement, Pensions and Business Improvement.

10.0 Government communications

10.1 On 25 September, Alex Aiken, Executive Director for Government Communications, tweeted: “Well done @EnvAgency & @metoffice comms teams on shortlist in Best Use Social Media in a crisis at http://uksocialmediaawards.com/shortlist”. We are shortlisted for our proactive work last winter to warn and inform people about flood risk.

Paul Leinster
Chief Executive

September 2014
### 1.0 Issues for the Board

<table>
<thead>
<tr>
<th>Issue</th>
<th>Details</th>
<th>Board actions required</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial position to 31 August 2014</strong></td>
<td>This report presents the financial position for the five months ended 31 August 2014. The Environment Agency has invested more to the end of August this year than it did last year. However, this is in the context of a much larger budget. The expenditure for the first five months of the year was affected by the focus required on incident response and recovery following the winter storms and floods in the last quarter of the last financial year, which reduced the capacity for programme planning for the new year. In addition sufficient time has been required to properly plan the most efficient use of the extra £180m FCERM funding received this year to repair, restore and maintain priority assets. We remain confident of investing the budget given to us by Defra for this purpose. Progress in using our flood recovery funding is being monitored closely and we anticipate acceleration in investment for the majority of recovery schemes prior to Winter 2014.</td>
<td>The Board is asked to note the financial position for the first five months of 2014-15.</td>
</tr>
<tr>
<td><strong>2014-15 Mid-year financial review</strong></td>
<td>A mid-year review has been carried out during September based on the August 2014 position, with results currently being reviewed by Executive Directors. The review incorporates information gathered from around the organisation to assess current outturn expectations, identifying any key risks and financial issues. This review has been timed to fit in with a wider Defra mid-year review and will recommend any action that needs to be taken to ensure that our full year expenditure is in line with our budget. A verbal update will be provided to the Board at the meeting.</td>
<td>The Board is asked to note the mid-year review taking place during September.</td>
</tr>
</tbody>
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Mark McLaughlin  
Executive Director of Finance  
24 September 2014
## Summary Income & Expenditure

### Year to date

<table>
<thead>
<tr>
<th>All in £m</th>
<th>Actual</th>
<th>Agreed Target</th>
<th>Surplus/(Deficit)</th>
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<tr>
<td>Income</td>
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<td>0.7</td>
<td>1,279.8</td>
<td>1,278.7</td>
<td>1.1</td>
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<tr>
<td>Expenditure</td>
<td>431.6</td>
<td>460.2</td>
<td>28.6</td>
<td>1,286.1</td>
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<tr>
<td>Use of balances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6.3</td>
<td>7.4</td>
<td>(1.1)</td>
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<tr>
<td>Surplus/(Deficit)</td>
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<td>67.7</td>
<td>29.3</td>
<td>-</td>
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</tr>
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</table>

We have invested more to the end of August this year than we did last year. We are currently behind the year to date budget profile due to time taken to plan the investment of our increased flood programme. We expect the spend rate to increase through Q3 and Q4 as most of these projects begin delivery, with recovery projects planned to be in place by Winter 2014. We therefore expect to utilise our full year allocation fully.

### Full Year

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The reduced forecast on grants and contributions relates to partnership funding, for which expenditure is being reduced accordingly. Other income is expected to be higher due to extra IT services being provided to Natural Resources Wales during their transition period.

## Income

### Year to date

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<tr>
<td>Regulated Business</td>
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<td>49.3</td>
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<td>109.8</td>
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<td>Water Quality</td>
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<td>Grants and Contributions</td>
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<td>432.0</td>
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<td>847.8</td>
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<td>Total Income</td>
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<td>0.7</td>
<td>1279.8</td>
<td>1278.7</td>
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<td>8.7</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>9.8</td>
<td>7.0</td>
<td>2.8</td>
<td>27.9</td>
<td>21.6</td>
<td>6.3</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>8.4</td>
<td>10.4</td>
<td>(2.0)</td>
<td>35.3</td>
<td>38.8</td>
<td>(3.5)</td>
</tr>
<tr>
<td>DEL Income</td>
<td>175.5</td>
<td>174.7</td>
<td>0.7</td>
<td>432.0</td>
<td>430.9</td>
<td>1.1</td>
</tr>
<tr>
<td>Grant in Aid</td>
<td>353.2</td>
<td>353.2</td>
<td>-</td>
<td>847.8</td>
<td>847.8</td>
<td>-</td>
</tr>
<tr>
<td>Total Income</td>
<td>528.7</td>
<td>528.0</td>
<td>0.7</td>
<td>1279.8</td>
<td>1278.7</td>
<td>1.1</td>
</tr>
</tbody>
</table>

The reduced forecast on grants and contributions relates to partnership funding, for which expenditure is being reduced accordingly. Other income is expected to be higher due to extra IT services being provided to Natural Resources Wales during their transition period.

