Board Meeting - Open  
Thursday 14 May 2015

Time: 9.30am – 12.50pm

Venue: Ergon House, London

Quorum: 8 non executive Board members

Public invited from 9.15am

1. Apologies
   Chairman
   9.30am

2. Declarations of Interest
   Chairman
   9.30am

3. Minutes of the meeting on 29 January 2015 and matters arising
   Chairman
   9.30am

4. Informative session on Bathing Waters
   Ed Mitchell
   9.35am
   40 mins

   For information

5. Resilience to extreme weather
   Professor Georgina Mace of the Royal Society
   10.15am
   60 mins

   For information

   Short refreshment break
   11.15am
   15 mins

6. Chief Executive’s update
   Paul Leinster
   11.30am
   15 mins

   For discussion

7. Finance Report
   Mark McLaughlin
   11.45am
   15 mins

   For discussion

8. Matters for Discussion and Decision/Steer
   Mark McLaughlin
   12.00pm
   5 mins

   For approval

8.1 Schemes of Delegation

9. Matters for information
   Mark McLaughlin
   12.05pm
   15 mins

   Review of the red/amber measures

9.1 Corporate Scorecard Q3 and Q4

   12.20pm
   10 mins

9.2 Annual Presentation of Flood and Coastal Risk Management Committee
   Jeremy Walker
   12.20pm
   10 mins

9.3 Committee meetings – oral updates
   John Varley
   12.30pm
   5 mins

   Pensions
9.4 Communications update  Pam Gilder  12.35pm  5 mins

9.5 Health, Safety and Wellbeing update  Jonathan Robinson  12.40pm  5 mins

10. Any other business  12.45pm  5 mins

11. Date of next open meeting – 9 July 2015 (Horizon House, Bristol)

Information Papers

- Chairman’s Update Report
Minutes of the Open Board meeting held on 29 January 2015 at Ergon House, London

Present

(Board Members)
Sir Philip Dilley Chairman
Robert Light Deputy Chairman
Paul Leinster Chief Executive
Peter Ainsworth
Karen Burrows
Emma Howard Boyd
Richard Macdonald
John Varley
Jeremy Walker
Gill Weeks

In attendance
Mark McLaughlin Executive Director of Finance
Ed Mitchell Executive Director of Environment and Business
Jonathan Robinson Executive Director of Resources and Legal Services
Miranda Kavanagh Executive Director of Evidence
David Rooke Executive Director of Flood and Coastal Risk Management
Pam Gilder Director, Corporate Affairs
Rob Creed Strategic Coordination Manager
Item 4 Tony Grayling Director E&B Technical and Cross-Cutting
Item 4 Mark Ellis Jones E&B Manager

1.0 The Chairman opened the meeting and welcomed members of the public and staff who were observing.

Item 1 Apologies for absence

1.1 Apologies for absence were received from Richard Leafe, Clive Elphick and David Jordan.

Item 2 Declarations of Interest

2.1 There were no declarations of interest.
Item 3   Minutes of the meetings on 16 October 2014 and matters arising

3.1 The minutes were approved as a correct record of the meeting.

3.2 The Chairman explained that as David Jordan was unwell, the Executive Director of Operations would be asked to present the lessons learnt from the 2013/14 winter flood recovery programme at the next Open board meeting.

Action: Executive Director Operations

Item 4   Informative session on on-shore oil and gas

4.1 Tony Grayling gave a slide presentation outlining the regulatory controls in place to protect the environment in relation to on-shore oil and gas exploration, including the use of hydraulic fracturing. He explained that the Environment Agency works closely with other regulators involved in the process.

4.2 The Board discussed the checks that are made into the financial stability of operators and the permit requirements for monitoring and decommissioning. They noted the need to plan for potential expansion of the industry.

4.3 The Board asked if it is common for permits to be refused. Tony Grayling explained that it is not common because unsuitable permit applications are normally discouraged in discussions before they are made.

Item 5   Chief Executive’s Update

5.1 Paul Leinster informed the Board that following a competitive selection process Toby Willison will be appointed as Executive Director of Operations when David Jordan retires at the end of March.

5.2 Emma Howard Boyd asked when the repairs to flood defence assets following the last winter’s storms would be complete. Paul Leinster informed the Board that 842 of 844 will be complete by March 2015 and that the remaining two are Local Authority led works which are being progressed. He emphasised to the Board that where repairs are not complete, arrangements are in place to ensure an equivalent level of protection to properties to that which existed prior to the storm damage.

5.3 Karen Burrows noted the good progress made on ethnic diversity. She asked what the reason for this was. It was explained that there are a series of funded staff networks in the organisation and multiple activities such as training, reverse mentoring of senior staff and visible leadership on diversity as well as grassroots action have led to the improvements.

5.4 The Board asked for congratulations to be noted for Donald Collins, Raymond Foster, Anthony Perry, Stephen Stamp and Barry Russell for receiving honours in the Queen’s New Year Honours.
Item 6  Finance Report

6.1 Mark McLaughlin presented the paper. He highlighted that the Environment Agency are working closely with Defra accountants as the year end approaches; that Executive Directors have put in place measures to ensure maximum environmental benefit is maintained whilst spending is kept on track towards year end; and that considerable work is being undertaken to prepare for a new finance software system which will be shared with other government departments.

6.2 The board noted the items in the paper and that the Audit and Risk Assurance Committee have examined them in detail.

Item 7  Matters for Discussion and Decision/Steer

Item 7.1  Levy, IDB Precepts and Environment Agency administered IDB charges

7.1.1 David Rooke presented the paper. Jeremy Walker reminded the Board that the local levies are proposed and agreed by Local Council members of Regional Flood and Coastal Committees.

7.1.2 The Board agreed to issue the flood and coastal levies, General Drainage Charges and Internal Drainage Board precepts for 2015/16.

7.1.3 Acting as the Board of the IDBs in Solent and South Downs and Kent and South London Areas, they approved and issued the drainage rates and special levies.

Item 7.2  Schemes of Delegation

7.2.1 Mark McLaughlin presented the paper. He explained that debt write-off is caused by a number of factors, principally debtors going into administration. The changes set out are intended to improve controls.

7.2.2 The Board approved the proposed changes to the Financial Scheme of Delegation.

Item 8  Matters for information

8.1  Corporate Scorecard quarter 2

8.1.1 Paul Leinster presented the Corporate Scorecard for Quarter 2. The Board asked for an explanation of the increase in serious or significant pollution incidents. Ed Mitchell explained that some causes vary from year to year. Amenity issues caused by a rapidly changing waste sector appear to be an increasing cause.

8.1.2 It was explained that work is underway to understand better the indicators so that improvement actions can be made. Actions currently being taken include a group led by the Chief Executive to investigate the causes of the serious
and significant pollution incidents and regular meetings with water company chief executive’s to discuss their performance

8.1.3 Peter Ainsworth highlighted that the current amber categorisation for carbon usage masks significant success on the measures within the organisation’s control. The amber category is largely caused by pumping water to manage water stress or flood risk.

8.1.4 The Board discussed the failure for health and safety incidents to be investigated within target time. Paul Leinster explained that serious incidents are meeting the target and that work is underway to improve compliance for other incidents including a new health, safety and wellbeing computer system.

8.1.5 The Board noted that the measure for number of households protected from flooding continues to increase on target despite the challenge of dealing with significant flood incidents and recovery following the winter of 2013/14.

Item 8.2 Annual Presentation of Environment & Business Committee

8.2.1 Robert Light reminded the Board that the Environment and Business Committee was established in September 2013 to replace and expand on the work of several Board technical sub-groups. It examines the non-flood work of the Environment Agency as a whole. He gave a slide presentation highlighting the work of the committee over the previous year.

8.2.2 Members of the Committee explained that the Committee has allowed greater insight into the Environment & Business work of the organisation and brought value to the work of the Executive. Ed Mitchell agreed that the Committee has been valuable.

8.3 Committee Meetings – Oral Updates

RFCC Chairs

8.3.1 Jeremy Walker informed the Board that David Jenkins started as Chair of the Wessex RFCC in January 2015 and that Vijith Randeniya is the new Chair of Trent RFCC. Eddy Poll has also been appointed the Chair of Anglian Northern RFCC. A decision on the appointment of a new Yorkshire RFCC Chair is expected shortly and is currently awaiting Ministerial decision.

8.3.2 Jeremy Walker informed the Board that the RFCC Chairs examined the six year programme for FCRM capital spend. The RFCC Chairs were supportive of a proposal to develop a six year plan for revenue spend, including maintenance. Other topics discussed included: the use of property level measures to manage flooding; improved induction for Committee members; and a presentation from the National Flood Forum on post-incident work.

8.3.2 Board members asked for more guidance on which local RFCC meetings they should attend with their associated Area Managers to add more value. Jeremy Walker said that the principal source of guidance should be the Area Manager but agreed to provide more guidance for Board members.

Action: Jeremy Walker
FCRM Committee

8.3.3 Jeremy Walker informed the Board that at its last meeting the Committee examined the future capital and revenue allocations.

8.3.4 The Committee discussed the use of dredging for flood risk management. They examined environmental and value for money constraints. There was a discussion about the use of dredging for agricultural benefit versus flood risk management.

8.3.5 The Committee examined the risk of surface water flooding in London. They heard that a lot of work has been done with Local Resilience Forums to be better prepared. The Committee asked Defra officials present to investigate how it might be highlighted in the National Risk Register for Civil Emergencies.

Item 8.4 Communications update

8.4.1 Pam Gilder presented the paper. She explained that the paper focuses on the national media activity and that there is a large amount of local media and engagement work also undertaken.

8.4.2 Pam Gilder informed the Board that the most recent staff survey figures show that engagement with staff is on an upward trajectory following a dip during the recent restructuring.

Item 9 Any other business

9.1 The Chairman informed the Board that interviews have been conducted for a new Board member. Two appointable candidates have been recommended to the Secretary of State for a decision.

Item 10 Date of next meeting

10.1 The date of the next open meeting was confirmed as 14 May 2015 in Ergon House, London.
Paper by: Executive Director of Environment and Business

Subject: Information session on bathing waters

FOR INFORMATION
Recommendations

The Board is asked to discuss the contents of the paper.

1.0 Introduction

1.1 This paper provides information on key issues with respect to bathing waters in England. It covers the Environment Agency’s role in relation to bathing waters, what has been achieved to date, the impact of the revised Bathing Water Directive as well a look to the future.

2.0 Progress to date

2.1 Bathing waters and the seaside economy are valuable economically, socially, and environmentally to this country. The economic value of seaside tourism across England is estimated to be at least £3.3bn. The quality of bathing waters makes a significant contribution towards this tourism offer and is key to the reputation of many seaside resorts.

2.2 There are currently 417 designated bathing waters in England that we monitor during the bathing water season from May to September.

2.3 In addition to monitoring, our role is to exercise our regulatory powers to progress improvements and direct investment. We influence partners and communities to take action. We also work with others to ‘warn and inform’ of pollution risk at bathing waters.

2.4 The quality of England’s bathing waters has improved significantly over the last two decades. In 1988 only 65% met the minimum standards, compared to 99.5% in 2014.
2.5 Much of the improvement since the early 1990s is the result of substantial investment by the water industry. Before the introduction of the Urban Waste Water Treatment Directive (UWWTD) it was common for crude or partially treated sewage to be discharged directly to the sea. Since then, £6 billion has been spent on UWWTD schemes – much of which was directed at combined sewer overflows (CSOs) and new sewage treatment works which improved coastal waters. In addition nearly £2.5 billion has been invested in specific schemes to improve bathing waters.

2.6 Through our extensive monitoring and investigation programmes we know that bathing water quality can be affected by a range of sources including sewage, agricultural and urban diffuse pollution, as well as fouling from dogs and birds. Quality is often worse after rainfall which washes pollution from the land into rivers and ultimately to the coast.
2.7 The recent and ongoing challenge has been tackling sources of diffuse pollution, which by their nature are numerous and dispersed and are more difficult to address than point sources. The varied nature of the sources of pollution at many bathing waters requires a coordinated approach. Many sectors and organisations have a role to play and our role is often that of advisor, facilitator and information provider.

2.8 The Catchment Sensitive Farming project (CSF) is just one example of how we are working together with others to tackle complicated issues like diffuse pollution. The government, through CSF has invested over £4 million between 2007 and 2014 tackling agricultural diffuse pollution. Measures include providing advice and capital grants to the farming community.

2.9 There are also great examples of community partnerships that have made a real difference to bathing water quality, e.g. Turning Tides in the North West.

2.10 These and other similar initiatives continue to be successful at mobilising a collective sense of ownership at a national and local level and enable us to share success stories and innovative ways of working.

2.11 The Cleaner Seas Forum, chaired by Defra, includes national and area representatives from organisations including water companies, councils, Keep Britain Tidy, Royal National Lifeboat Institution, Marine Conservation Society and Surfers Against Sewage. The Forum continues to work well for the sharing of information, risks and opportunities.

2.12 Our aim is to ensure that partners and the public have trust and confidence in our data, the actions we take and the advice we give and take collective action to protect and improve bathing waters.
3.0 What's changing?

3.1 The revised Bathing Water Directive has been fully implemented into English law and comes into effect this year. It introduces more stringent standards and puts a greater emphasis on active beach management and provision of information to the public.

