# Board Meeting - Open

**Thursday 15 October 2015**

**Time:** 12.30pm – 4.00pm  
**Venue:** Ergon House, London  
**Quorum:** 8 non executive Board members  
**Public invited from 12.20pm**

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<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Time</th>
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<td>1.</td>
<td>Apologies</td>
<td>Chairman</td>
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<td>2.</td>
<td>Declarations of Interest</td>
<td>Chairman</td>
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<td>3.</td>
<td>Minutes of the meeting on 9 July 2015 and matters arising</td>
<td>Chairman</td>
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<td>Chief Executive’s update</td>
<td>Chief Executive</td>
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<td>5.</td>
<td>Finance Report</td>
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<td>6.</td>
<td>Informative session on dredging</td>
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<td>Informative session on climate change adaptation</td>
<td>Lord Krebs</td>
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<td><strong>Short refreshment break</strong></td>
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<td>8.</td>
<td>National Operations Services presentation</td>
<td>Toby Willison</td>
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<td>Matters for Discussion and Decision/Steer</td>
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<td>9.1</td>
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<td>Pat Bolster</td>
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<td>Health, Safety and Wellbeing update including the annual Harbour safety report</td>
<td>Jonathan Robinson</td>
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<td>10.</td>
<td>Matters for information</td>
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<td>10.1</td>
<td>Committee meetings – oral updates</td>
<td>Clive Elphick, Gill Weeks</td>
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<td>• Pensions</td>
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<td>• Environment and Business</td>
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<td>10.2</td>
<td>Corporate Scorecard Q1</td>
<td>Pat Bolster</td>
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<td>10.3</td>
<td>Communications update</td>
<td>Pam Gilder</td>
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<td>11.</td>
<td>Any other business</td>
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12. Date of next open meeting - 2 February 2016 (Ergon House, London)

Information Papers

- Chairman's Update Report

Chairman
Minutes of the Open Board meeting held on 9 July 2015 at Ergon House, London

Present (Board Members)  
Sir Philip Dilley  Chairman  
Emma Howard Boyd  Deputy Chair  
Paul Leinster  Chief Executive  
Peter Ainsworth  
Karen Burrows  
Emma Howard Boyd  
John Varley  
Gill Weeks  
Richard Leafe  
Clive Elphick  
Lynne Frostick

In attendance  
Ed Mitchell  Executive Director of Environment and Business  
(telephone)  
Mark McLaughlin  Executive Director of Finance  
Toby Willison  Executive Director of Operations  
Miranda Kavanagh  Executive Director of Evidence  
David Rooke  Executive Director of Flood and Coastal Risk Management  
Pam Gilder  Director, Corporate Affairs  
(telephone)  
Sam Lumb  Deputy Director Sponsorship and Secretariat  
Rob Creed  Secretariat Manager  
Paul Woodcock  Director of Corporate Assets, Safety, health and Wellbeing  
Diana Chaloner  Director of HR  
Julian Feasby  Deputy Director HR  
Mike Clark  Diversity Manager

1.0 The Chairman opened the meeting. He explained that the location of the meeting was necessarily changed from Bristol at late notice because of a rail strike. London was chosen as the best location to ensure a quorum of Board members. Some information items were taken off the advertised agenda as a result.

Item 1 Apologies for absence  
1.1 Apologies for absence were received from Richard Macdonald.

Item 2 Declarations of Interest  
2.1 There were no declarations of interest.
Item 3  Minutes of the meeting on 14 May 2015 and matters arising

3.1 The minutes were approved as a correct record. There were no matters arising.

Item 4  Chief Executive’s update

4.1 Paul Leinster introduced the paper. Richard Leafe welcomed the update on hydropower. He highlighted that the organisation’s costs on permitting hydropower sites exceeds the income provided by charges. Paul Leinster explained that all charges will be considered in a strategic review programme as part of Spending Review 2015. Ed Mitchell said that he will be examining whether the permitting process can be made more efficient.

4.2 John Varley asked for more detail on the Water and Sewerage Company performance item. Toby Willison explained that overall environmental performance in the sector has improved, partly as a result of financial incentives introduced to the Price Review process. He explained that Southern Water and South West Water were asked to attend performance review meetings this year.

4.3 The Board noted progress on the Easimap2 mapping service. Miranda Kavanagh explained that work is being done to make it compatible with data from other Defra bodies.