## Expenditure

### Year to date

<table>
<thead>
<tr>
<th>All in £m</th>
<th>Actual</th>
<th>Agreed Target</th>
<th>Surplus/(Deficit)</th>
<th>Forecast</th>
<th>Agreed Target</th>
<th>Surplus/(Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>157.2</td>
<td>162.4</td>
<td>5.2</td>
<td>384.2</td>
<td>385.3</td>
<td>1.1</td>
</tr>
<tr>
<td>Other Operating Costs</td>
<td>107.6</td>
<td>111.2</td>
<td>3.6</td>
<td>328.6</td>
<td>327.5</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>166.9</td>
<td>186.7</td>
<td>19.8</td>
<td>573.3</td>
<td>573.3</td>
<td>-</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>431.6</td>
<td>460.2</td>
<td>28.6</td>
<td>1,286.1</td>
<td>1,286.1</td>
<td>-</td>
</tr>
</tbody>
</table>

Capital investment has fallen a little behind profile in the early months of the year, although spend in absolute terms is higher than last year. Directors are reviewing our progress as part of the mid-year review, and we currently anticipate making full use of our available funding.
Open Board meeting  
Meeting date: 16 October 2014  
Item no. 5.2

Appendix 1 Q1 2014-15 Corporate Scorecard

Paper by: Executive Director of Finance

Subject: Environment Agency Corporate Scorecard April – June 2014

FOR COMMENT
Recommendations

Board members are asked to comment on:
- performance in quarter 1 2014 to 2015
- the actions indicated in the corporate scorecard report (Appendix 1)

1.0 Background

1.1 The corporate scorecard (CSC) has 23 performance measures which are reported quarterly to the Board before being shared with Defra and published externally on the gov.uk website. Each scorecard measure has a red/amber/green status and forecast, enabling us to track both current performance and likely year end outturn performance.

1.2 Appendix 1 shows a summary of the current position for each measure, and a more detailed ‘insight report’ with commentary that reviews performance issues and trends for each measure.

2.0 Summary of quarter 1 performance and key issues

2.1 At the end of quarter 1 (April – June 2014) the status of our performance measures was as follows:

<table>
<thead>
<tr>
<th>Measure status</th>
<th>Number of measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>9</td>
</tr>
<tr>
<td>Amber</td>
<td>3</td>
</tr>
<tr>
<td>Red</td>
<td>2</td>
</tr>
<tr>
<td>Not reported this quarter</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
</tr>
</tbody>
</table>
2.2 Within the category of ‘not reported this quarter’ are:

- 6 measures where data is only available annually
- 2 measures (biodiversity) where data collection starts in Q2
- 1 measure (diversity) which Executive Directors have asked to be re-worked for Q2 to show more meaningful information

2.3 Measures in bold in the tables below are included in the five measures which are reported to Defra’s Board, a group chaired by the Secretary of State that monitors the performance of Defra and its sponsored bodies.

3.0 Green measures

3.1 The table below highlights notable areas of good performance.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. We reduce the risk from flooding for more households</td>
<td>Since 2011 (the start of SR10), we and other flood risk management authorities have reduced the risk of flooding and coastal erosion for over 162,900 houses. We are confident that the schemes in place will enable us to exceed the Corporate Plan target of 165,000 by March 2015.</td>
</tr>
<tr>
<td>2f. We maintain our navigation assets at or above required condition</td>
<td>87.4% of navigation assets are at or above target condition, We expect to continue to exceed the 80% target at year end. Work has been completed on many projects which were delayed following prolonged bad weather over the winter and remaining delayed projects are nearing completion.</td>
</tr>
<tr>
<td>3d. We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites</td>
<td>We have reduced the number of high risk illegal waste sites by 18% this quarter (4% more than in quarter 4 2013/14).</td>
</tr>
<tr>
<td>4b. We contribute to the delivery of priority development sites</td>
<td>In the first quarter of this new corporate scorecard measure, we have completed 97% of the planned actions that contribute to the delivery of outcomes at priority development sites.</td>
</tr>
</tbody>
</table>

4.0 Red and amber measures

4.1 The table below shows a summary of performance for the 4 measures rated red and amber.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Summary of performance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1b. We maintain our flood and coastal risk management assets at or above the required condition</td>
<td>AMBER 95.5% of our assets in high consequence systems are at or above required condition. This is against a target of 97%. The Q1 position shows an increase of 1.5 percentage points from Q4 2013/14. This reflects the current work to improve the condition of assets damaged in the flood events of last winter.</td>
</tr>
</tbody>
</table>
2c. We improve and protect rivers and wetlands damaged by unsustainable abstraction

**AMBER**

11 licence notifications have been achieved this quarter, below our target of 13. We received seven voluntary (section 51) licence change notification forms, and served notices (section 52) to make compulsory changes to, or revoke, four licences. The Water, Land and Biodiversity Board reduced the Commitment to Deliver target for Operations from 88 to 84. We will work with areas to review their RSA programmes and re-profile targets across areas. This reduction will leave a shortfall of four compared to the target agreed with Defra in the Corporate Plan.

3b. We reduce serious and significant pollution incidents

**RED**

Category 1 and 2 pollution incidents have reduced this quarter, though serious and significant pollution incidents remain over target by 37% compared with being on target a year ago. During the last two quarters of 2013/14 the trend has shown a rising number of incidents from regulated sources. They rose twice as fast in 2013/14 compared with those from non-regulated sources and now represent 42% of the total.

5a. We reduce our carbon footprint

**AMBER**

We are at 104% of our profiled national carbon dioxide target at the end of Q1. Overall emissions are 3% below the same period last year. Within that, emissions from operational activities have gone up 6%. At this time last year there was little need to pump water. This year in areas such as Kent there has been significant groundwater pumping. Our emissions from all transport have decreased by 19% since our baseline year, with a significant reduction in hire car use. We have also seen a significant decrease in our train miles and resulting emissions.