3.2 The more stringent standards will be used to classify bathing water quality for the first time after the end of the bathing season in 2015. Bathing waters will be judged over a four year assessment period and the bathing waters will be classified as 'excellent', 'good', 'sufficient' or 'poor'.

3.3 The vast majority of England's bathing water will meet these new standards. Over 80% are expected to be classified as 'excellent' or 'good'.

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**Comparison of intestinal enterococci standards/classification of the old and revised directives**

- **Guideline**
  - old Bathing Waters Directive
  - revised Bathing Waters Directive

- **Imperative**
  - old Bathing Waters Directive
  - revised Bathing Waters Directive

- **Good**
  - old Bathing Waters Directive
  - revised Bathing Waters Directive

- **Excellent**
  - old Bathing Waters Directive
  - revised Bathing Waters Directive

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**2014 projected classification results for England**

- Excellent
- Good
- Sufficient
- Poor
3.4 The revised Directive promotes provision of information to the public, which allows the public to make informed choices about where and when to bathe. These include permanent signage, bathing water profiles, ‘abnormal situations’ and ‘short-term pollution’ (STP).

3.5 Since 2012 it has been a requirement that all designated bathing waters have permanent signs displayed by local councils which include basic information on the bathing water and its catchment.

3.6 The Environment Agency has published descriptions of each bathing water, called profiles, which describe their catchment and character as well as pollution sources, actions to mitigate pollution and information on the quality of the bathing water. The profiles are available on the Environment Agency’s bathing water app, through the GOV.UK website.

3.7 The revised Directive allows sampling to be suspended if there is an ‘abnormal situation’ (a pollution incident) that is likely to affect the quality of one or more bathing waters. In response to these events, legislation requires that warning signs advising against bathing are posted by beach managers, usually local councils.

3.8 ‘Short-term pollution’ is a provision in the new directive that allows signs to be used at bathing waters to warn the public when water quality is likely to be poorer than usual, for instance after heavy rain. This allows the public to make an informed decision on whether or not to bathe.

3.9 In 2015 we will make daily forecasts of the risk of ‘short-term pollution’ at 154 waters and publish them on the internet, and release them via text messages and emails. The sites included are where there is a predictable relationship between factors such as rainfall and reduced water quality. We are continuing to develop the method to improve the accuracy of warnings and apply it to more sites.

3.10 When we issue a pollution risk warning where the forecast indicates a likely reduction in quality, beach managers who are participating in STP, are required to display signs at the bathing water, alerting bathers to the increased risk of pollution. In addition to helping to protect public health, the results of samples taken during these periods, may be removed from the compliance assessment, potentially improving overall classification.

4.0 Forward look to 2015/16

4.1 The Directive requires all bathing waters to achieve at least ‘sufficient’ standard from 2015 onwards. If a bathing water fails to meet this standard, advice against bathing will be posted at the bathing water by local councils. The advice against bathing does not result in the bathing water being closed. The signs will list the causes contributing to the failure. If a bathing water fails for 5 consecutive years, permanent advice against bathing will be posted and the bathing water will be de-designated by Defra. This could have serious consequences for tourism and the local economy.

4.2 The tightening of the standards means more bathing waters are at risk of failure than under the previous arrangements. We estimate that of the 417 bathing waters in England only 25 waters are at risk of being ‘poor’ when the first classifications are made in the autumn of 2015.
5.0 What are we doing?

5.1 We continue to work with water companies, local councils, farmers and businesses – influencing them to take steps to reduce pollution and protect bathing waters, driving further improvements where they are needed.

5.2 For the period 2015-2020 there are over 300 improvement schemes (mainly to reduce Combined Sewer Overflow discharges) included in water company business plans.

5.3 The new Countryside Stewardship capital grants scheme provides match funding for infrastructure which help farms reduce pollution by faecal bacteria, such as watercourse fencing. The scheme is closely targeted towards bathing waters at risk of failure and Catchment Sensitive Farming advice will be available to support delivery in these areas. This includes specialist advice on faecal pollution prevention which could also benefit livestock health and productivity.

5.4 For all waters at risk of failing we are carrying out a robust assurance review of action plans and ensuring a strong link between national and local communications.

5.5 Following a ministerial round table meeting in January 2015, the minister has asked the Environment Agency to establish a national bathing water group. The aims of the group will be to deliver a high level strategic direction and clear messages on England’s bathing waters and the work being carried out by the different sectors to improve the small number of bathing waters that are at risk of not meeting the new standards. The group will prepare clear advice on the public health risks and how to mitigate any impact of signage advising against bathing in May 2016. Membership will include Environment Agency, Defra, Department for Communities and Local Government, Public Health England, Visit England, water companies, National Farmers Union and environmental Non Government Organisations.

5.6 We will continue our comprehensive communications programme, to ensure key stakeholders are prepared for the implications of the revised Directive and the results in the autumn of 2015 and also to ensure that the public have excellent information both on specific bathing waters but also on bathing water quality generally and the implications of the new standards.

5.7 We have worked with Ofwat to develop a Drainage Strategy Framework for water companies to help them produce catchment drainage strategies, to understand and plan for future pressures and to develop and communicate these plans with stakeholder groups and professional partners.

5.8 We have required Event Duration Monitoring installation and reporting at Combined Sewer Overflows that have potential to impact bathing waters as part of asset management plans in the period 2005 - 2015. We are expanding this (with the support of Defra), through Periodic Review 2014 where Event Duration Monitoring will be a permit requirement and performance reported at the majority of Combined Sewer Overflows.

6.0 Looking beyond 2016

6.1 There is the potential for even more stringent standards in the future. The European Commission is considering the removal of the ‘sufficient’ class from the classification system in 2020. This could put a further 40 to 60 bathing waters at risk of failure.
6.2 We are introducing a mechanism by which action is triggered for Combined Sewer Overflows whose spill performance is outside the design objective. We are working on a regulatory approach to introduce a spill frequency trigger within the permit, which will trigger investigation for such Combined Sewer Overflows and, where justified, require corrective action. We are introducing this, through the current industry wide 5 year investment programme, to higher risk coastal Combined Sewer Overflows, such as those impacting on bathing waters.

6.3 The water industry is preparing a roadmap for sewerage, (which includes Combined Sewer Overflows) and this is currently in its initial stages of development. We believe there is a role for Combined Sewer Overflows in the future, but water companies need to make a step change in how they engage customers to build confidence in how these discharges are managed and that they only discharge under clearly defined and agreed circumstances.
Paper by:  Professor Georgina Mace of the Royal Society

Subject:  Resilience to extreme weather – Executive Summary

FOR INFORMATION

The Board is asked to consider the contents of the paper, for information.
Resilience to extreme weather

EXECUTIVE SUMMARY
The problem

Extreme weather has a huge human cost that cannot be quantified. Between 1980 and 2004 the economic cost has been estimated to be US$1.4 trillion. This shows that societies are not resilient to extreme weather today, and our analysis shows that the risk it poses is increasing.

Steps should be taken to reduce people’s exposure and vulnerability now and in the future. Governments are the main bodies with the resources, oversight and powers to do this.

Climate change will affect the frequency and severity of extreme weather in the future. If emissions of greenhouse gases continue at the current rate, extreme weather is likely to pose an increasing threat to people. Yet even if emission rates are reduced, societies will still need to adapt to climatic changes caused by past emissions. Both mitigation of climate change and adaptation are therefore vital.

Steps should be taken to reduce people’s exposure and vulnerability now and in the future.

The risks from climate change can be underestimated if no account is taken of people’s exposure and vulnerability: global average climate change metrics fail to highlight that the most extreme changes occur where people live – on land. Using mapped climate and population projections over the next century we show where the growth in vulnerable people exposed to floods, droughts and heatwaves will be concentrated (see example opposite). The risks associated with these extremes will increase in areas of the world that are densely populated. Research is needed to improve the understanding of current risks and accurately model impacts at scales relevant for decision-makers.

Cover image
Waves crashing against a breakwater, Aberdeen harbour.
Projected changes in ‘flooding’ due to climate and demographic change.
The estimated changes in (a) ‘flood’ frequency. Those changes in (a) are then multiplied by population density to give the mean increase in the number of times the population per km² is exposed to a ‘flood’ per year – for (b) assuming the 2010 population, for (c) for the 2090 population under the SSP2 population scenario. All for the period 2080 – 2099 relative to the period 1986 – 2005 under an RCP8.5 emissions scenario.

For more maps and the methodology and definitions used to develop them, visit royalsociety.org/resilience
What can we do about it?

At the local level, the impact of extreme weather can be reduced by physical interventions to defend people from the hazard, for example a sea wall to prevent flooding or wells in areas prone to drought. We compare the different physical approaches to reduce the impact of four weather-related hazards – coastal flooding, river flooding, heatwaves and droughts.

A portfolio of defensive options to address a range of hazards, involving both physical and social techniques, will be most effective.

Our analysis suggests that a portfolio of defensive options to address a range of hazards, involving both physical and social techniques, will be most effective.

It also suggests that those investing in infrastructure to reduce the impact of extreme weather should look beyond traditional engineering options to those based on natural ecosystems or processes. There is evidence that options which incorporate these ecosystem-based approaches are more affordable and deliver wider societal benefits as well as reducing the immediate impact of the hazard. However, more evidence is needed to monitor their effectiveness and inform future decisions.

Left
Woody debris dam installed as part of the ‘Slowing the Flow’ initiative near Pickering, North Yorkshire.
Being resilient to extreme weather requires more than just a degree of protection from specific hazards. Other steps are necessary to allow individuals and societies to adapt, progress and develop regardless of extreme weather. These steps need to be taken at local, national and international levels and by the public and private sectors, local communities and non-governmental organisations.

Governments should develop and implement resilience strategies and incorporate resilience-building into other policies. These should then be evaluated and updated in the light of new evidence.

If international organisations and national governments direct more funds to resilience-building, the need for costly disaster responses will be reduced. Internationally agreed metrics based on ‘inputs’ to resilience-building such as the proportion of the population with access to emergency shelters or proportion of the coast with intact coral reefs would help highlight where greater preventative expenditure is needed. Integrating resilience into the global financial system by requiring organisations to report their exposure to extreme weather would incentivise action to reduce that exposure.

**Right**

Volunteers plant vegetation on the sand dunes of Seaside Park, New Jersey following Hurricane Sandy.
All these actions need to be informed by the best available evidence.

Involving the users of research, such as policymakers and practitioners, in its production will increase its usefulness. Research funders should encourage this collaboration.

In 2015 important international agreements will be reached on disaster risk reduction, sustainable development and climate change. These agreements will be much more effective in addressing extreme weather and its impacts if their purpose, design and implementation is aligned, and if they are informed by robust evidence. Our report will help those negotiating and implementing the new agreements to decide what action to take to most effectively build resilience.

Download the full report at royalsociety.org/resilience

Right
Residents undertake a community resource mapping exercise near Kabale, Uganda.
RECOMMENDATION 1
Governments have a responsibility to develop and resource resilience strategies, and will be most effective when they:

- focus on minimising the consequences of infrastructure failure rather than avoiding failure completely - for example by prioritising the resilience of critical infrastructure and having plans to minimise impacts when non-critical infrastructure fails;

- incorporate resilience-building into other relevant policies such as poverty alleviation and land-use planning;

- consider all the factors – the whole system – likely to be impacted by extreme weather, including geographical areas beyond those directly affected, and effects over decades;

- use a range of expertise from disciplines such as environmental management, climate change adaptation, disaster risk reduction and sustainable development, and from sources including the private sector, non-governmental organisations and local communities;

- support and enable local action that is consistent with national resilience strategies.
RECOMMENDATION 2
At the international level, governments will be more effective when they act together to build resilience; sharing expertise, co-ordinating policy and pooling resources to confront common risks. To limit the need for costly disaster responses, more national and international funds will need to be directed to measures that build resilience to extreme weather.

RECOMMENDATION 3
It is important that the purpose, design and implementation of policy frameworks covering climate change, disaster risk reduction and development are aligned and consistent regarding extreme weather. There is an opportunity to do this in 2015 at the international level. In particular, efforts should be made to:

- emphasise the importance of the natural environment in the successor to the Hyogo Framework for Action, Sustainable Development Goals and future climate agreement – for example by highlighting its role in building resilience rather than just its role in driving risk;
- develop and use identical or comparable metrics in these policy frameworks to incentivise co-ordinated action and allow the effectiveness of different resilience-building measures to be compared;
- measure progress in implementing resilience-building strategies (‘input’ metrics) as well as the impacts of extreme weather (‘outcome’ metrics);
- align the timeframes and reporting protocols for the successor to the Hyogo Framework for Action and Sustainable Development Goals; and
- ensure international oversight to strengthen national and local monitoring capacity, particularly in the developing world, and to co-ordinate data collection.
Protecting people and their assets

RECOMMENDATION 4
Extreme weather events are hard to anticipate and their impacts can affect societies in unexpected ways. Those who make and implement policies need to take practical measures to protect people and their assets from extreme weather. These will be most effective when they:

• address multiple hazards and use a portfolio of defensive options;
• consider defensive options beyond traditional engineering approaches – for example, ecosystem-based and hybrid approaches that offer additional benefits to people – and consider the value of conserving existing natural ecosystems that are difficult or impossible to restore; and
• monitor and evaluate the effectiveness of interventions, in particular of more novel approaches such as ecosystem-based ones, and apply the results to improve future decision-making.
Making decisions based on evidence

RECOMMENDATION 5
The re/insurance sector has made considerable progress in evaluating the risks posed by extreme weather. These risks now need to be better accounted for in the wider financial system, in order to inform valuations and investment decisions and to incentivise organisations to reduce their exposure. This could be done through a requirement for public and private sector organisations to report their financial exposure to extreme weather at a minimum of 1 in 100 (1%) per year risk levels.