Item 5  Finance Report

5.1 Mark McLaughlin updated the Board on the financial position. He explained that in year reductions of 5% have been imposed on Grant in Aid by government which will result in an overall reduction of 5% in budget across the organisation. The reduction in Grant in Aid for FCRM has had some protection in order to allow asset maintenance operations to continue.

5.2 Mark McLaughlin explained that Environment Agency staff are working closely with Defra to support work on proposals for Spending Review 2015.

Item 6  Matters for Discussion and Decision/Steer

Item 6.1 Schemes of Delegation

6.1.1 There were no schemes of delegation papers.

Item 6.2 Annual Internal Environment Management report

6.2.2 The Board welcomed the good performance reported on internal environmental management. They noted that changes have been delivered throughout the organisation to deliver the results. They asked that good practice is communicated so that other organisations can learn from it.
6.2.3 The Board discussed the merits of introducing a more comprehensive air quality measure for the fleet in a future strategy. Paul Woodcock agreed to investigate this.

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

**Item 6.3 Annual diversity report**

6.3.1 Jonathan Robinson introduced the report explaining that there remains one year left to meet the targets. He highlighted progress on: the number of female managers; development of staff networks; high levels of staff self disclosure; and benchmarking for target diversity categories.

6.3.2 The Board discussed the need for more effort on recruiting and retaining black and minority ethnic staff. They discussed the challenges to doing this and possible ways of overcoming them. Paul Leinster noted that reverse mentoring of BAME staff has helped him understand some of the improvements the organisation can make.

**Item 6.4 Annual health safety and wellbeing report and Health, Safety and Wellbeing update**

6.4.1 Paul Woodcock presented the paper. The Board noted that performance related to actions on safety critical incidents has improved.

6.4.2 It was noted that the informal Health and Safety Board group has been a helpful means of providing a challenge to the executive. Karen Burrows encouraged other Board members to join.

6.4.3 The Board welcomed the progress shown in the report and asked that a report on harbour safety be brought to a future meeting.

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

**Item 6.5 Corporate Scorecard**

6.5.1 Paul Leinster introduced the paper. He explained that a number of measures are now receiving enhanced scrutiny from Executive Directors.

6.5.2 The Board discussed the challenges of bringing some poorly performing landfills into compliance. Gill Weeks noted that she has had detailed discussions with the Director of Regulated Industry about the issue.

**Item 7 Matters for Information**

**Item 7.1 Committee Meetings – oral updates**

*Environment and Business Committee*

7.1.1 Gill Weeks informed the Board that the E&B Committee held an extraordinary meeting on 25 June 2015. They discussed: proposals for the future of North East net fisheries; the future of rod licence charging; and proposals for a strategic charging review. The full Board will have an opportunity to examine all of these issues.
7.1.2 Gill Weeks noted that the meeting had been Robert Light’s last as a Board member and as its chair. The Committee extended their thanks to Robert Light.

**FCRM Committee**

7.1.3 Lynne Frostick informed the Board that the FCRM Committee had examined the FCRM finance report, noting concern about the risk the implementation of a new single operating platform poses to the programme. Emma Howard Boyd noted that this is a common concern but that significant mitigation is in place through staff placements on the project.

7.1.4 The Committee also discussed the future of partnership funding; the proposals for the Humber Estuary project; and the FCRM Evidence programme.

**Item 7.2 Communications update**

7.2.1 Pam Gilder introduced the paper. The Board noted the contents.

**Item 7.3 Sustainable Business Summaries**

7.3.1 Ed Mitchell introduced the paper. Pam Gilder explained that a communications plan is in place to ensure that the reports have visibility. The Board noted the work of the Evidence Directorate in pulling together the data for the reports.

**Item 8 Any other business**

8.1 The Chairman noted that it was Richard Leafe’s last Board meeting before the end of his term. He thanked Richard for his work on the Board over the last three years.

8.2 The Chairman noted that it was also Paul Leinster’s last Board meeting, having joined the Environment Agency in 1998. He highlighted some of Paul’s environmental achievements nationally and internationally over that period. He extended the Board’s thanks for his service.

**Item 9 Date of next meeting**

9.1 The date of the next open meeting was confirmed as 15 October 2015. The location of the next Board meeting will be reviewed and confirmed at a later date following the late change of location to the July meeting.