5c ii. Health and safety actions implemented in target time

**RED**

The compliance figure used for this scorecard measure is the percentage who completed the action by the target completion date +10 days for ‘amber’ actions. ‘Red’ actions require a response within 2 days. In Q1 60% of actions were completed against a target of 95%. We believe with the new Safeguard system we can improve the score due to the ability to issue reminders through the system.

Mark McLaughlin  
Executive Director of Finance  

7 October 2014
### Corporate Scorecard 2014/15

**Quarter One**

**April-June 2014**

<table>
<thead>
<tr>
<th>Units</th>
<th>Q4 2013/14 Actual</th>
<th>Q1 Actual</th>
<th>Q1 Target</th>
<th>Q1 Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In Extending the resilience of people, property and businesses to the risks of flooding and coastal erosion</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a</td>
<td>We reduce the risk from flooding for more households*</td>
<td>Households protected during SR10 period</td>
<td>144,649</td>
<td>162,949</td>
</tr>
<tr>
<td>1b</td>
<td>We maintain our flood and coastal risk management assets at or above the required condition</td>
<td>% of assets at required condition</td>
<td>94%</td>
<td>95.5%</td>
</tr>
<tr>
<td>1c</td>
<td>More households and businesses at high risk of flooding can receive direct warnings</td>
<td>% of properties able to receive warnings</td>
<td>57%</td>
<td>Due Q4</td>
</tr>
<tr>
<td>1d</td>
<td>We achieve a proportion of funding for capital projects through contributions made by others</td>
<td>% of funding contributed by others</td>
<td>New for 2014/15</td>
<td>Due Q4</td>
</tr>
<tr>
<td><strong>Protecting and improving water, land and biodiversity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2a</td>
<td>We work with others to improve the quality of surface waters, groundwaters, coastal waters and wetlands*</td>
<td>Number of water bodies at good ecological status</td>
<td>1,994</td>
<td>Due Q4</td>
</tr>
<tr>
<td>2b</td>
<td>The quality of bathing water is getting better</td>
<td>% meeting revised Directive standards</td>
<td>90%</td>
<td>Due Q4</td>
</tr>
<tr>
<td>2c</td>
<td>We improve and protect rivers and wetlands damaged by unsustainable abstractions</td>
<td>Number of abstraction licence notifications</td>
<td>Revised measure for 2014/15</td>
<td>11</td>
</tr>
<tr>
<td>2d</td>
<td>We deliver our commitments to the England Biodiversity Strategy</td>
<td>i Creating new habitat</td>
<td>Hectares created and/or restored</td>
<td>817</td>
</tr>
<tr>
<td>2e</td>
<td>Fewer salmon river stocks are ‘at risk’</td>
<td>% of rivers not at risk</td>
<td>60%</td>
<td>Due Q4</td>
</tr>
<tr>
<td>2f</td>
<td>We maintain our navigation assets at or above the required condition</td>
<td>% of assets at required condition</td>
<td>87%</td>
<td>87%</td>
</tr>
<tr>
<td><strong>Improving the way we work as a regulator to protect people and the environment and support sustainable growth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3a</td>
<td>We improve business compliance through supporting legitimate business to comply and by tackling the deliberately non-compliant*</td>
<td>Sites in lowest compliance bands (D, E and F) for 2+ years</td>
<td>182</td>
<td>Due Q4</td>
</tr>
<tr>
<td>3b</td>
<td>We reduce serious and significant pollution incidents*</td>
<td>Number of incidents</td>
<td>637</td>
<td>578</td>
</tr>
<tr>
<td>3c</td>
<td>We reduce the administrative costs of regulation to businesses*</td>
<td>Milestones met (interim measure)</td>
<td>£272m cost savings in 2013/14</td>
<td>1</td>
</tr>
<tr>
<td>3d</td>
<td>We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites</td>
<td>Number of high risk illegal waste sites</td>
<td>272</td>
<td>222</td>
</tr>
<tr>
<td><strong>Working together and with others to create better places</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4a</td>
<td>We respond to planning application consultations and pre-application enquiries within 21 days</td>
<td>% responded to within target time</td>
<td>New for 2014/15</td>
<td>96%</td>
</tr>
<tr>
<td>4b</td>
<td>We contribute to the delivery of priority development sites</td>
<td>% of planned actions delivered</td>
<td>New for 2014/15</td>
<td>121%</td>
</tr>
<tr>
<td><strong>Ensuring that we are fit for the future</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5a</td>
<td>We reduce our carbon footprint</td>
<td>Reduction in CO2 (tonnes)</td>
<td>47,900</td>
<td>8,951</td>
</tr>
<tr>
<td>5b</td>
<td>We have a diverse workforce:</td>
<td>i Proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin</td>
<td>% of staff</td>
<td>3.9%</td>
</tr>
<tr>
<td>5c</td>
<td>We provide a safe place to work:</td>
<td>i Lost time incident (LTI) frequency rate</td>
<td>LTIs per 100,000 hours worked</td>
<td>0.24</td>
</tr>
<tr>
<td>5d</td>
<td>We manage our money effectively</td>
<td>% spend to budget (£m)</td>
<td>New for 2014/15</td>
<td>100%</td>
</tr>
</tbody>
</table>

* These measures are reported quarterly to Defra Board.