RECOMMENDATION 6
Information about extreme weather should be suitable for users’ needs. Involving those who make and implement policy in research is an important way of ensuring the usefulness of information produced. Funders should encourage collaborations and ongoing dialogue between producers and users of knowledge.
RECOMMENDATION 7
Research to improve the understanding of risks from current weather and to model accurately future climate change impacts should be increased to provide relevant information for decision-makers, particularly at regional and local levels. In particular, efforts should be increased to:

- improve systematic observations and analyses in all regions of the world for trends in extreme weather and its impacts;
- expand interdisciplinary research to understand fully how people are affected by extremes;
- improve international collaborations between climate research institutes, which would allow optimum use of resources to overcome modelling limitations and improve regional and local models and forecasts; and
- produce appropriate data, models and knowledge that can be shared to inform more complete risk assessments for extreme weather.
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- Promoting science and its benefits
- Recognising excellence in science
- Supporting outstanding science
- Providing scientific advice for policy
- Fostering international and global cooperation
- Education and public engagement

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Paper by:  Chief Executive

Subject:  Chief Executive’s Update

FOR NOTING

Recommendations

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

1.0  Standard rules for onshore oil and gas

1.1 In March we published a consultation on a second set of Standard Rules Permits for some activities associated with conventional onshore oil and gas operations.

1.2 We have already developed standard rules permits for drilling minerals boreholes to take rock samples (“drilling and coring”).

1.3 The second set of rules would cover oil handling and storage and two conventional well testing techniques: clearing rock debris from the bottom of the well by injecting a volume of dilute hydrochloric acid (“acid wash”); and testing the pressure at which surrounding rock would fracture by injecting a relatively small volume of fluid (“diagnostic fracture injection test”). The consultation will run until 15 June.

1.4 We have no plans to develop Standard Rules Permits for hydraulic fracturing itself, whether conventional or high volume, or for flaring. Fracking and flaring will continue to require bespoke permits.

2.0  Water Framework Directive (WFD) classification results

2.1 We made the latest WFD classification results available to the public in March. These results are based on monitoring data taken up to December 2013. The results are notably different to the results included in draft river basin management plans because we have now completed more environmental monitoring and compared the results with tougher standards issued by the EU and UK government for use in the second cycle management plans due to be published in December 2015.

2.2 Some NGOs issued a joint press release encouraging their members and the general public to respond to the consultation on the draft river basin management plans.
Some highlights:

- since 2009 we have seen a 2% net improvement in the status of elements that comprise the overall ecological status, when making a like-for-like assessment. Examples of elements that we measure include fish health and abundance, nutrients and oxygenation conditions, hydrology and morphological conditions
- of the 36,000 individual parameter results for rivers in England, 74% are at good or high status. However this translates into a headline figure of 17% of rivers meeting good ecological status or potential across all parameters. We recognise that there can be a lag between an improvement in chemical status and a response in the biological elements
- we are confident this figure will improve. Based on our experience of managing the water environment, the physico-chemical conditions will improve first, later the biology, and when all parameters are improved we will be able to report the water as meeting good ecological status

3.0 Water source heating systems

3.1 In March the Department for Energy and Climate Change announced the publication of an interactive heat map showing the potential heat available from water in rivers, canals, lakes and coastal areas across England. This is part of a wider package of work by the Department of Energy and Climate Change (DECC) to promote low carbon heating systems using heat pumps.

3.2 We supported DECC in this work by providing a wide range of environmental data. We have also improved our permit application process for water source heat pump systems, with a simplified application form which will shortly be available on GOV.UK, and by providing a central point of contact in our National Permitting Service for pre-application enquiries.

3.3 We are currently contributing to an industry Code of Practice being produced by the Chartered Institute of Building Services Engineers (CIBSE) and we will provide a presentation at a DECC Roadshow in London in June 2015 on the environmental management requirements of the water source heating systems. We will summarise the key issues that we consider when determining applications for these schemes (abstraction licence, discharge permit and flood defence consent) and what developers need to address in the design, installation and management of their schemes. These include limiting any change in water temperature to comply with Water Framework Directive targets and objectives, protecting fish by using suitable screening, preventing harm to protected sites and species, and taking account of the rights of other waterway users.

4.0 Tidal lagoons

4.1 The company behind the Swansea Bay scheme, Tidal Lagoon Power (TLP), have submitted an Environmental Impact Assessment for another lagoon scheme in the Severn Estuary at Cardiff and have announced their wider aims for a series of at least 5 lagoon power schemes in England and Wales.
4.2 These schemes have the potential to provide up to 10% of the UK’s electricity needs but would also present considerable environmental risks to the marine, estuarine and river environments.

4.3 Proposals in Bridgwater, Somerset, and in West Cumbria are likely to be high profile schemes and will require significant input from the Environment Agency. We are currently engaging with Tidal Lagoon Power in preliminary discussions around proposed schemes in these areas. We are also responding to the Cardiff scoping report, as the impacts of a scheme in Cardiff, singly or in combination with other schemes, have the potential to impact on England’s rivers and coasts. This may involve a change in tidal flow patterns, interruption to salmon and eel migration, and flood risk considerations.

4.4 We are also in the early stages of defining a governance structure to co-ordinate our regulatory input and ensure close working with Government and other UK environmental regulators, including Natural Resources Wales, Natural England, Marine Management Organisation, Marine Scotland, Scottish Environment Protection Agency and Scottish Natural Heritage.

5.0 Adapting to Climate Change

5.1 Defra have confirmed a further year of funding (£1.6m) to April 2016 for the Environment Agency’s Climate Ready programme. This funding will enable us to continue providing support to help organisations adapt to a changing climate, as part of the government’s National Adaptation Programme.

5.2 The Climate Change Committees statutory report on adaptation is due to be published in June.

6.0 Future Climate Change Agreements

6.1 The government published its response to DECC’s consultation on target reviews for Climate Change Agreements.

6.2 It has concluded that the Environment Agency will, as scheme administrator, conduct the key technical and analytical aspects of the review in support of DECC’s decision making role.

7.0 Industry Regulation and Pollution Incidents Summaries

7.1 In March we published our 2013 evidence summaries for pollution incidents and industry regulation. We also published the associated data sets on Operational Risk Assessment (Opra) compliance, pollution inventory, pollution incidents and enforcement actions taken in respect of businesses we regulated in 2013 in England. Publishing the data in this way is in line with the government’s open data agenda.

7.2 We have been discussing the data and its implications with the waste, water and farming sectors to ensure that businesses continue to take their environmental responsibilities seriously.
Amongst the findings, the summaries show that:

- emissions to air from businesses we regulate continue to reduce
- 96% of the sites we regulate comply with their permits. There has been a small increase in the number of poorer performing sites that are assigned to compliance bands D, E and F
- we are simplifying how businesses can comply with the law. In 2013-14 we achieved a further £247 million of administrative savings for businesses
- serious pollution incidents caused by permitted activities increased from 193 incidents in 2012 to 323 in 2013

8.0 Devon waste company owner given suspended prison sentence for waste tyre offences

8.1 The owner of a tyre waste business was given a 15 month custodial sentence, suspended for 2 years, and a 2 year supervision order after illegally storing around 84,500 waste tyres in Devon. Andrew Mayhew pleaded guilty to five offences at Plymouth Crown Court of running a waste operation without the necessary permits.

9.0 Defra award for “Excellence in Reform”

9.1 Staff from within Environment and Business and FCRM were part of a Defra-led team that has been recognised by Defra for its work influencing £5 billion of EU investment, winning a Defra award for “Excellence in Reform”.

9.2 Led by the Rural Development Programme team in Defra, with contributions from ourselves and Natural England, as well as across four government departments, this one-business approach has reformed how European structural and investment funding is delivered, placing Local Enterprise Partnerships (and hence local priorities) at its heart.

9.3 Working together we have been able to secure an additional £144m for environmental protection and flood risk management.

10.0 Digital Exemplar Success

10.1 In March 2015 we launched our new online registration and renewal service for waste carriers, dealers and brokers as an exemplar government digital service project. This is part of our commitment to the Red Tape Challenge and Defra’s Smarter Environmental Regulation Review and Digital Strategy.

10.2 The new service has been designed to be quicker and easier for customers to use. It reduces our operational costs and helped us develop skills and experience in digital service development and management.

10.3 Our achievements have been recognised by the Government Digital Service, Parliamentary Under Secretary of State for water, forestry, rural affairs and resource management Dan Rogerson and Defra’s Chief Operating Officer, Betsy Bassis.
11.0 Small Business Appeals Champion

11.1 The Regulators’ Code came into force on 6 April 2014. It is a statutory code of practice that provides a clear framework for how we and other non-economic regulators should engage with our regulated customers. The Code sets out government’s expectations for regulators’ treatment of appeals and complaints.

11.2 To give assurance that regulators are delivering against these expectations, the Small Business Enterprise and Employment Act requires Ministers to appoint Small Business Appeals Champions to:

- scrutinise the transparency, operation and effectiveness of regulators’ appeals and complaints processes
- publicly report on their findings with recommendations for changes and improvements

11.3 Government expects that a Non-Executive Director or equivalent at Board level would be appointed to this role. Appointments will be made by the relevant Secretary of State, taking into account the individual requirements of different regulators and the business sectors they regulate. Secondary legislation is required to bring this into effect.

12.0 Environment Agency Fleet team named as Green Fleet of the Year 2015

12.1 Our Fleet team have recently won several awards at the UK’s largest fleet awards ceremony sponsored by Fleet News, where we were named as Green Fleet of the Year 2015, as well as being highly commended in the category of Fleet of the Year. Dale Eynon was also presented with one of the headline awards as he was named Fleet Manager of the Year 2015 – the first ever person in a central government organisation to be honoured in such a way.

12.2 The judges said, “The Environment Agency has worked tirelessly to drive the values of the organisation across its fleet operation, it offers a complete green solution with policies looking at every possible option to reduce its impact on the environment”

Paul Leinster
Chief Executive

May 2015
### 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 outturn for 2014-15</strong></td>
<td>The Environment Agency’s financial outturn for 2014-15 is expected to be in line with available grant-in-aid funding on both revenue and capital. This is a remarkable achievement considering the challenges faced this year, which include organisational change, severe flooding and late receipt of significant additional funding. Charges balance management plans set at the start of the year by Business Boards have been adhered to. Overall our charges balances will be in a much healthier position than at the start of the year. Table 1 below presents the draft financial outturn. The final outturn and a financial review of the year will be presented to Executive Directors at their meeting in May.</td>
<td>The Board is asked to note the update on the financial outturn for 2014-15</td>
</tr>
<tr>
<td><strong>Annual report and accounts</strong></td>
<td>The 2014-15 annual report and accounts are currently being drafted. This year we are providing a more integrated annual report. This means combining our sustainability and performance data into one integrated review of the achievements of the Environment Agency. The accounts also contain a strategic report, which presents a review of the year. Contributions to the strategic report have been received from teams across the organisation.</td>
<td>The Board is asked to note the information on 2014-15 annual report and accounts</td>
</tr>
</tbody>
</table>
### Table 1 – 2014-15 Draft Financial Outturn

<table>
<thead>
<tr>
<th>All in £m</th>
<th>E&amp;B</th>
<th>FCRM</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GiA / Other*</td>
<td>Charges</td>
<td>GiA / Partnership Funding / Growth</td>
</tr>
<tr>
<td>Revenue expenditure</td>
<td>164.1</td>
<td>269.2</td>
<td>306.5</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>9.6</td>
<td>12.3</td>
<td>486.4</td>
</tr>
<tr>
<td>Income</td>
<td>(68.0)</td>
<td>(289.0)</td>
<td>(42.9)</td>
</tr>
<tr>
<td>Use of / (add to) balances</td>
<td></td>
<td>(7.5)</td>
<td></td>
</tr>
<tr>
<td>GiA outturn</td>
<td>105.7</td>
<td></td>
<td>750.0</td>
</tr>
<tr>
<td>Final EA Budget</td>
<td>105.0</td>
<td></td>
<td>752.3</td>
</tr>
<tr>
<td>Underspend / (overspend)</td>
<td>(0.7)</td>
<td></td>
<td>2.3</td>
</tr>
</tbody>
</table>

* E&B GiA/Other includes funding from Natural Resources Wales and commercial activities and all fisheries and navigation income and spend (as any under/overspends supported by GiA)

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Pat Bolster  
Financial Controller  
27 April 2015
Ref: OB/1405-8.1.1

Board Meeting
Meeting date: 14 May 2015
Item no. 8.1

Paper by: Executive Director of Finance

Subject: Financial Scheme of Delegation

FOR APPROVAL
Recommendations

The Board is asked to:

1. Note the items in section 1.0

1.0 Noted items

1.1 Area: Perry Barr and Witton FRM Scheme Project Supplementary Spend.

Sponsoring Director: David Rooke, Executive Director FCRM

Approval Route:

Deputy Director of Procurement Clare Marsden
Executive Director of FCRM David Rooke
Executive Director of Finance Mark McLaughlin
Chief Executive Paul Leinster
Chairman Sir Philip Dilley

1.1.1 This Form G for Supplementary Spend requested a £5,037k increase to the original Form A Business Case (£22,762k).

1.1.2 Introduction and background

There are 912 properties identified within the floodplain through the Perry Barr and Witton section of the River Tame, including 575 residential and 337 commercial properties, which are currently at risk of flooding quantified as a 1 in 100 (1%) chance of flooding each year. The risk of flooding to 334 properties at Brookvale Road in Witton is quantified as a 1 in 20 (5%) chance of flooding in any year.