**Action: Secretariat**
Ref: OB/1015-4

Open Board meeting
Meeting date: 15 October 2015
Item no.4

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 Flood and coastal erosion risk management (FCERM) Capital Grants roadshows

1.1 The Capital Grants Finance team is setting up roadshows in London, Birmingham, Leeds and Bristol. The aim of the roadshows is to talk to customers about the Risk Management Authority FCERM Capital Grants process. Since the last roadshows in 2012, there have been many changes. We have Crystal Marked all our forms, moved to gov.uk and made improvements to the guidance and processes around grant administration.

1.2 We will be covering the Capital Grants process alongside the 6 year programme, Partnership Funding, Community Funding (such as Community Interest Companies, Charitable Trusts etc), Programme and Project Management, State Aid and Financial Scheme of Delegation (FSoD) Assurance. As such, customers will benefit from gaining a broader understanding of the whole FCERM process.

2.0 Transport for the North

2.1 On 20 March 2015 Department for Transport (DfT) published a new Northern Transport Strategy covering roads, rail, freight, ports and airports. It sets out how investment will improve travel in the North, developing a new ‘TransNorth’ rail system and the next generation of road investments. The strategy should boost growth in the North and rebalance the economy by better connecting northern cities and allowing them to pool their strength.

2.2 We are working with DfT to consider the interim Transport for the North report and looking for opportunities to work together to identify and reduce environmental and flooding risks. Our work with DfT focuses around 3 main principles:

- **Creating the Conditions for a better Northern Environment** – making sure we build capacity internally so we are joined up across the North to ensure we are providing a cleaner, healthier environment which benefits people and the economy;
- **Understanding the Value of the Environment** – using our engagement to help others understand the value of a good quality environment, resilient to natural threats and hazards;
- **Added Value for Money** - ensuring that in all our work, we look for efficiencies, integrated solutions and share our data and evidence with our partners.

2.3 We are likely to be asked to be part of the Advisory Board to support Transport for the North in November 2015. We will work with partners to drive sustainable growth across the North helping them and especially the City Regions develop a strategy which is built on and exemplified by collaboration.

2.4 This work forms part of the wider Devolution and Northern Powerhouse concept supporting the re-balancing of the national economy through greater connectivity.

3.0 Morpeth Flood Alleviation Scheme and official launch

3.1 During August the official launch of the £27 million Morpeth Flood Alleviation Scheme took place. The scheme is the largest flood protection project in the North East, and includes £12 million funding from Northumberland County Council under the government’s partnership funding policy.

3.2 The scheme includes one of the largest flood storage reservoirs ever built by the Environment Agency, storing up to 1.4 million cubic metres of water.

3.3 New and improved defences in the town, combined with the upstream storage area, means Morpeth is now protected from up to a 1 in 137 year flood from the River Wansbeck. A key part of the work involved ensuring the nationally important white clawed crayfish, which has a stronghold in the River Wansbeck, continues to thrive.

3.4 On 24 August, an official opening event and community celebration took place in Morpeth, where Chairman Sir Philip Dilley officially opened the scheme together with representatives from Northumberland County Council.

3.5 The media were invited to attend the official opening and celebration, which resulted in widespread regional broadcast and print coverage.

3.6 Since the opening, the scheme has been visited by Defra Permanent Secretary Clare Moriarty. She was complimentary about the scheme and the customer engagement approach used.

4.0 High Volume Pumps

4.1 The Environment Agency has purchased 10 one cubic metre per second capacity high volume pumps, which have now been received and are being stored at Bradney Depot in Bridgwater, Somerset.

4.2 During the 2013/14 floods high volume pumps were deployed in Somerset and Kent and South London to reduce the level of flood water. With the procurement of the high volume pumps the Environment Agency has increased mobile pumping capacity and become more resilient.

4.3 Exercise Obex took place on 16-17 September 2015 and successfully tested the mobilisation and installation of one of the new pumps which was
transported from Bradney to Rye. It was successfully installed and operated, enabling us to develop staff capabilities and practice mutual aid arrangements.

5.0 21st Century Drainage

5.1 It has been agreed by government, Environment Agency and Water Industry representatives that the water sector would benefit from a new high level urban drainage framework. This will support the government and water industry in providing more resilient urban drainage systems fit for the challenges of the 21st century. This is a collective government/Industry/Regulator endeavour led by Water UK.