We improve business compliance through supporting legitimate business to comply and by tackling the deliberately non-compliant*

We reduce serious and significant pollution incidents*

We reduce the administrative costs of regulation to businesses*

We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites

We respond to planning application consultations and pre-application enquiries within 21 days

We contribute to the delivery of priority development sites

We reduce our carbon footprint

We have a diverse workforce:

- Proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin
- Proportion of Executive Managers who are female

We provide a safe place to work:

- Lost time incident (LTI) frequency rate
- Health and safety actions implemented in target time

We manage our money effectively

Under development

* These measures are reported quarterly to Defra Board.
Increasing the resilience of people, property and businesses to the risks of flooding and coastal erosion

1.a We reduce the risk from flooding for more households

Q1 2014-15

Owners: Executive Directors of FCRM and Operations

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Year End Target</th>
<th>Year End Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>162,949</td>
<td>165,000</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**Houses protected**

Alongside other risk management authorities, we have reduced flood and coastal erosion risk to more than 18,900 houses between April 2014 and June 2014.

Since 2011/12 (the start of SR10), we and other flood risk management authorities have reduced the risk of flooding and coastal erosion for more than 162,900 houses.

We are confident that the schemes in place will enable us to exceed the corporate plan target of 165,000 by March 2015.

**Insight this quarter**

- Removed from significant flood probability: 13,496
- Protected against loss in 20 years from coastal erosion: 0
- Removed from significant flood probability (households in areas of deprivation): 5,471
- Protected against loss in 20 years from coastal erosion (households in areas of deprivation): 0

**Actions**

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
</table>
Increasing the resilience of people, property and businesses to the risks of flooding and coastal erosion

1.b We maintain our flood and coastal risk management assets at or above the required condition

Q1 2014-15

Owners: Executive Directors of FCRM and Operations

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Year End Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBER</td>
<td>95.5%</td>
<td>97%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

95.5% of our assets in high consequence systems are at or above required condition. This is against a target of 97%.

The Q1 position shows an increase of 1.5 percentage points from Q4 2013/14. This reflects the current work to improve the condition of assets damaged in the flood events of the winter 2013/14.

If the good weather continues through the summer and into the autumn, we will continue to make good progress in improving asset condition.

### % of assets at or above required condition

<table>
<thead>
<tr>
<th>Year</th>
<th>At or above required condition (EA)</th>
<th>Below required condition (EA)</th>
<th>At or above required condition (3rd party)</th>
<th>Below required condition (3rd party)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/11</td>
<td>98.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011/12</td>
<td>98.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012/13</td>
<td>97.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013/14</td>
<td>94.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 14/15</td>
<td>95.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### No. of assets passing

<table>
<thead>
<tr>
<th>Condition</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>At or above required (EA)</td>
<td>24,099</td>
</tr>
<tr>
<td>Below required (EA)</td>
<td>1,137</td>
</tr>
<tr>
<td>At or above required (3rd party)</td>
<td>22,697</td>
</tr>
<tr>
<td>Below required (3rd party)</td>
<td>1,043</td>
</tr>
</tbody>
</table>

### Actions

- **Action(s):** Complete 2014-15 maintenance allocation with robust decision making process
- **Owner(s):** Executive Director of Operations and Operations
- **Deadline(s):** Ongoing
We worked with licence holders to identify and negotiate a range of actions which will help deliver environmental protection and improvements.

As a result of previous Restoring Sustainable Abstraction (RSA) investigations and options appraisals, 11 licence notifications have been achieved this quarter. We received seven voluntary (section 51) licence change notification forms, and served notices (section 52) to make compulsory changes to, or revoke, four licences. These 11 notifications, which include surface water and ground water licences, benefit rivers at seven sites.

The four section 52 notices issued to water companies in the West Thames and Hertfordshire and North London Areas are the first to be issued since the Water Act 2014 received Royal Assent. Water companies will not be entitled to compensation for the modification of these licences.

The Water, Land and Biodiversity Board reduced the Commitment to Deliver target from 88 to 84. We will work with areas to review their RSA programmes and re-profile targets across areas. This reduction will leave a shortfall of four compared to the target agreed with Defra in the Corporate Plan.

**Actions**

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;B Water Resources to reprofile targets and roll out to Areas</td>
<td>Executive Director of E&amp;B</td>
<td>25/07/2014</td>
</tr>
</tbody>
</table>
2.f. We maintain our navigation assets at or above the required condition

Q1 2014-15

Owners: Executive Directors of Environment and Business and Operations

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>87%</td>
<td>80%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

87.4% of our navigation assets are at or above target condition - the corporate target is 80% for 2014/15 which we expect to exceed at year end.

Work has been completed on many projects which were delayed following prolonged bad weather over the winter and remaining delayed projects are nearing completion.

![Chart showing % of assets at or above required condition](chart1.png)

![Chart showing No. at or above required condition](chart2.png)

![Table showing Actions](table.png)
Improving the way we work as a regulator to protect people and the environment and support sustainable growth

3.b We reduce serious and significant pollution incidents

Q1 2014-15

Owners: Executive Directors of Environment and Business and Operations

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED</td>
<td>578</td>
<td>420</td>
<td>RED</td>
</tr>
</tbody>
</table>

No. category 1 and 2 pollution incidents

Category 1 and 2 pollution incidents have reduced this quarter, though serious and significant pollution incidents remain over target by 37% compared with being on target a year ago. During the last two quarters of 2013/14 the trend has shown a rising number of incidents from regulated sources. They rose twice as fast in 2013/14 compared with those from non-regulated sources and now represent 42% of the total.