The Perry Barr and Witton project appraisal report (PAR) appraised options that could deliver the recommendations of the relevant strategy, and £22,763,000 was approved for expenditure in September 2012. The Perry Barr and Witton PAR recommended the construction of a series of flood walls up to 2.9m high to provide a 1 in 200 year (0.5%) standard of protection (SoP).

1.1.3 Project/cost changes

Following approval of the PAR, the initial design work consisted of ground investigations, topographical and environmental surveys. The ground investigation indicated poorer than assumed ground conditions, in terms of bearing capacity and the potential for seepage under all of the proposed walls. This required a significant change in the original wall design with sheet piles
needed to reduce seepage rates, with Brookvale Road being the most complicated due to the maximum height of the wall.

In September 2013, a pile drive test was undertaken at a number of locations along Brookvale Road and Tame Road to obtain on-site details so that these could be compared with theoretical calculations and analysis. The tests indicated that the sheet piles would experience some instability. The underlying geology is broken limestone blocks which is highly permeable between the blocks, but the solid blocks prevent the driving of sheet piles to the required depth for structural stability. This resulted in a more complex and costly engineering solution, particularly along Brookvale Road and a section of Tame Road, where reinforced concrete walls with below-ground propped beams spanning under the river bed were identified to be the only technically feasible solution. Preliminary indications found that whilst some cost savings could be achieved it was still unlikely to be deliverable within the approved budget. At the time of the review, a new storage area at Forge Mill was technically feasible, and whilst there would need to be significant compensation to landowners and environmental impacts would require mitigation, the option appeared to provide the most cost effective solution to managing flood risk.

Based on the options report, the project board gave the go-ahead for a brief review into the possibility of a storage area and a staged approach was proposed to advance this option. The feasibility report indicated that the new scheme would provide benefits in the order of £367m and have a Partnership Funding (PF) score of 112%.

Non-approval of this Form G would leave 912 properties at continued risk of flooding during a 1 in 100 (1%) year flood event, and the onset of flooding at Brookvale Road would increase from the current 1 in 20 (5%) per year due to the effects of climate change. Funding for the phase 1 works would allow the replacement of the Brookvale Road wall and construction of new flood walls at Tame Road, which can be economically justified, but would not significantly reduce the onset of flooding.

1.1.4 Cost changes

The preferred option is to demolish existing flood defences, construct new flood defences and remove obstructions to improve channel conveyance through Witton and to construct a new online flood storage reservoir at Forge Mill to provide a standard of protection of 1 in 100 (1%) in any year (SoP). The sum for approval is £27,799,000 including a 95th%ile risk contingency allowance of £6,031,000 and sunk costs incurred of £1,743,000 since the PAR was approved in 2012. The main increase in cost is due to compensation to the golf courses affected at Forge Mill and businesses through Witton.

The economic business case was reviewed and indicates that the new preferred option would reduce flood risk to 1,379 properties including 951 residential properties. Potential benefits are £383m and the scheme has a benefit to cost ratio (BCR) of 15.8.
1.1.5 **Risk and contingency**

The project team acknowledged that as the design of the 2.9m high walls became more complex, there was a significant risk of costs increasing and the project might exceed the current FSOD approved amount. In order to mitigate this risk, the team did not submit the planning application for the works, but reviewed options to reduce scheme costs. An options report was produced that recommended the construction of an upstream flood storage reservoir in order to reduce the height of the flood walls through Witton as the best way to manage flood risk.

The approved PAR included a 95th%ile risk contingency of £4,877,000.

The Area Manager and Area Flood Risk Manager attended meetings with Birmingham City Council to discuss partnership working and the Council has agreed to contribute £1m to the project plus a further £650k contingency for project risk.

A matching contribution of local levy funding of £1m together with £650k contingency funding, has been allocated by the Trent Regional Flood and Coastal Committee (RFCC)

A new risk contingency of £6,031,000 is included in this Form G1, which primarily relates to the construction programme extending causing earthwork operations to take place in winter; access constraints; golf course compensation / mitigation; fill material costs increasing; additional foundation works at Forge Mill dam site; increase in compensation.

1.1.6 **Lessons Learned**

The PAR was originally developed with no site investigation having been undertaken, as part of a risk based approach. Doing so is less risky in more rural locations where ground conditions can be more consistent and there is often more space to alter designs / alignments. Within the heavy urban environment as at Perry Barr and Witton, the risk is far greater and can have a much bigger influence on design, construction and cost. Once initial designs are developed through the detailed design stage and begin to significantly deviate from the designs assumed at the PAR stage, there is benefit in taking stock, reviewing costs and overall business case justification even if this has a detrimental effect on the programme, as it is far easier to resolve before any commitment is made such as a planning application.

We have considered the lessons learned from recent requests for additional funding associated with flood storage reservoirs. The five projects identified include the Upper Mole, Banbury, Lewisham & Catford, Morpeth and Salmons Brook. The principal reasons for project budget overruns and seeking additional funding related to third party agreements, stakeholder consultation through scheme development, as well as unforeseen conditions / weather which affected construction. We undertook landowner consultation as part of the original detailed design development through areas now within Phase 1, where discussions were held to seek access for investigations, as well as specific compensation consultation on how the flood defence wall might impact on the businesses immediately adjacent to the works.

1.1.7 **Recommendation**

This Form G1 for the Perry Barr and Witton FRM Scheme Project was approved under Sub Delegation 2 March 2015 and is now for noting by the Environment Agency Board.
1.2 **Area:** Write off the pollution recharge re cyanide pollution of the River Trent.

**Sponsoring Director:** Lisa Pinney, Area Manager

**Approval Route:**
- Chief Executive: Paul Leinster
- Chairman: Sir Philip Dilley
- Defra: Sent on 20 April 2015

1.2.1 **Purpose and reason**

This form L is for the write off of a pollution recharge invoice because the company or person who caused the incident has not been identified.

This pollution (cyanide pollution of the River Trent) occurred in October 2009. The Environment Agency identified a company (Red Industries Ltd) that it believed to be responsible for this pollution and began enforcement proceedings. The company strongly denied causing the pollution and an agreement was reached to hold this recharge in abeyance until the conclusion of the criminal prosecution.

The court case concluded at Stafford Crown Court in June 2014 and Red Industries Ltd were found **not guilty of all charges**. The pollution recharge cannot be pursued and we therefore need to write off the recharge invoice.

1.2.2 **How has the value been determined?**

**Breakdown of recharge costs for the Trent Cyanide Incident**

1) Incident response staff costs £92,157
   a. This includes all the time spend on the incident response by Environment Agency employees in Biology, Environment Management, Fisheries and Monitoring.
   b. All staff have been charged at the 2009 rate of £77 per hour

2) Incident response costs of Operations delivery staff of £18,173
   a. This includes all the time spend on the incident response by the relevant team.

3) Fish restocking costs incurred £213,340
   a. These fish have been specially bred by the Environment Agency for release into this river. We do not sell them so do not have our own price list. So we have used the price list from Humberside Fisheries for the purpose of costing.

**The total amount is £323,671**
1.2.3 Lessons Learned
- An in depth lessons learnt review was undertaken following the failed prosecution. This was discussed at our Land, Water & Biodiversity Business Board and the relevant lessons embedded into our business for future learning.

- Due to complexities in the legal process and the significant amount of challenge at all points from the defendants the case took place in court five years after the original pollution incident. Following the failed prosecution and a review of the evidence no other potential polluter could be identified. It would not be a good use of limited resource to do any further work on this as it is impossible to identify a polluter several years after a pollution event has happened.

1.2.4 Recommendation
This Form L to write off the pollution recharge for the River Trent Cyanide Pollution was approved under Sub Delegation 14 April 2015 and is now for noting by the Environment Agency Board.

Mark McLaughlin
Executive Director of Finance

24 April 2015
Ref: OB/1405-8.1.2

Board Meeting
Meeting date: 14 May 2015
Item no. 8.1

Paper by: Executive Director of Finance

Subject: Pension Funds Scheme of Delegation

FOR APPROVAL
Recommendations

To comply with Pensions Committee and Pension Board Terms of Reference and Standing orders, the Board is asked to approve that:

(a) Kevin Ingram is re-appointed for a further period of 3 years until 6 July 2018 as non-Environment Agency employer representative on the Pensions Committee and Pensions Board;

(b) A minor amendment is made to the Pensions Committee, Pension Board and Investment Sub Committee Standing Orders;

(c) Brian Engel’s term of office as pensioner representative is extended for 6 months to 22 November 2015 in a non-voting capacity on the Pension Board only;

(d) Peter Smith is appointed as the new pensioner member representative on the Pensions Committee for a period of 3 years until 13 May 2018;

(e) Hywel Tudor is appointed as the new deferred member representative on the Pensions Committee and Pension Board for a period of 3 years until 13 May 2018.

1.0 Re-appointment of non-Environment Agency employer representative member

1.1 Kevin Ingram (Executive Director of Finance and Corporate Service for Natural Resources Wales) is the current non-Environment Agency employer representative on the Pensions Committee and Pension Board. His term of office as employer representative ends on 6 July 2015. He is eligible for re-appointment under the Pensions Committee and Pension Board Terms of Reference.

1.2 The Pensions Committee recommend that he be re-appointed for a further period of 3 years until 6 July 2018.
2.0 Amendment to Environment Agency Pensions Committee, Pension Board and Investment Sub-Committee Standing Orders and short term extension to existing pensioner representative

2.1 We recommend a small amendment is made to the Pensions Committee, Pension Board and Investment Sub-Committee Standing Orders for consistency and membership flexibility purposes. The phrase “normally” is already used in clause 2.1 for Pensions Committee membership and further in 2.8. We recommend adding it to the beginning of the clause, for absolute clarity, as well.

*Existing clause 2.8: Membership of the Pension Board will be the members of the Pensions Committee less the 2 Executive Directors members of the Environment Agency and 2 Active Scheme Members, so the Pension Board will normally be 10 remaining Pensions Committee Members as follows:*

*Proposed clause 2.8: Membership of the Pension Board will normally be the members of the Pensions Committee less the 2 Executive Directors members of the Environment Agency and 2 Active Scheme Members, so the Pension Board will normally be 10 remaining Pensions Committee Members as follows:*

2.2 Brian Engel is the current pensioner member representative on the Pensions Committee and Pension Board and his term of office will expire on 22 May 2015. He will have completed his 10 years as a member of the Committee and not eligible for further re-appointment.

2.3 To support the transition to the new pensioner member representative, we recommend that Brian Engel’s appointment is extended for 6 months until 22 November 2015 as member of the Pension Board only, with the new pensioner member representative becoming member of the Pensions Committee for that period and then after that period being pensioner member representative for both Pensions Committee and Pension Board. An extra 1 year extension is allowed for under the Pensions Committee and Pension Board terms of reference.

2.4 The Pensions Committee recommends that Brian Engel’s term of office is extended for 6 months to 22 November 2015.

3.0 Appointment of new pensioner member representative

3.1 We are recommending the appointment of a new pensioner member, Peter Smith to replace the existing pensioner member, Brian Engel, on the Pensions Committee from 22 May 2015 and Pension Board from 22 November 2015.

3.2 Peter Smith’s appointment follows a very popular expression of interest exercise to existing pensioners, a selection process and interview by a Pensions Committee sub-group. He is a qualified solicitor, chairman of a financial mutual and has held other senior posts throughout his career.

3.3 The Pensions Committee recommend that Peter Smith be appointed for a period of 3 years until 14 May 2018.
4.0 Appointment of new deferred member representative

4.1 John Kerr resigned as deferred member representative on the Pensions Committee in June 2014, when he became a pensioner.

4.2 Following the same recruitment process as described for the pensioner vacancy, the Pensions Committee are recommending the appointment of Hywel Tudor. Hywel is a qualified accountant, led finance responsibility for a national charitable body and has significant pension Trustee experience.

4.3 The Pensions Committee recommend that Hywel Tudor be appointed for a period of 3 years until 13 May 2018.

5.0 Recommendations

5.1 The Board is asked to approve the appointments and term of office changes to the Pensions Committee and Pension Board as follows:

(a) Kevin Ingram is re-appointed for a further period of 3 years until 6 July 2018 as non-Environment Agency employer representative on the Pensions Committee and Pension Board.

(b) Brian Engel's term of office is extended for 6 months to 22 November 2015 as a non voting member of the Pension Board only.

(c) Peter Smith is appointed as the new pensioner member representative on the Pensions Committee for a period of 3 years until 13 May 2018.

(d) Hywel Tudor is appointed as the new deferred member representative on the Pensions Committee and Pension Board for a period of 3 years until 13 May 2018.