5.2 The programme of work will build on our current understanding of urban drainage systems, the tools and techniques for urban drainage design, and modelling to meet the requirements of all relevant EU Directives such as the Urban Waste Water Treatment Directive (UWWTD) and Water Framework Directive (WFD). It will set out regulatory policy options, engineering design elements, and tools/standards needed to enable the water sector to adapt and/or redesign the urban drainage infrastructure to meet the many new challenges faced. An important aspect will be communicating to customers the importance and benefits of effective and reliable sewerage and drainage systems.

5.3 The programme of work will run through to 2017 with the outputs informing the water industry business planning for the next investment round for the period 2020 to 2025.

David Rooke
Chief Executive
October 2015
**Paper by:** Executive Director of Finance  
**Subject:** Finance Report – August 2015

### 1.0 Issues for the Board

<table>
<thead>
<tr>
<th>Issue</th>
<th>Details</th>
<th>Board actions required</th>
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| **Financial position to 31 August 2015** | This report presents the financial position for the five months ended 31 August 2015.  
   The Environment Agency has made a good start to the year, with 36% of full year budget invested to the end of August, compared with 34% at this point last year.  
   As a result of budget cuts announced by the Chancellor of the Exchequer we have worked with Defra on scenarios for in-year GiA reductions. In July, Executive Directors approved plans to make £29m of in-year budget reductions, which comprised a £16.5m GiA hand back to Defra, with the remainder needed to manage internal pressures. | The Board is asked to note the financial position for the first five months of 2015-16. |
| **2015-16 Mid-year financial review** | The mid-year financial review will be presented to Executive Directors in October, focusing on our ability to deliver to our new reduced budgets, as well as highlighting any risks and issues. We have put in place mitigating actions to compensate for the loss of financial systems as we transition to the Single Operating Platform.  
   The review incorporates information gathered from around the organisation to assess current outturn expectations, identifying any key risks and financial issues.  
   This review has been timed to fit in with a wider Defra mid-year review and will recommend any action that needs to be taken to ensure that our full year expenditure is in line with our budget. A verbal update will be provided to the Board at the meeting. | The Board is asked to note the mid-year review taking place during October. |

Mark McLaughlin  
Executive Director of Finance  
24 September 2015
## Summary Income & Expenditure

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<thead>
<tr>
<th></th>
<th>Year to date</th>
<th>Full Year</th>
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<tr>
<td><strong>All in £m</strong></td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Income</td>
<td>476</td>
<td>469</td>
</tr>
<tr>
<td>Expenditure</td>
<td>415</td>
<td>432</td>
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<tr>
<td>Use of balances</td>
<td></td>
<td></td>
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<tr>
<td>Surplus/(Deficit)</td>
<td>61</td>
<td>37</td>
</tr>
<tr>
<td>Depreciation &amp; Impairment</td>
<td>46</td>
<td>47</td>
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We have invested 36% of our full year budget to the end of August, which is higher than achieved last year. We are forecasting additional income for the recharge of works completed on behalf of Somerset Rivers Authority, which is offset by forecast expenditure. Income and revenue expenditure budgets presented above reflect £16.5m of in-year Defra grant-in-aid reductions, and we anticipate that we will use all our available funding by the end of the financial year.

## Income

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<th>Year to date</th>
<th>Full Year</th>
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<tr>
<td><strong>All in £m</strong></td>
<td>Actual</td>
<td>Budget</td>
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<tr>
<td>Regulated Business</td>
<td>51</td>
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<tr>
<td>Water Quality</td>
<td>24</td>
<td>23</td>
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<tr>
<td>Water Resources</td>
<td>50</td>
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<td>Navigation</td>
<td>4</td>
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<tr>
<td>Fisheries</td>
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<tr>
<td>FCRM</td>
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<tr>
<td>Commercial</td>
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<td>4</td>
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<tr>
<td>Other</td>
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<td>6</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td><strong>DEL Income</strong></td>
<td>178</td>
<td>171</td>
</tr>
<tr>
<td>Grant in Aid</td>
<td>299</td>
<td>299</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>476</td>
<td>469</td>
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The reduced forecast on grants and contributions relates to partnership funding, for which expenditure is being reduced accordingly. All other income streams are being managed towards in line with the current level of expenditure to ensure appropriate year end balances.