Increases in incidents have been seen across virtually all sectors in Q4. The waste management sector is still the largest component, dominated by bio-waste, metals and waste transfer stations. Many of these incidents were due to impacts on amenity caused by odour, dust, noise, flies and litter from these sites. Incidents from the water and sewerage sector increased in line with other industries, largely related to increases in incidents from the sewerage network.

Increases in pollution incidents from unregulated sources included an increase from arable farming, mostly involving pesticides. Dairy farming was also a significant contributor.

The extensive flooding seen over the winter months is thought to have led to a rise in incidents. This may have led to impacts such as run off or loss of containment of chemicals / wastes due to structural damage and waterlogged soils.

Q1 incidents by category

<table>
<thead>
<tr>
<th>Category 1 incidents</th>
<th>Category 2 incidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unregulated</td>
<td>Regulated</td>
</tr>
<tr>
<td>36</td>
<td>13</td>
</tr>
<tr>
<td>300</td>
<td>229</td>
</tr>
</tbody>
</table>

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue to investigate the data to ascertain trends and patterns enabling us to choose the right course of action to take, e.g. more focus on pollution prevention campaigns and working with industry trade organisations.</td>
<td>Executive Director of E&amp;B</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Improving the way we work as a regulator to protect people and the environment and support sustainable growth

3.c We reduce the administrative costs of regulation to businesses
Q1 2014-15 Owner: Executive Director of Environment and Business

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>1</td>
<td>1</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

Savings to businesses (£m)

The required milestone was completed this quarter.

There is some uncertainty that we will meet our 2014/15 savings target of £50 million due to the cancellation of one project and the take up of another being slower than expected.

Despite this we currently exceed our cumulative savings target by over £5 million and we will continue to capture, track and confirm delivery of all relevant regulatory simplification initiatives in accordance with programme milestones.

### Milestones

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Due</th>
<th>Complete</th>
<th>RAG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirm ownership and tracking of all strategy aims and targets that support our Better Regulation agenda</td>
<td>Q1 14/15</td>
<td>Q1 14/15</td>
<td>GREEN</td>
</tr>
<tr>
<td>Confirm delivery plans are in place for all aims and targets that support the Better Regulation agenda</td>
<td>Q2 14/15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Track and confirm delivery of plans that support the Better Regulation agenda</td>
<td>Q3 14/15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Track and confirm delivery of plans that support the Better Regulation agenda</td>
<td>Q4 14/15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Report to EDT and Defra</td>
<td>Q4 14/15</td>
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### Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
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</tbody>
</table>
Improving the way we work as a regulator to protect people and the environment and support sustainable growth

3.d We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites

Q1 2014-15

Owners: Executive Directors of Environment and Business and Operations

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>222</td>
<td>264</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

### Number of high risk illegal waste sites

There are 222 high risk illegal waste sites.

We have reduced the number of high risk illegal waste sites by 18% this quarter (4% more than in quarter 4), exceeding the new quarter one target by 15%.

The number of high risk sites fell to 222; 50 fewer than the previous quarter. We found 27 new high risk sites, 6 more than the previous quarter.

We stopped illegal activity at 141 sites, of which 67 were high risk sites. 4 of these high risk sites were brought into regulation. This is the highest number of high risk sites we have stopped since Q1 2013-14.

### Total number of active illegal waste sites at close of reporting period

There are 820 active illegal waste sites.

We have reduced the number of active illegal waste sites by 35% this quarter (11% more than in quarter 4), exceeding the new quarter one target by 15%.

The number of active waste sites fell to 491; 150 fewer than the previous quarter. We found 184 new active sites, 47 more than the previous quarter.

We stopped illegal activity at 339 sites, of which 132 were high risk sites. 4 of these high risk sites were brought into regulation. This is the highest number of high risk sites we have stopped since Q1 2013-14.

### Actions

<table>
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<tr>
<th>Action(s)</th>
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<tr>
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</tbody>
</table>
4.a We respond to planning application consultations and pre-application enquiries within 21 days

Q1 2014-15

Owners: Executive Directors of Environment and Business and Operations

**Status**
- Actual: 96%
- Target: 95%
- Forecast: GREEN

**% within 21 days (or longer with agreement)**

We take a risk-based approach to prioritising our planning work. We focus our effort on strategic planning documents and developments with greatest environmental risk. This means there is less work to do later on as planning applications should be in line with the local plan as well as the National Planning Policy Framework.

We provide Flood Risk Standing Advice and promote use of our checklist by Local Planning Authorities so they only send us consultations they are required to. We provide standard comments where we can and bespoke comments only when needed.