Mark McLaughlin
Executive Director of Finance
24 April 2015
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 3 performance and key issues

2.1 At the end of quarter 3 (April – December 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>10</td>
</tr>
<tr>
<td>Amber</td>
<td>4</td>
</tr>
<tr>
<td>Red</td>
<td>2</td>
</tr>
<tr>
<td>Not reported this quarter</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
</tr>
</tbody>
</table>

2.2 The 7 measures ‘not reported this quarter’ are annual measures which are due at the end of quarter 4.
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 <strong>We reduce the risk from flooding for more households</strong></td>
<td>Since 2011/12 (the start of SR10), we and other flood risk management authorities have reduced the risk of flooding and coastal erosion for 162,000 houses. We are on track to meet the Corporate Plan target of 165,000 by March 2015.</td>
</tr>
<tr>
<td>2b <strong>The quality of bathing water is getting better</strong></td>
<td>In 2014 bathing waters achieved the best ever compliance with the revised Bathing Water Directive standards. Only 23 waters failed to achieve the ‘sufficient’ classification or better, representing 94% performance against a target of 91%. There were also a record number of bathing waters achieving the excellent class - 253 out of the 416 waters we classified in 2014.</td>
</tr>
<tr>
<td>2f <strong>We maintain our navigation assets at or above target condition</strong></td>
<td>88% of our navigation assets are at or above target condition against a target of 80%. Additional funding in 2012/13 and 2013/14 has helped increase our asset condition above target performance.</td>
</tr>
<tr>
<td>3d <strong>We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites</strong></td>
<td>There are currently 256 active high risk illegal waste sites against a target of 277. The number of high risk illegal waste sites increased during quarter 3. However, we still remain ahead of the overall reduction target of 30% and we continue to exceed the quarterly 3% reduction target. Overall we have made a 32% reduction from the baseline established on 1 October 2012.</td>
</tr>
<tr>
<td>4b <strong>We contribute to the delivery of priority development sites</strong></td>
<td>Area teams have been working hard to ensure we are taking a ‘yes if’ approach and achieving the positive outcomes we expect in our Priority Development Sites. This has resulted in 97% of planned actions being completed against a target of 80%.</td>
</tr>
<tr>
<td>5a <strong>We reduce our carbon footprint</strong></td>
<td>We are at 86% of our profiled national carbon dioxide target at the end of November 2015 (20,628 tonnes of CO₂ emitted against a target of 24,072 tonnes). Our overall carbon emissions have reduced by 22% compared to the same period last year. We continue to see a reduction in emissions from our office buildings and depots through our investment in energy efficiency projects. Our emissions from travel also continue to decrease, with a significant reduction in our emissions from hire car use.</td>
</tr>
</tbody>
</table>

4.0 Red and amber measures

4.1 The table below shows a summary of performance for the 2 measures rated red and amber, and one measure which is forecast to be amber at year end.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Summary of performance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1b <strong>We maintain our flood and coastal risk management assets at or above the required condition</strong></td>
<td><strong>AMBER</strong> 96.2% of our assets in high consequence systems are at or above target condition, against a target of 97%. Since April 2014, inspection focused on the assets that were part...</td>
</tr>
</tbody>
</table>
of the recovery programme in order to measure its impact. The inspections will now resume the routine programme which will include assets that were not in the recovery programme. These assets may have deteriorated during the course of 2014 which could impact upon the figures at target condition in the next few months.

AMBER
As a result of previous Restoring Sustainable Abstraction (RSA) investigations and options appraisals, we received ten voluntary (section 51) licence change notification forms in Q3. This quarter, we have worked to establish targets up to the end of 2015/16. The revised profile will deliver the same number of notifications by end 2015/16, but with different phasing.

RED
The rolling annual total of category 1 and 2 pollution incidents reduced over the quarter by 41 to close at 710, against a target of 631. Of these 289 were from permitted sites, 266 from non-permitted sites and a further 155 were from sites that could either not be identified or are from a natural cause (such as flooding, landslips and algae).

Year end forecast AMBER
Over the SR10 period we have delivered over £270m of savings to business through our regulatory approaches. While we achieved the one interim milestone due this quarter, we are now unlikely to hit the cumulative target for savings to business of £317m over the SR10 period. This is due to the cancellation of one project with an associated saving of £10 million, and the take up of another two is expected to be lower than initial project estimates.

AMBER
90% of responses were made within 21 days against a target of 95%. The main reasons cited for missing the target are late returns from internal consultees, and staff shortages.

We have developed a performance improvement plan which contains both immediate ‘quick wins’ and medium term actions.

RED
Compliance in Q3 was 70% against a target of 95%. We anticipate that by year end the status of this measure will have improved to amber, through better use of the new Safeguard system with its ability to issue reminders.

AMBER
We have invested 65% of full year budget over the first half of 2014-15, representing 95% performance. Slippage behind budget profile occurred over the first half of the year largely due to the time taken to effectively plan the use of £180 million of additional flood funding. Investment over Q3 has progressed well, with a comprehensive exercise to ensure we use all available funding.
### Corporate Scorecard 2014-15

**Quarter Three October - December 2014**

#### Increasing the resilience of people, property and businesses to the risks of flooding and coastal erosion

<table>
<thead>
<tr>
<th>Task</th>
<th>Units</th>
<th>Q2 2014/15 YTD Actual</th>
<th>Q3 YTD Actual</th>
<th>Q3 YTD Target</th>
<th>Q3 YTD Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a We reduce the risk from flooding for more households*</td>
<td></td>
<td>159,049</td>
<td>162,019</td>
<td>165,000 (Q4)</td>
<td>GREEN 2</td>
</tr>
<tr>
<td>1b We maintain our flood and coastal risk management assets at or above the target condition</td>
<td></td>
<td>95.3%</td>
<td>96.2%</td>
<td>97%</td>
<td>AMBER 3</td>
</tr>
<tr>
<td>1c More households and businesses at high risk of flooding can receive direct warnings</td>
<td></td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td></td>
</tr>
<tr>
<td>1d We achieve a proportion of funding for capital projects through contributions made by others</td>
<td></td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td></td>
</tr>
</tbody>
</table>

#### Protecting and improving water, land and biodiversity

<table>
<thead>
<tr>
<th>Task</th>
<th>Units</th>
<th>Q2 2014/15 YTD Actual</th>
<th>Q3 YTD Actual</th>
<th>Q3 YTD Target</th>
<th>Q3 YTD Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a We work with others to improve the quality of surface waters, groundwaters, coastal waters and wetlands*</td>
<td></td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td></td>
</tr>
<tr>
<td>2b The quality of bathing water is getting better</td>
<td></td>
<td>Due Q3</td>
<td>393</td>
<td>378</td>
<td>GREEN 4</td>
</tr>
<tr>
<td>2c We improve and protect rivers and wetlands damaged by unsustainable abstractions</td>
<td></td>
<td>Number of abstraction licence notifications</td>
<td>116</td>
<td>127</td>
<td>156</td>
</tr>
<tr>
<td>2d We deliver our commitments to the England Biodiversity Strategy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i Creating new habitat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii Restoring sites of special scientific interest (SSSI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2e Fewer salmon river stocks are ‘at risk’</td>
<td></td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td></td>
</tr>
<tr>
<td>2f We maintain our navigation assets at or above the target condition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>GREEN 6</td>
</tr>
</tbody>
</table>

#### Improving the way we work as a regulator to protect people and the environment and support sustainable growth

<table>
<thead>
<tr>
<th>Task</th>
<th>Units</th>
<th>Q2 2014/15 YTD Actual</th>
<th>Q3 YTD Actual</th>
<th>Q3 YTD Target</th>
<th>Q3 YTD Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a We improve business compliance through supporting legitimate business to comply and by tackling the deliberately non-compliant*</td>
<td></td>
<td>Sites in lowest compliance bands (D, E and F) for 2+ years</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>Due Q4</td>
</tr>
<tr>
<td>3b We reduce serious and significant pollution incidents*</td>
<td></td>
<td>Number of incidents</td>
<td>751</td>
<td>710</td>
<td>631</td>
</tr>
<tr>
<td>3c We reduce the administrative costs of regulation to businesses*</td>
<td></td>
<td>Milestones met (interim measure)</td>
<td>£272m cost savings in 2013/14</td>
<td>1</td>
<td>1</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></td>
<td>Number of high risk illegal waste sites</td>
<td>208</td>
<td>256</td>
<td>277</td>
</tr>
</tbody>
</table>

#### Working together and with others to create better places

<table>
<thead>
<tr>
<th>Task</th>
<th>Units</th>
<th>Q2 2014/15 YTD Actual</th>
<th>Q3 YTD Actual</th>
<th>Q3 YTD Target</th>
<th>Q3 YTD Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4a We respond to planning application consultations and pre-application enquiries within 21 days</td>
<td></td>
<td>% responded to within target time</td>
<td>91%</td>
<td>90%</td>
<td>95%</td>
</tr>
<tr>
<td>4b We contribute to the delivery of priority development sites</td>
<td></td>
<td>% of planned actions delivered</td>
<td>92%</td>
<td>97%</td>
<td>80%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Task</th>
<th>Units</th>
<th>Q2 2014/15 YTD Actual</th>
<th>Q3 YTD Actual</th>
<th>Q3 YTD Target</th>
<th>Q3 YTD Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>5a We reduce our carbon footprint</td>
<td></td>
<td>CO₂ emissions (tonnes)</td>
<td>14,245</td>
<td>20,628</td>
<td>24,072</td>
</tr>
<tr>
<td>5b We have a diverse workforce:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i Proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin</td>
<td></td>
<td>% of staff</td>
<td>3.9%</td>
<td>3.9%</td>
<td>3.7%</td>
</tr>
<tr>
<td>ii Proportion of Executive Managers who are female</td>
<td></td>
<td>% of female EMs</td>
<td>37%</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>5c We provide a safe place to work:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i Lost time incident (LTI) frequency rate</td>
<td></td>
<td>LTIs per 100,000 hours worked</td>
<td>0.19</td>
<td>0.18</td>
<td>0.23</td>
</tr>
<tr>
<td>ii Health and safety actions implemented in target time</td>
<td></td>
<td>% of actions completed</td>
<td>78%</td>
<td>70%</td>
<td>95%</td>
</tr>
<tr>
<td>5d We manage our money effectively</td>
<td></td>
<td>% spend to budget (£m)</td>
<td>91%</td>
<td>95%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* These measures are reported quarterly to Defra Board
Since April 2011, the Environment Agency and other risk management authorities have reduced the risk of flooding and coastal erosion to more than 162,000 properties. Risk management authorities remain on track to reduce the risk of flooding and coastal erosion to 165,000 properties from work carried out between April 2011 and March 2015.

During quarter 3, the Environment Agency finished refurbishing the River Colne Barrier gates in Essex. The Colne Barrier played an important role during the December 2013 tidal surge. More than 1,300 homes in the Wivenhoe and Colchester areas are now at a lower risk of tidal flooding.

The Environment Agency also completed the Knott End flood risk management scheme in Cumbria. More than 650 properties now have a lower risk of flooding from the sea when stormy weather combines with high tides.
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 target condition

Q3 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>96.2%</td>
<td>97%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

% of high consequence assets at or above the required target condition

- A total of 96.2% of EA maintained assets in high consequence systems are at or above required condition. This is against a target of 97%. The Q3 position has continued to improve with good recovery from the impact of the 2013/14 winter storms.

Since April 2014, inspection focused on the assets that were part of the recovery programme in order to measure its impact. The inspections will now resume the routine programme which will include assets that were not in the recovery programme. These assets may have deteriorated during the course of 2014 which could impact upon the figures at target condition in the next few months. We will monitor on a monthly basis during Q4, reporting to the National Programme Board.

No. of high consequence assets passing

- At or above required target condition (EA): 24,612
- Below required target condition (EA): 969
- At or above required target condition (3rd party): 23,056
- Below required target condition (3rd party): 1,025

Actions

- Action(s): Monitor closely and review via monthly reports
- Owner(s): Exec. Director of FCRM
- Deadline(s): Ongoing

Increasing the resilience of people, property and businesses to the risks of flooding and coastal erosion

Owners: Executive Directors of FCRM and Operations
In 2014 Bathing Waters achieved the best ever compliance with the revised Bathing Water Directive standards with only 23 waters failing to achieve the sufficient classification or better. There were also a record number of bathing waters achieving the excellent class - 253 out of the 416 waters we classified in 2014. The outstanding performance was due to three factors: 1) a continuation of our work in reducing pollution at bathing waters through regulation of water companies and work with the agricultural sector and other pollution sources 2) the application of short term pollution discounting which improved the classification of seven waters two of which would have been poor and 3) the effects of having the hottest year on record with the driest September since 1910. Rain in September usually causes a drop in bathing water quality due to increased runoff, but this year’s dry September meant water quality stayed high. Although 2014 was overall a very wet year, much of the rain fell outside of the bathing season. For 2015 we have predicted that 28 waters are at risk of being poor (this assumes we do not have unusually high rainfall during the bathing season). This would give us 93% compliance - in line with our target for 2015.
2. c We improve and protect rivers and wetlands damaged by unsustainable abstractions

Q3 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>AMBER</td>
<td>127</td>
<td>156</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

As a result of previous Restoring Sustainable Abstraction (RSA) investigations and options appraisals, we received ten voluntary (section 51) licence change notification forms in Q3. These ten licence changes include surface water and ground water licences and will benefit rivers at four sites.

We have changed the forecast to Amber as an extended deadline has been agreed with Defra.