**No. within 21 days (or longer with agreement)**

**Actions**

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on our core work and greatest environmental risks</td>
<td>Executive Director of E&amp;B</td>
<td>Q3 2014-15</td>
</tr>
<tr>
<td>Ensure we provide an appropriate level of advice</td>
<td>Executive Director of E&amp;B</td>
<td>Q3 2014-15</td>
</tr>
<tr>
<td>Work with internal consultees to turn around our bespoke consultations faster</td>
<td>Executive Director of E&amp;B</td>
<td>Q3 2014-15</td>
</tr>
<tr>
<td>Continuous improvement: standing advice, checklist tools, training packages</td>
<td>Executive Director of E&amp;B</td>
<td>Q4 2014-15</td>
</tr>
</tbody>
</table>
This has been the first quarter for this new Corporate Scorecard measure. Area teams have been working hard to ensure we are taking a ‘yes if’ approach and achieving the positive outcomes we expect in the Priority Development Sites.

Examples of the actions being undertaken include:

1) ‘we will work with the developer so that they understand the risks to the River Ouse in relation to Water Framework Directive requirements, and actions set out in the South East River Basin Management Plan’ and

2) ‘Subject to the Local Enterprise Partnership (LEP) submitting this Scheme to government for approval, we will work with the LEP and local councils to ensure potential ’blockages’ are resolved early’.

We will continue to monitor the progress on all of the identified sites and work hard to address any issues if they arise.
5. We reduce our carbon footprint

Q1 2014-15

Status | Actual | Target | Forecast
-------|--------|--------|--------
AMBER  | 8,951  | 8,576  | AMBER  

Q1 carbon emissions by type ( tonnes )

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
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<tr>
<td>Total</td>
<td>AMBER</td>
<td>8,951</td>
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<tr>
<td>Operational fuel</td>
<td>GREEN</td>
<td>898</td>
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<tr>
<td>Transport</td>
<td>AMBER</td>
<td>2,692</td>
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<tr>
<td>Buildings</td>
<td>RED</td>
<td>2,077</td>
</tr>
<tr>
<td>Pumping</td>
<td>AMBER</td>
<td>3,284</td>
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</table>

We are at 104% of our profiled national carbon dioxide target at the end of Q1 2014/15.

Overall emissions are 3% below the same period last year.

Within that, emissions from operational activities have gone up 6%. At this time last year there was little need to pump water. This year in areas such as Kent there has been significant groundwater pumping.

Our emissions from all transport have decreased by 19% since our baseline year, with a significant reduction in hire car use particularly by Environment Crime teams. We have also seen a significant decrease in our train miles and resulting emissions compared to last year.

We continue to see a reduction in our emissions from buildings. The Carbon Action Plan will help us achieve further improvements. There is potential for a small increase in energy use at some sites if we share space with partners.

## Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding allocated to deliver actions on buildings, biodiesel and NLS projects</td>
<td>Executive Director of Resources &amp; Legal Services</td>
<td>31/03/2015</td>
</tr>
<tr>
<td>FCRM continue to deliver their carbon savings plans</td>
<td></td>
<td>31/03/2015</td>
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</table>

Ensuring that we are fit for the future
Ensuring that we are fit for the future

5.b.i We have a diverse workforce: proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin

Q1 2014-15

Owner: Executive Director of Resources and Legal Services

<table>
<thead>
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<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>3.9%</td>
<td>3.7%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

BAME as % of all staff

The BAME percentage for Q1 remains at 3.9% (410). This number has decreased slightly from 425 in Q4 2013-14, but this decrease is in line with overall staff reductions.

There were no BAME recruits this quarter, however there was very little external recruitment (9 in total).

BAME turnover rate this quarter is 7.2% compared to 6.2% for the total Environment Agency. Both turnover rates are higher than in recent quarters. This is attributable to the recent offer for staff to leave the Environment Agency under the Voluntary Early Release Scheme (VERS).

The figures above include Eastern European staff. If Eastern Europeans are excluded the BAME percentage is 3.5% with a population size of 373 staff.

Number of BAME staff

Actions

- Recruitment training for recruiting managers
- Initiative to attract more BAME candidates

Owner(s): Executive Director of Resources & Legal Services

Deadline(s): 31/03/2015

Ongoing
### Ensuring that we are fit for the future

5.c.i We provide a safe place to work: lost time incident (LTI) frequency rate

Q1 2014-15  
Owner: Executive Director of Resources and Legal Services

#### Status

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<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
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<tbody>
<tr>
<td>AMBER</td>
<td>0.24</td>
<td>0.23</td>
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</table>

#### Forecast

| GREEN     | 0.24   | 0.24   |

---

**Lost time incident frequency rate**

12 Lost Time Incidents (LTIs) were reported in Q1, 0.24 per 100,000 hours worked.

Our ceiling this year is a 12 month rolling-average LTI Frequency Rate (LTIFR) of 0.23 or lower.

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**Number of LTIs**

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**Actions**

- Ensure each LTI is fully reviewed and relevant lessons widely shared
- Analyse LTI and incident data at national level to identify emerging trends
- Construction site inspection to give particular attention to manual handling
- Continue roll out of workplace inspections at operational assets

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**Owner(s)**

| Executive Director of Operations | Ongoing |
| Executive Director of Resources & Legal Services | Ongoing |

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**Deadline(s)**

| Ongoing | Ongoing | Ongoing |

---

**Graphs**

- **Lost time incident frequency rate**
  - 12 month rolling average
  - 36 month rolling average