Cumulative number of abstraction licence notifications

Restoring Sustainable Abstraction Targets

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop programme of delivery up to 2019/20 in line with new Corporate Plan</td>
<td>Exec. Director of E&amp;B</td>
<td>2015/16</td>
</tr>
</tbody>
</table>
### 2.f. We maintain our navigation assets at or above the target condition

**Q3 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>88%</td>
<td>80%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

#### % of assets at or above target condition

87.8% of our navigation assets are at or above target condition - the corporate target is 80% for 2014/15 which we will exceed at year end.

This ‘over-performance’ is due to additional funding being secured in 2012/13 and 2013/14 which helped increase our asset condition above target levels.

We expect to see a slow deterioration in asset condition in the coming years due to increased pressures on both capital and revenue funding.

#### No. at or above target condition

#### Actions

- **Action(s):**
- **Owner(s):**
- **Deadline(s):**
3.b We reduce serious and significant pollution incidents

Q3 2014-15

Owners: Executive Directors of Environment and Business and Operations

Status | Actual | Target | Forecast
---|---|---|---
RED | 710 | 631 | RED

Number of Category 1 & 2 pollution incidents

<table>
<thead>
<tr>
<th>Year</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>567</td>
<td>538</td>
<td>532</td>
<td>637</td>
</tr>
<tr>
<td>Q2</td>
<td>700</td>
<td>751</td>
<td>710</td>
<td>631</td>
</tr>
<tr>
<td>Q3</td>
<td>700</td>
<td>751</td>
<td>710</td>
<td>631</td>
</tr>
<tr>
<td>Q4</td>
<td>700</td>
<td>751</td>
<td>710</td>
<td>631</td>
</tr>
</tbody>
</table>

The rolling annual total of category 1 and 2 pollution incidents reduced over the quarter by 41 to close at 710. Of these 289 were from permitted sites, 266 from non-permitted sites and a further 155 were from sites that could either not be identified or are from a natural cause (i.e. flooding, landslips and algae).

The number of incidents arising from the waste management sector has reduced while those from agriculture have increased.

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

<table>
<thead>
<tr>
<th>Sector</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water companies</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Farming (all sites)</td>
<td>74%</td>
<td>76%</td>
<td>76%</td>
<td>76%</td>
</tr>
<tr>
<td>Waste treatment (non-hazardous)</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Landfill</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Biowaste treatment</td>
<td>98%</td>
<td>98%</td>
<td>98%</td>
<td>98%</td>
</tr>
</tbody>
</table>

Serious pollution incidents to air, land and water caused by the activities we regulate in England

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air</td>
<td>200</td>
<td>180</td>
<td>160</td>
<td>140</td>
</tr>
<tr>
<td>Land</td>
<td>100</td>
<td>120</td>
<td>140</td>
<td>160</td>
</tr>
<tr>
<td>Water</td>
<td>300</td>
<td>280</td>
<td>260</td>
<td>240</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>Work is underway to review this measure for reporting in 2015/16.</td>
<td>Exec. Dir. Of Ops &amp; E&amp;B</td>
<td>31/03/2015</td>
</tr>
</tbody>
</table>
3.c We reduce the administrative costs of regulation to businesses

Q3 2014-15
Owner: Executive Director of Environment and Business

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

### Savings to businesses (£m)

The required milestone was completed this quarter and we are close to achieving the cumulative target for 2010/11 to 2014/15.

However, we are unlikely to meet our 2014/15 annual target of £50 million due to the cancellation of one project with an associated saving of £10 million and the take up of another two expected to be lower than initial project estimates. We will continue to monitor all relevant regulatory simplification initiatives in accordance with programme milestones and secure the necessary evidence to verify cost savings for this stretch target.

Despite forecasts that we are likely to miss the overall cumulative target, over the SR10 period we have delivered over £270m of savings to business through our regulatory approaches. During the same period, in agreement with Defra, we increased the savings target from £45m to £317m.

### 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>Q2 14/15</td>
<td>GREEN</td>
</tr>
<tr>
<td>Track and confirm delivery of plans that support the Better Regulation agenda</td>
<td>Q3 14/15</td>
<td>Q3 14/15</td>
<td>GREEN</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>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Actions

**Action(s)**

We will continue our work to identify other cost saving initiatives

**Owner(s)**

Exec. Director of E&B

**Deadline(s)**

31/03/2015
There are currently 256 active high risk illegal waste sites as at 31 December 2014.

The number of high risk illegal waste sites has increased by 23% during quarter 3. However, we remain ahead of the overall reduction target of 30% and we continue to exceed the quarterly 3% reduction target. Overall we have made a 32% reduction from the baseline established on 1 October 2012.

We found 99 new sites during Q3, 50 of which were high risk sites.

We stopped illegal activity at 101 sites, of which 45 were high risk sites. Five high risk sites were brought into regulatory compliance.

Figures given above will not add up to the change in the number of sites over the quarter. There are two main reasons for this:

1. Some sites will have increased their risk rating over the quarter
2. Some sites which we have been dealing with informally for some time will only now have been entered onto the database. These will not count as new sites.
4.a We respond to planning application consultations and pre-application enquiries within 21 days

Q3 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>AMBER</td>
<td>90%</td>
<td>95%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

% within 21 days (or longer with agreement) - Year to Date

Data returns show that the main reasons cited for missing the target are:

- Late returns from internal consultees (43%)
- Staff shortages (40%).

We have developed a performance improvement action plan which contains both immediate ‘quick wins’ and medium term actions.

No. within 21 days (or longer with agreement)

- Late returns from internal consultees (43%)
- Staff shortages (40%).

We have developed a performance improvement action plan which contains both immediate ‘quick wins’ and medium term actions.

Actions

Ensure delivery of the Performance Improvement Plan

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure delivery of the Performance Improvement Plan</td>
<td>Executive Director of E&amp;B</td>
<td>Q2 2015/16</td>
</tr>
</tbody>
</table>
Performance and ambition remain high. Area teams have been working hard to ensure we are taking a 'yes if' approach and achieving the positive outcomes we expect in our Priority Development Sites.

An example of activity this quarter: As part of our work on the Middlesbrough Housing Growth project at Prissick Base - a strategic development site in terms of regeneration and part of a wider project to update health and leisure facilities for the town and surrounding area - we have worked with the council and developer to ensure that the design of the open channel replacing the culvert delivers maximum environmental outcomes with respect to biodiversity.

We maintain regular contact with developers and councils via 6 monthly account manager meetings. This helps us to understand their work programmes and ensure key environmental issues and opportunities are identified as well as providing a positive "front loaded" planning service. We seek to ensure existing agreements and conditions are carried forward for each site e.g. green roof master plan, surface water strategy, etc.
2.b The quality of bathing waters in England is getting better

In 2014 Bathing Waters achieved the best ever compliance with the revised Bathing Water Directive standards with only 23 waters failing to achieve the sufficient classification or better. There were also a record number of bathing waters achieving the excellent class - 253 out of the 416 waters we classified in 2014. The outstanding performance was due to three factors: 1) a continuation of our work in reducing pollution at bathing waters through regulation of water companies and work with the agricultural sector and other pollution sources 2) the application of short term pollution discounting which improved the classification of seven waters two of which would have been poor and 3) the effects of having the hottest year on record with the driest September since 1910. Rain in September usually causes a drop in bathing water quality due to increased runoff, but this year’s dry September meant water quality stayed high. Although 2014 was overall a very wet year, much of the rain fell outside of the bathing season.
5.a We reduce our carbon footprint

We are at 86% of our profiled national carbon dioxide target at the end of November 2015. Our overall carbon emissions have reduced by 22% compared to the same period last year. We continue to see a reduction in emissions from our office buildings and depots through our investment in energy efficiency projects. Our emissions from travel also continue to decrease, with a significant reduction in our emissions from hire car use, particularly by Environmental Crime teams. Emissions from train journeys have reduced by 25%. We believe that under billing of energy use (through British Gas system problems) may have contributed to our current reported performance. Had we been billed at a comparable level to last year our performance would be at 91% of the profiled year to date target. Subject to favourable weather conditions, current indications are that we may well hit our strategic target of a 25% reduction against our baseline year (2005/6) by 31 March 2015.

### Actions

- Reinforcement of messages around travel hierarchy, building temperature and managing energy use across all assets.
- Continued delivery of Mind the Gap projects

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All Executive Managers</td>
<td>31/03/2015</td>
</tr>
<tr>
<td></td>
<td>Executive Director of Resources &amp; Legal Services</td>
<td>31/03/2015</td>
</tr>
</tbody>
</table>
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

Q3 2014-15

Owner: Executive Director of Resources and Legal Services

<table>
<thead>
<tr>
<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 staff as % of all staff**

  - There were three BAME recruits this quarter. BAME recruitment is currently 4.8% against a target of 5%.
  - BAME turnover rate this quarter is 7.2% compared to 7.1% for the total Environment Agency. Both turnover rates are down a little compared to recent quarters.
  - The BAME percentage for Q3 remains at 3.9% (402). This number has decreased slightly from 403 in Q2, but is not a significant change.
  - The figures above include Eastern European. If Eastern Europeans are excluded the BAME percentage is 3.5% with a population size of 366 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
  - Status: Ongoing

---

There were three BAME recruits this quarter. BAME recruitment is currently 4.8% against a target of 5%.

BAME turnover rate this quarter is 7.2% compared to 7.1% for the total Environment Agency. Both turnover rates are down a little compared to recent quarters.

The BAME percentage for Q3 remains at 3.9% (402). This number has decreased slightly from 403 in Q2, but is not a significant change.

The figures above include Eastern European. If Eastern Europeans are excluded the BAME percentage is 3.5% with a population size of 366 staff.
Ensuring that we are fit for the future

5.b.ii We have a diverse workforce: proportion of Executive Managers who are female

Q3 2014-15
Owner: Executive Director of Resources and Legal Services

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>35%</td>
<td>33%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**Proportion of Executive Managers who are female**

The percentage of female EMs is 35% (42). It was 37% last quarter.

The percentage of female Grade 7s is 33.5%. It was 33% last quarter.

**Actions**

**Action(s)**

- Unconscious bias training for interviews
- Development programmes and coaching for female staff

**Owner(s)**

- Exec. Director, Resources & Legal Services

**Deadline(s)**

- 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

Q3 2014-15

Owner: Executive Director of Resources and Legal Services

### Lost time incident frequency rate

Seven Lost Time Incidents (LTIs) were reported in Q3 and our lost time frequency rate is a 12 month rolling average of 0.18 per 100,000 hours worked. Our ceiling this year is a 12 month rolling-average LTI Frequency Rate (LTIFR) of 0.23 or lower.

### No. of LTIs

### 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

<table>
<thead>
<tr>
<th>Timeline</th>
<th>No. of LTIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2010</td>
<td>12</td>
</tr>
<tr>
<td>Q3 2010</td>
<td>10</td>
</tr>
<tr>
<td>Q2 2010</td>
<td>15</td>
</tr>
<tr>
<td>Q1 2010</td>
<td>13</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>12</td>
</tr>
<tr>
<td>Q3 2011</td>
<td>10</td>
</tr>
<tr>
<td>Q2 2011</td>
<td>11</td>
</tr>
<tr>
<td>Q1 2011</td>
<td>13</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>14</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>10</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>12</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>14</td>
</tr>
<tr>
<td>Q4 2013</td>
<td>13</td>
</tr>
<tr>
<td>Q3 2013</td>
<td>11</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>14</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>12</td>
</tr>
<tr>
<td>Q4 2014</td>
<td>14</td>
</tr>
<tr>
<td>Q3 2014</td>
<td>12</td>
</tr>
<tr>
<td>Q2 2014</td>
<td>13</td>
</tr>
<tr>
<td>Q1 2014</td>
<td>15</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director of Operations</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Executive Director of R&amp;LS</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Executive Director of R&amp;LS</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
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

Q3 2014-15

Owner: Executive Director of Resources and Legal Services

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED</td>
<td>70%</td>
<td>95%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

No. priority actions completed

In Quarter Three 5 My Health and Safety (MyH&S) actions were issued. Two were Immediate and Critical (red) Actions and the rest were Priority (amber) Actions. Of these actions, 3 were issued as a result of a Safety Critical Incident (SCI). Eight compliance reports were produced in Q3 (3 were for actions issued in Q2). The overall compliance was 70%. This is a decrease on the previous quarter (78%) and on a par with the whole of 2013/14 (69%).

The compliance figure used for this scorecard is the percentage who completed the action by the target completion date +10 days (except for 'red' actions which are generated the day after the action closes). If we were to rerun the compliance reports at the end of the quarter the compliance will have increased due to line management follow up.

We believe with the new Safeguard system we can achieve an Amber score or better due to the ability to issue reminders and the improved ease of use of the system.

<table>
<thead>
<tr>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide reports and information to enable managers to take follow-up actions</td>
</tr>
<tr>
<td>Safeguard system to be in place at the beginning of Q4 2014/15</td>
</tr>
<tr>
<td>Take a strong lead in ensuring that staff comply with expectations on H&amp;S Actions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exec. Director, Resources &amp; Legal Services</td>
<td>Ongoing</td>
</tr>
<tr>
<td>All line managers</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Ensuring that we are fit for the future

5.d We manage our money effectively

Q3 2014-15

Owner: Executive Director of Finance

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBER</td>
<td>95%</td>
<td>100%</td>
</tr>
<tr>
<td>GREEN</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Expenditure against profiled YTD (%)

An update on year end performance will be given at the Board meeting.

Expenditure against profiled YTD (£m)

Actions

Report on FCERM investment, specifically on progress on recovery

Report to Executive Directors Team regularly over Q4 on expected outturn

Exec Directors of Finance and FCRM

Ongoing

Executive Director of Finance

Q4
We are at 86% of our profiled national carbon dioxide target at the end of November 2015. Our overall carbon emissions have reduced by 22% compared to the same period last year. We continue to see a reduction in emissions from our office buildings and depots through our investment in energy efficiency projects. Our emissions from travel also continue to decrease, with a significant reduction in our emissions from hire car use, particularly by Environmental Crime teams. Emissions from train journeys have reduced by 25%.

Subject to favourable weather conditions, current indications are that we may well hit our strategic target of a 25% reduction against our baseline year (2005/6) by 31 March 2015.
Paper by: Jeremy Walker and David Rooke

Subject: Review of Flood and Coastal Risk Management Committee

FOR INFORMATION
Recommendations

The Board is asked to note:
(i) the findings of the review of the FCRM Committee and its achievements over the last 12 months
(ii) to comment on any aspect of the Committee’s work, and in particular how it might add greater value in future
(iii) to agree that there is no case for the Committee to have delegated decision making powers at this point
(iv) subject to discussion, to agree that the size, composition and terms of reference seem fit for purpose.

1.0 Introduction

1.1 The Flood and Coastal Risk Management (FCRM) Committee is appointed as a Committee of the Environment Agency Board.

1.2 Its purpose is to advise the Board on the allocation of funding and any other matters relating to flood and coastal risk management.

1.3 In line with the Board’s policy to review Committees annually, at its last meeting, the FCRM Committee considered its effectiveness of the last 12 months. This paper summarises this review.

2.0 Assessment Review Discussion

2.1 The FCRM Committee replaced and combined the former Flood and Coastal Board Group and the Flood Defence Finance Committee. This approach has been successful. It has reduced the number of meetings each year from 9 to 5 and enables FCRM finance and allocation to be discussed alongside other key issues and projects. Having sight of the full remit of flood and coastal risk work enables the Committee to discuss the interdependencies and provide appropriate advice on investment and funding in a wider context. The wider remit of this group works well and adds value to the Board process.

2.2 The main purpose of the former Flood Defence Finance Committee was to approve and monitor FCRM investment, for which purpose it had delegated powers from the Board. In establishing the new Committee it was agreed that
general delegated powers were not needed, since the Board could, if need be, delegate decision making on specific issues. Experience so far suggests that this approach works well and it is not considered necessary for the FCRM Committee to have delegated decision making powers. The Committee’s current Terms of Reference and Standing Orders are also considered to be appropriate at this time.

2.3 The Committee has had 5 non-executive members during the year, including the Chairman, and has met 5 times. Attendance has been a problem from time to time with the quorum (currently set at 3 members) being at risk on occasion. The new approach to programming meetings up to 2 years in advance should resolve this issue. If not, the Board may wish to consider adding an extra Board member to help ensure a quorum at all times.

2.4 There has been a wide spread of business throughout the year. Since January 2014 the FCRM Committee has discussed the following topics, excluding standing items and the regular finance report:

| January 2014 | December and January Floods - Response and recovery  
Update on 2014/15 FCRM GiA final allocation  
Department Expenditure Limits transparency and Local Engagement |
| April 2014 (visit to HR Wallingford) | 2014/15 Flood and Coastal Risk Management (FCRM) Grant in Aid (GiA) - Allocation of additional funding  
FCRM Evidence and Research Programme  
Property Level Protection  
Section 18 report |
Long Term Investment Strategy  
Update on Flood Recovery and Learning  
Delivering the Flood Incident Management Plan 2015-20  
National Audit Office: Value for Money audit of FCRM |
| October 2014 | FCRM Investment Programme 2015/16  
Asset Maintenance Future Funding Review  
Update on FCRM Maintenance pilots  
National Audit Office: Value for Money audit of FCRM |
| December 2014 | Update on the National Audit Office review and recommendations  
FCRM Investment Programme – capital 6 year programme and final revenue allocation  
Assessment of surface water flood risk in London  
Evidence – recent developments |
| January 2015 | FCRM Investment Programme – capital 6 year programme and final revenue allocation  
Assessment of surface water flood risk in London  
Assessment of potential dredging locations  
Somerset Rivers Authority discussion |

2.6 Agendas are set by the Executive Director of FCRM and the Secretariat in consultation with the Committee Chair, taking account of ‘Forward Look’ discussions at the end of each meeting. A core theme through 2014 was the gestation and approval of the investment programme and allocations, an iterative process which involved repeated discussion at both Committee and Board meetings.
The agendas reflect the priorities for FCRM and those topics which need a steer, direction and approval from the Board and senior management. The Committee has sought to support and assist the Executive and facilitate decision making by the Board. Only where necessary, or requested by the Board, have papers gone to the Board following FCRM Committee meetings.

2.7 The FCRM Investment approval process has been inevitably somewhat drawn out. The Committee has sought to maintain the balance of sufficient scrutiny whilst keeping it as streamlined as possible. The Committee has advised and shaped how the Environment Agency responded to the additional challenges this year of recovering from a major flood event by managing the unexpected costs and the additional money received from Defra for asset repairs.

2.8 Issues the Committee intends to cover over the coming year, in addition to the FCRM Investment Programme and allocation, will depend on the priorities for the incoming government and the topics that arise during the course of the year. The Committee maintains a forward look of “hot topics” and a wide range of issues will be covered during a year. Likely topics expected to be discussed over the next year include: FCRM Investment Programme and allocation, the Environment Agency’s work with the insurance sector, Spending Review 2015, dredging, flood defence consenting into the Environmental Permitting Regime, asset maintenance, the FCRM vision, the review of the National FCERM Strategy, Flood Incident Management Plans and flood risk in London.

3.0 Key Achievements

3.1 The Committee monitors and where necessary challenges FCRM expenditure. It has also made a valuable contribution to, and advised the Environment Agency’s Board on the approval of the FCRM Investment Programme, the additional funding received following the winter 2014 flooding, and the accelerated delivery of the allocation programme. This has facilitated discussion with the whole Board and added confidence to their decisions. It has sought to add value in other key work areas by providing challenge and support to the Executive, and enable full consideration by Board Members without including the Board as a whole. These have included:

- Flood recovery programme and learning – ensuring the work Environment Agency remained on track, that risks were monitored and managed, a clear narrative was produced around what action had been taken and how this was reducing risk, and communications with local authorities were timely and regular

- Flood Incident Management Plan – making sure the Plan did not go beyond the responsibilities of the Environment Agency and giving a strong steer on the presentation

- National Audit Office Review of Strategic Flood Risk Assessment – identifying the need to emphasise the positive news story of this review and the links to future revenue funding in the next spending review
• Property Level Protection – promoting PLP within the 6 year programme and recommending the future involvement and engagement of the insurance industry in PLP and their role in promoting flood risk reduction

• Surface Water Flood Risk in London – identifying the Board’s strategic responsibility to address this issue, the need for the Environment Agency to help in assessing and communicating this surface water risk, and to raise the profile of surface water risk with relevant partners in London

• Annual Flood and Coastal Risk Management Report – advising on, supporting and approving the publication of the report

4.0 Recommendations

4.1 The Board is asked to note:
(i) the findings of the review of the FCRM Committee and its achievements over the last 12 months
(ii) to comment on any aspect of the Committee’s work, and in particular how it might add greater value in future
(iii) to agree that there is no case for the Committee to have delegated decision making powers at this point
(iv) subject to discussion, to agree that the size, composition and terms of reference seem fit for purpose.

Jeremy Walker               David Rooke
Board Member (FCRM)          Executive Director of FCRM

28 April 2015
Ref: OB/1405-9.4

Board Meeting
Meeting Date: 14 May 2015
Item no. 9.4

Appendix 1: Activities

Paper by: Director of Corporate Affairs

Subject: Communications update

FOR INFORMATION

Recommendations
The Board is asked to note the communications activities for the year 2014 to 2015 with a particular focus on the last Quarter.

1.0 Background and context
1.1 This paper provides an update on Environment Agency communications activity from 1 April 2014 to 31 March 2015.

2.0 Review of communications across the year
2.1 During the period April 2014 to March 2015 there continued to be extensive media coverage of our work with approximately 97% positive or neutral.

2.2 Our visibility on social media continued to grow. 95% of these mentions were either positive or neutral.

2.3 During the year we gained 139,727 new followers across our national and regional Twitter accounts. The national @EnvAgency account alone now has over 259,000 followers (as of 31 March 2015).

2.4 We have a total of 18,573 Facebook fans (as of 31 March 2015), gaining nearly 4,000 fans in the year. This is in addition to very successful project sites such as the Wessex Facebook site which we have briefed the Board on previously.

2.5 Media coverage over the past year shows that FCRM content remains relatively high (~ 50% of total coverage although higher during flood awareness campaign periods). The drive to improve the balance of coverage across all of our activities has resulted in good coverage of our other areas of work.

2.6 Examples of successful communications initiatives undertaken by National and Area facing communications teams include:
Corporate

- Senior Executive roundtable events, involving the Chairman and Chief Executive, with the waste management industry on the waste evidence summary 2013 and with the food and drink sector on managing climate risks.

- The launch of an internal campaign on celebrating success titled #TeamEA. We are using best practice in employee engagement to develop a communications approach to share our successes with staff and show pride in what we do.

- We received coverage in Fleet News of 2 awards won by the Environment Agency at the prestigious 2015 Fleet News Awards. We won Green Fleet of the Year and our Head of Fleet Operations was named Fleet Manager of the Year.

Flood and coastal risk management

- The 2014 Floods Destroy campaign which ran for 2 weeks in November 2014 with 4 national partners (Marks & Spencer, ASDA, the AA and Network Rail) generated good results with:
  - 929 sign-ups to Floodline Warnings Direct (FWD) during the campaign (95% increase compared to 2013 to 2014 campaign results)
  - 14,982 total visits to the campaign page on GOV.UK (74% increase compared to 2013 to 2014 campaign results)

- Working with the Treasury and Defra, we issued 6 year investment programme press releases as part of the Budget announcement in March to promote accelerated schemes. These achieved good regional media coverage. We also supported the announcements through our social media channels with a blog and infographics.

- We continued to work with local media to promote the completion or start of new flood schemes including the Exeter (Devon) and Port Clarence (Stockton-on-Tees) flood defence schemes. In Somerset we continued to work with local media to update them on progress with the work we are doing to reduce flood risk in the area.

Water, land and biodiversity

- In March we launched the Rod Licence campaign for 2015 to 2016, encouraging people to renew their rod licence and secured positive coverage as a result. We used new, eye-catching rod licence designs as a news peg. We have been also using social media nationally and locally to promote buying a rod licence and highlighting fishing initiatives that are subsidised by rod licence money, such as our undercover enforcement work. Over 440,000 licence renewal emails and 475,963 letters were sent in March 2015. The income generated to the end of March is £4,548,657.
• Work to support the Water Framework Directive River Basin Management Plan consultation continued into April 2015. We managed the response to a negative press release issued by Blueprint for Water following publication of the new WFD classifications.

• To support the Environment Agency’s Biosecurity month we used a series of blogs, Facebook posts, tweets and images to share via social media during the themed month in March 2015.

Regulated industry

• We secured national and regional print and broadcast coverage for Operation Encore. This operation involved dawn raids with the police at a number of waste sites and the arrests of 6 suspects. We proactively pitched the story to the BBC who covered the event on the Six O’clock news, and across 3 of their regional news networks. Operation Encore was also covered by the Guardian, the Mirror and trade and local media. Estimated social media audience figures were 5.5 million.

• Sustainable business reports were launched in Q4.

• At the start of Q4 we issued the first environmental permits to explore for shale gas using the process of hydraulic fracturing (fracking). We ran public information days and managed media nationally and locally to encourage the public to have a say in the consultation process.

Pam Gilder
Director of Corporate Affairs

14 May 2015
Appendix 1: Activities: Flood & coastal risk management

FLOODS DESTROY Be Prepared

21,687
flood related reasons in
the last 5 years

No.1
No.1 rescue tool in
the last 5 years

Fords
accounts for 17 of the
top 20 rescue spots

DO NOT CROSSE WATERS IN FLOOD

Check the flood risk for your route before you travel

www.gov.uk/floodsdestroy #floodaware

WHAT HAVE YOU GOT TO LOSE?

Express & Echo

Flood defences welcomed by Exeter Quay businesses

By Exeter Express and Echo | Posted: March 27, 2015

COUNTRYFILE

the guardian

UK floods: Government to spend £470m on
defence as part of £2.5bn investment plan over six
years

UK Prime Minister @theresa_may

Live in #Somerset, #Devon or #Cornwall? Be
#floodaware and follow @EnvAgencySW for local
updates

3:30 PM - 3 Mar 2014
32 RETWEETS 34 FAVORITES

Beyond the Thames Barrier: how safe is London from another major flood?
Appendix 1 Water, land & biodiversity

Success in eradication of alien mini-species

Artistic licence: new images for anglers

Don’t miss out on fishing renew your rod licence now

Shape future decisions & action to create a better water environment bit.ly/1nYr3uv #ValuingWater

Blueprint for Water

SAVE OUR WATERS

THE CLOSED SEASON IS A TOP PRIORITY

The image on this year’s coarse fishing rod licence is a crucian carp (Carassius carassius) and the non-coarse is a salmon (Salmo salar).