- **Number of LTIs**

---

**Figures**

<table>
<thead>
<tr>
<th>0.20</th>
<th>0.21</th>
<th>0.20</th>
<th>0.24</th>
<th>0.22</th>
<th>0.23</th>
<th>0.23</th>
<th>0.24</th>
<th>0.23</th>
<th>0.24</th>
<th>0.24</th>
<th>0.24</th>
</tr>
</thead>
</table>

| 0.17 | 0.17 | 0.17 | 0.18 | 0.18 | 0.18 | 0.19 | 0.19 | 0.19 | 0.19 | 0.19 | 0.20 |
Ensuring that we are fit for the future

5.c.ii We provide a safe place to work: health and safety actions implemented in target time

Q1 2014-15

Owner: Executive Director of Resources and Legal Services

<table>
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<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED</td>
<td>60%</td>
<td>95%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

Number of priority actions completed

- 2012/13: 67%
- 2013/14: 69%
- Q1 14/15: 60%

In quarter one, there were 10 My Health and Safety (MyH&S) actions issued in total, all of which were priority (amber) actions. Of these actions, 7 were issued as a result of a Safety Critical Incident (SCI) or other incident.

There were 11 Compliance Reports produced in Q1, of which the overall compliance was 60%. This is a decrease on the last quarter (80%) and also a slight decrease on the whole of 2013/14 (69%).

The compliance figure used for this scorecard is the percentage who completed the action by ten days after the target completion date for amber actions. Red actions require a response within 2 days.

We believe with the new Safeguard system we can achieve an Amber score due to the ability to issue reminders through the system.

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Actions

- Action(s): Provide reports/information to enable managers to take follow-up actions
- Safeguard system to be in place at the beginning of Q3 2014/15
- Owner(s): Executive Director of Resources & Legal Services
- Deadline(s): Ongoing
We have invested 19% of full year budget in the first quarter of 2014-15.

Plans are in place to accelerate investment over quarter two to ensure all available funding is utilised. A mid year review will be presented to Executive Directors at the end of quarter two, providing more detail on the financial position and highlighting any risks or issues.
Open Board meeting
Meeting date: 16 October 2014
Item no. 6.2a

Paper by: Executive Director of Finance

Subject: Financial Scheme of Delegation

FOR REPORT
Recommendations

The Board is asked to:

1. Note the item in section 1.0

Section Contents

1.0 Noted item

1.1 Changes to Financial Scheme of Delegation – proposal to amend Section T - Land, Property and Estates 2

Mark McLaughlin
Executive Director of Finance

23 September 2014
1.0 Noted item

1.1 Head Office: Financial Scheme of Delegation (FSoD) - proposal to amend section T - Land, Property and Estates.

Board approval is required for any variations in the delegated limits contained within the Financial Scheme of Delegation.

Approval Route:

- Director Corporate Assets, Safety, Health and Environment: Paul Woodcock
- Director of Corporate Finance: Bob Branson
- Executive Director Resources & Legal: Jonathan Robinson
- Executive Director of Finance: Mark McLaughlin
- Chief Executive: Paul Leinster
- Chairman: Sir Philip Dilley

1.0 Introduction

1.1 Section T of the Financial Scheme of Delegation (Land, Property and Estates) requires amending to bring consistency to the Financial Scheme of Delegation delegations within the Estates Team and to add efficiency to the approvals process.

1.2 Appendix A details the proposed revision.

2.0 Corporate Property Programme Manager

2.1 The post of Corporate Property Programme Manager (grade 7) reports to the Head of Estates but this role does not currently have a Financial Scheme of Delegation assigned to it. It is proposed to duplicate the signing powers currently held by the Head of Estates (up to £100k) in Section T to the Corporate Property Programme Manager.

2.2 This would increase efficiency by delegating responsibility to those who are closest to the transactions. If the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.

2.3 It also brings consistency with other delegations at the £100k level. The Head of Estates’ other grade 7 direct reports hold delegations at this level.

2.4 The team’s flexibility will be increased as a result of both posts being able to approve up to this level.

3.0 Recommendation

3.1 Approval was given under delegation on 10 September 2014 to these changes to the Financial Scheme of Delegation.

3.2 This action is now for noting by the Environment Agency Board.
APPENDIX A
FSoD Section T Land, Property and Estates
T1 Freehold disposal

National Office and National Services’ delegations apply to all transactions relating to ‘corporate property’ including all offices, depots and storage yards.

Area delegations apply to transactions relating to ‘functional property’ e.g. land/property required for flood defence and operational purposes.

T.1 Freehold disposal. Dispose of land, buildings and structures or of an interest therein.

Subject to:
• advance notification to Defra for any disposal expected to realise proceeds in excess of £1m.
• prior approval from Defra for any disposal at less than market value and expected to realise proceeds in excess of £25k.
• prior approval from Defra for disposal by method other than auction or competitive tender, except where an independent valuer confirms best value has been achieved.
• For National Office, if the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
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</thead>
<tbody>
<tr>
<td>Over £5m</td>
<td>Chief Executive</td>
<td>Chief Executive</td>
</tr>
<tr>
<td>Up to £5m</td>
<td>Executive Director of Resources and Legal Services and Executive Director of Finance</td>
<td>Executive Director of Operations and Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £1m</td>
<td>Director of Corporate Assets, Safety, Health and Environment and Director of Corporate Finance</td>
<td>Director of Operations and Director of Corporate Assets, Safety, Health and Environment</td>
</tr>
<tr>
<td>Up to £250k</td>
<td>-</td>
<td>Area Manager</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>Head of Estates Service or Corporate Property Programme Manager</td>
<td>Estates Operations Manager</td>
</tr>
</tbody>
</table>
FSoD Section T Land, Property and Estates
T2 Freehold acquisition

Refer to FSoD Addendum for additional spending restrictions under this section.