A crucian carp by the artist David Miller

Dear Julie,

Thank you for previously buying your rod licences. You are one of 1 million anglers who bought a rod licence last year, with 20% now buying them online.

Your licences are due to expire on 31 March 2015.

You can renew your licence at www.gov.uk/river-fishing-licences

New licence for starters

1 April

no problem to renewal your full licence.
Appendix 1 Regulated industry

*BBC News England*

Six arrests in raids over illegal waste dumping

*BBC News Lancashire*

Plumpton fracking: Cuadrilla granted environmental permits

*CIWM Journal Online*

Over 20m Tonnes Of “Waste” Diverted From Landfill Since 2012/13

*Crime Stoppers UK*

0800 555 111
Call anonymously with information about crime
Appendix 1 Corporate communications

Corporation narrative - March 2015

Leadership messages to use March 2015

Please use this leadership narrative when speaking to your teams about developments at the Environment Agency.

We are working on our corporate plan for 2016 & beyond with govt to make sure we keep on creating a better place for people and wildlife #TeamEA

The narrative in a Tweet

The headlines:

Chat with the Chair and Chief: ask your question about the Triennial Review

The next chat with the Chair and Chief is on Tuesday 8 January from 12.45 to 14.00.

We can all help stop the spread

In work:
- follow biosecurity steps when working near water
- support our Invasive Species Biosecurity Network campaign to raise awareness

Outside of work:
- remember biosecurity when enjoying the countryside and gardening
- spread the word about invasive species and our campaigns
- download and use the Aquasniper, Plant Tracker and SeaLife Tracker apps

For the full story, search for xxxxx on Easinet

Executive Director of Operations
Toby Willison

Environment Agency

Helped thousands of families in Warwickshire prepare for flooding. We are #TeamEA

Built on success

We achieved the difference in the way we work and we've overcome big challenges to get to this point. Including the 2013/14 floods, helping our people with family work pressures, those who have moved to the UK to work in the Environment Agency's strategic priorities, and changing how we work. This is through the £100m service and the Strategic Business Development Programme.

Terms of experts

Ensuring a competitive advantage to continue to be as a leader in all activities is key, to ensure we are changing our ways and moving forward.

Helped thousands of families in Warwickshire prepare for flooding.
We are #TeamEA

Light, heat, saving!
See how the 4 changes at the labs in Starcross have saved us tonnes.

Winning community trust and support from successful completion of dredging project
Dredging 8km of the Rivers Parrett and Tone.

Lighting the way in Lincolnshire and Northamptonshire
A simple change to technology is cutting CO2, making a much-loved tourist spot even greener.
HEALTH, SAFETY AND WELLBEING MONTHLY REPORT – March 2015

1.0 Introduction

1.1 This update report to the Board on health, safety and wellbeing performance covers March 2015. Our Safe and Well programme to engage with staff on our new values and commitments for health, safety and wellbeing is continuing with a series of workshops with staff and management teams. The programme has developed a distinct identity and colleagues are welcoming the opportunity to comment and are recognising the changes and improvements, even though it is early days. We are analysing the early feedback to inform the future direction of the programme.

2.0 Safety performance

2.1 We experienced 1 lost time injury (injuries causing an employee to take time off work) and 3 safety critical incidents (incidents which have the potential to cause serious harm and which present significant learning opportunities) since the last report (one occurred in late February and missed the last report). Trends are set out in the appendix to this paper.

<table>
<thead>
<tr>
<th>Incident</th>
<th>Background information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety critical</td>
<td>7.5T long reach excavator was being loaded onto a lorry for hauling to another site, and could not be loaded due to slippery ramps on the lorry. The haulier returned to use a different lorry, but this lorry had too steep ramps. The driver had to ‘push’ himself on with the bucket down. The tracks were still slipping on the lorry ramps due to the smooth ramps. SCI to understand why the team were content to red card the first attempt, but not the second.</td>
</tr>
<tr>
<td>incident</td>
<td></td>
</tr>
<tr>
<td>Safety critical</td>
<td>A self propelled wood chipper overturned whilst tracking across site. No injuries.</td>
</tr>
<tr>
<td>incident</td>
<td></td>
</tr>
<tr>
<td>Safety critical</td>
<td>During a routine site visit, a Health, Safety and Wellbeing Business Partner observed contractors replacing the sky lights on a flat roof. They were working close to the edge without edge protection or other controls to prevent falls. He also noted a tele-handler manoeuvring within the car park without adequate controls to segregate pedestrians and with staff passing in close proximity. Activities were stopped.</td>
</tr>
<tr>
<td>incident</td>
<td></td>
</tr>
<tr>
<td>Lost time</td>
<td>Whilst climbing over a gate to access a field to carry out a watercourse assessment, the injured person’s foot slipped on the gate and they twisted awkwardly causing their back to seize up. The pre-existing injury may be a causal factor and the review will look into this. The line manager has been advised to refer the injured person to occupational health for assessment and advice on their capability and any restrictions on undertaking fieldwork.</td>
</tr>
<tr>
<td>injury</td>
<td></td>
</tr>
</tbody>
</table>

2.2 A corporate scorecard measure is the percentage of accountable staff who responded to actions issued by our Safeguard system within a specified timeframe. We aim for 95% compliance with actions by a specified deadline. As reported last month, a red action that was issued on 2 March secured 100% compliance. This action required Area Managers to establish additional assurance around the planning of jobs involving machines working near water. An amber action, requiring amendments to Field Services risk management procedures to be briefed out, also closed in March. This secured 94% compliance. Although still in its infancy, we are increasingly confident that the new Safeguard system is allowing colleagues to complete actions more easily and so is helping us to secure much improved completion rates.
3.0 Absence
3.1 Our sickness absence levels remain in line with previous months at 3.2%.

4.0 Assurance
4.1 We have recently concluded two audits: manual handling and winching. In each case, whilst plenty of examples of good practice and compliance were identified, the work has also identified areas for improvement that will be built into our plans for 2015/16. An external audit of our ISO 9001 quality management accreditation and ISO 14001 environmental management system accreditation, found non-conformances which included poor housekeeping, storage of chemicals and out of date Control of Substances Hazardous to Human Health assessments in some locations. These issues are being resolved by the local management teams. In March, Internal Audit commenced an audit of the use of our SHERMS system for reporting incidents and recording the results of reviews and actions arising. Other reviews to report in the next few weeks include independent reviews of how we manage Hand Arm Vibration Syndrome, our approach to complying with the COSHH regulations and our approach to auditing construction activities. These are all designed to assure us that we are applying best practice.

5.0 Health surveillance
5.1 Our annual programme of health surveillance was fully completed by the end of March. As previously reported, to the end of February, none of the assessments have yet led to a diagnosis that has necessitated us reporting an occupational illness under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013. The number of referrals for further assessment for Hand Arm Vibration Syndrome had been above the expected range, but has now returned to normal levels. The previous variance was partly explained by some people already identified as having restrictions for HAVS being classified as new cases. We are in discussions about how better to reflect the health of such colleagues in the reporting from the surveillance. It is also worth noting that our referrals for hearing related conditions are only 1%. Typical referral levels across all organisations supported by our occupational health provider are up to 10%.

6.0 Contact with the Health and Safety Executive
6.1 During March we had no significant contact with the Health and Safety Executive

7.0 Significant improvements made to our management arrangements
7.1 As part of our health, safety and wellbeing refresh we continue to simplify the demands placed on colleagues by our management systems and strive to operate to best practice. In March we:

- Successfully completed the revision of our Operational Instructions and other processes to comply with the new Construction (Design and Management) Regulations 2015, and completed the training of all staff immediately affected by the changes. In Q3, Internal Audit will audit the new measures to ensure that we are compliant and that they have embedded successfully. (Anecdotally our professional construction safety advisers, CH2MHill, have advised that we are the best prepared of any of their clients).
- Undertook a national business continuity exercise to test our ability to confirm the whereabouts of all our staff in a national emergency.
- Completed (bar two sessions that unavoidably had to be rearranged) the training of our staff who plan and manage activities using plant such as excavators on best practice in managing the risks of people working near plant.
- Began the introduction of new gas monitoring equipment to help better protect our staff who visit landfills and other sites that might expose colleagues to harmful gases.
Won the “Best Employer” award from the Best Business Awards for our Wellbeing programme. Amongst the feedback, the judges considered, “The pro-active approach to improving mental outlook, Healthy Minds: Happier People, is particularly innovative, allowing people to access support without stigma.”

8.0 Forward look
8.1 As part of our health, safety and wellbeing refresh:
• We are working with the trade unions to secure a consistent model for consulting on health, safety and wellbeing across the Environment Agency.

Paul Woodcock
Director of Corporate Assets, Safety, Health, Environment and Wellbeing (CASHEW)

Richard Houghton
Deputy Director of Health, Safety and Wellbeing
Appendix 1 – Lost Time and Safety Critical Incidents

Lost Time Incident Performance Tracker

Number of Lost Time Incidents year to date: 30
Number of Lost Time Incidents in March: 1

Safety Critical Incident Tracker

Number of Safety Critical Incidents year to date: 31
New Safety Critical Incidents in March: 2
Monthly totals and rolling averages

Ref: OB/1405-9.5
Ref: OB/1405-Info1

Board Meeting
Meeting date: 14 May 2015
Information item 1

Paper by: Chairman

Subject: Chairman’s Update Report

FOR REPORT

This paper is intended to update the Board on the Chairman’s ministerial meetings, other key meetings, appointments, decisions and regional visits since the last Board meeting.

The Board is asked to note the report.

1.0 Key meetings

<table>
<thead>
<tr>
<th>Date</th>
<th>Meeting</th>
<th>Notes*</th>
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<tbody>
<tr>
<td>17 February</td>
<td>I visited our Cumbria and Lancashire Area to meet Keith Ashcroft and his team. This included a visit to the Keswick Flood Alleviation Scheme.</td>
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<td>18 February</td>
<td>I visited our Greater Manchester Merseyside and Cheshire Area to meet John Leyland and his team. This included visits to regulated sites.</td>
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<td>20 February</td>
<td>I visited our Wessex Area to meet Nick Gupta and his team at the Bradney depot. I also met with leaders of the Somerset flood action plan.</td>
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<td>20 February</td>
<td>I held meetings with Ian Liddell Grainger MP and Tessa Munt MP.</td>
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<td>23 February</td>
<td>I met with Laetitia van den Assum (Dutch Ambassador) to discuss best practice in flood and coastal risk management in the Netherlands and England.</td>
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<td>2 March</td>
<td>I hosted a breakfast briefing with representatives from key organisations to discuss environmental performance in the waste and resource management sector.</td>
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<td>2 March</td>
<td>I attended a mid-year performance review meeting with Defra Minister Dan Rogerson.</td>
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<td>7 March</td>
<td>I delivered a speech at the Suffolk Coastal Against Retreat Annual General Meeting on flood and coastal risk management.</td>
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<td>10 March</td>
<td>I had an introductory meeting with Henry Robinson, President of the Country Land and Business Association.</td>
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<tr>
<td>23 March</td>
<td>I had an introductory meeting with the Chair and Deputy Chief Executive of the Nuclear Decommissioning Authority, Nick Baldwin and Les Philpott.</td>
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<td>23 March</td>
<td>I had an introductory meeting with the non-executive Chair of Ordnance Survey, Rob Margetts.</td>
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<td>24 March</td>
<td>I met with David Heath MP to discuss constituency issues.</td>
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<td>24 March</td>
<td>Along with Paul Leinster I had an introductory meeting with the Chairman and Chief Executive of the Angling Trust, George Stephenson and Mark Lloyd. Chris Mills, Director of Environmental Protection, Northern Ireland also attended.</td>
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<td>24 March</td>
<td>I had an introductory meeting with the Chairman of Ofwat, Jonson Cox.</td>
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<td>30 March</td>
<td>Along with Paul Leinster I met with the Exxon Mobile Chairman, Fawley Refinery Manager and Government Affairs Manager, John Chaplin, Jon Wetmore and Howard Forti to discuss the Industrial Emissions Directive.</td>
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<tr>
<td>30 March</td>
<td>Along with Paul Leinster I had an introductory meeting with Chair and Chief Executive of the Local Government Association, Councillor David Sparks and Carolyn Downes.</td>
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<td>31 March</td>
<td>I attended a meeting of the London Infrastructure Board chaired by the Mayor.</td>
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<td>15 April</td>
<td>I visited our Cambridgeshire and Bedfordshire Area to meet Julie Foley and her team. This included visits to the Denver Sluice gate, Welney Wetland Trust Centre and the Ouse Washes reservoir.</td>
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<td>23 April</td>
<td>I attended a Chairing Public Bodies forum hosted by Defra.</td>
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<td>28 April</td>
<td>I visited the Thames Barrier with the Board, Howard Davidson, Andrew Pearce and key stakeholders. We discussed flood protection and the future infrastructure needs of London.</td>
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<td>5 May</td>
<td>I visited the Lee Tunnel with Caroline Douglass and discussed the Thames Tideway Tunnel.</td>
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* Fuller notes of most meetings are available from my office, and I’m happy to give a verbal update for any of the other meetings if colleagues wish.

SIR PHILIP DILLEY
CHAIRMAN