National Office and National Services’ delegations apply to all transactions relating to ‘corporate property’ including all offices, depots and storage yards.

Area delegations apply to transactions relating to ‘functional property’ e.g. land/property required for flood defence and operational purposes.

T.2 Freehold acquisition. Purchase land, buildings, structures, or an interest therein.

Subject to:
- Notification to Defra for each property costing between £2m and £5m or which involve expenditure with novel, unusual or financially contentious features.
- For National Office, if the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.

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<th>Limit</th>
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<td>Head of Estates Service or Corporate Property Programme Manager</td>
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</tr>
</tbody>
</table>
FSoD Section T Land, Property and Estates  
T3 Leasing out

National Office and National Services' delegations apply to all transactions relating to ‘corporate property’ including all offices, depots and storage yards.

Area delegations apply to transactions relating to ‘functional property’ e.g. land/property required for flood defence and operational purposes.

T.3 Leasing out. Grant, terminate and vary leases (including rent reviews), waive lease break to third parties for land, buildings and structures or an interest therein.

The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease (including any penalties).

Example:
- 10 year lease
- £5k per annum
Commitment of £50k and therefore below the £100k limit.

Leasing in this context includes all agreements such as tenancies, wayleaves, easements, licences, and Memorandum of Terms of Occupation (MOTO) and occupancy agreements.

For National Office, if the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.

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<tr>
<th>Limit</th>
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<tbody>
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<tr>
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<td>Up to £10k</td>
<td>Senior Corporate Property Surveyor</td>
<td>Senior Estates Surveyor</td>
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</table>
**FSoD Section T Land, Property and Estates**

**T4 Leasing in**

*Refer to FSoD Addendum for additional spending restrictions under this section.*

**National Office and National Services’ delegations** apply to all transactions relating to ‘corporate property’ including all offices, depots and storage yards.

**Area delegations** apply to transactions relating to ‘functional property’ e.g. land/property required for flood defence and operational purposes.

T.4 **Leasing in.** Acquire, terminate and vary lease (including rent reviews), or waive lease break, of land, buildings, structures, or of an interest therein.

The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease and with regard to any breaks.

Example:
- 15 year lease
- £110k per annum
- lease break in year 9

Commitment less than £1m limit.

However, if the above lease break includes a penalty of £100K then commitment increases to above the £1m limit.

Leasing in this context includes all agreements such as tenancy’s, wayleaves, easements, licences, and Memorandum of Terms of Occupation (MOTO) and occupancy agreements.

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For National Office, if the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.
Ref: OB/1410-6.2a

FSoD Section T Land, Property and Estates

T5 Operational compensation

National Office and National Services’ delegations apply to all transactions relating to ‘corporate property’ including all offices, depots and storage yards.

Area delegations apply to transactions relating to ‘functional property’ e.g. land/property required for flood defence and operational purposes.

T.5 Compensation. Settling compensation claims and associated professional fees resulting from any operations.

For National Office, if the Corporate Property Programme Manager is involved in preparation of, or negotiation of, acquisitions, disposals, leases or compensation, approval will remain with the Head of Estates.

<table>
<thead>
<tr>
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<td>Senior Corporate Property Surveyor</td>
<td>Senior Estates Surveyor</td>
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Open Board Meeting  
Meeting date: 16 October 2014  
Item no. 6.2b

Paper by: Executive Director of Finance

Subject: Pensions Funds Scheme of Delegation

Recommendations

To comply with Pensions Committee Terms of Reference and Standing orders; and Pension Funds Scheme of Delegation the Board is asked to approve:

1. the appointment of Active Fund member representative Ian Brindley to the Pensions Committee for a period of 3 years from 1 November 2014;

2. the appointment of Active Fund member representative Dot Holding to the Pensions Committee for a period of 3 years from 1 January 2015.

1.0 Appointment of Active Fund member representatives

1.1 In September the Head of Pension Fund Management received formal notice that two Active Fund members would be standing down from the Pensions Committee; Ian Woolven with immediate effect and Stuart Martin in December 2014. The Pensions Committee noted this in its meeting of 30 September 2014 and that approval would be sought of the Board in October in line with the Pension Funds Scheme of Delegation.

1.2 This was not unexpected and UNISON had prepared for succession. They advertised the positions to Environment Agency branches and following a good level of interest nominated two replacements at a meeting of their September national Environment Agency sector committee; Ian Brindley from the West Midlands and Dot Holding from the North West.

1.3 UNISON is aware of the skills and experience required to be on the Pensions Committee as set out in the Environment Agency Pension Funds Training Policy and Training Needs Matrix. This was a determining factor in assessing suitability for the roles. UNISON is also supporting its many trustees across a range of public and private schemes and will be looking to develop this over the next few years.

2.0 Recommendations

2.1 The Board is asked to approve the appointment to the Pensions Committee of Ian Brindley for a period of 3 years starting 1 November 2014 and Dot Holding for a period of 3 years starting from 1 January 2015.

Mark McLaughlin  
Executive Director of Finance

30 September 2014