## Expenditure

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<th>Year to date</th>
<th>Full Year</th>
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<tbody>
<tr>
<td><strong>All in £m</strong></td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Staff Costs</td>
<td>154</td>
<td>156</td>
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<tr>
<td>Other Operating Costs</td>
<td>112</td>
<td>110</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>149</td>
<td>166</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>415</td>
<td>432</td>
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Capital investment has fallen a little behind profile in the early months of the year, although spend in absolute terms is higher than last year. Directors are reviewing our progress as part of the mid-year review, and we currently anticipate making full use of our available funding.
FOR APPROVAL

Recommendations

The Board is asked to:

1. Approve the item(s) in section 1.0
2. Note the item(s) in section 2.0

Section Contents

1.0 Approval

1.1 Required changes to Section G1 – cheque signing

G.1 Signing financial instruments e.g. cheques; foreign drafts; CHAPS; BACS payment – SSCL payments only.

We propose to expand the number of signatories from being solely the National Finance Manager – Accounting to the other four National Finance Managers and Financial Accountant to reduce the risk of the signatory not being available.

Appendix A contains the proposed revision to Section G.1 – cheque signing. Track changes have been used to aid comparison.

Board approval is requested for the changes proposed in section G1 of the FSoD as set out in Appendix A.

1.2 Required changes to the following Sections of the FSoD Schedule

The following sections of the FSoD are presently not aligned in terms of the same grades approving at the same delegated limits. We propose therefore to change these sections of the FSoD so that the delegated approval limits are aligned.

1. Section A.5.1 Approval for Consultancy Spend – to align the approval limits between National, which requires Executive Director approval and Area, which at present requires Director of Operations approval. We recommend changing Area to Executive Director of Operations.

2. Section A.8 Advertising and Marketing - to align the approval limits between National, which requires Executive Director approval and Area,
Not Protectively Marked
Ref: OB/1015-9

which at present requires Director of Operations approval. We recommend changing Area to Executive Director of Operations.

3. **Section M.1 Gifts** - to align the approval limits between National, which requires Executive Director approval and Area, which at present requires Director of Operations approval. We recommend changing Area to Executive Director of Operations.

Appendix A contains the proposed revision to these Sections. Track changes have been used to aid comparison.

Board approval is requested for the changes proposed in sections A.5.1, A.8 and M.1 of the FSOD as set out in Appendix A.

2.0 Noted item(s)

2.1 Four “Form L” Special Payments for Approval under Section L2 Special Payments and early retirement payments.

Between May 2001 and July 2014 permits were issued to operators storing refined natural gas, extracted from the National transmission System, in brine cavities; for the scheduled activity of refining natural gas, which included HP3336SL (issued in March 2007), BJ7760IS (issued May 2001), BV2824IL (issued in March 2007) and PP3831KL (issued in July 2010). However, our guidance Regulatory Guidance Notes 2 (RGN2) (as published in 2004) D7 excludes moisture removal from the definition of gas refining and because this gas was already refined the only purification required, when it was removed from storage, was moisture removal. The permits were therefore issued and subsequently varied, inconsistently with our guidance.

L/1516/0568. Value £128,500
This form L relates to permit BJ7760IS held by EDF trading Ltd, for operation of the Hole House gas storage facility.

L/1516/0569. Value: £267,874
This form L relates to permit BV2824IL held by SSE Hornsea Ltd, for operation of the Atwick gas storage facility.

L/1516/0570 Value: £155,443
This form L relates to permit HP3336SL held by SSE Hornsea Ltd, for operation of the Aldborough gas storage facility.

L/1516/0571 Value: £66,465
This form L relates to permit PP3831KL held by Holford gas Storage Ltd, for operation of the Holford gas storage facility.

Approval was given under Standing Order 4 on 17 September 2015. This action is now for noting by the Environment Agency Board.

In accordance with Section L1 of the Financial Scheme of Delegation, these will now be sent to Defra for approval.

2.2 **Amalgamation of the Pensions Scheme of Delegation to the Financial Scheme of Delegation.**
Following a change to the pension fund governance arrangements we were asked to amalgamate the Pensions Scheme of Delegation and the Financial Scheme of Delegation. This will reduce the overall management of the two documents and allow staff to source Scheme of Delegation information in one place. As we have not made any changes to the delegated limits we do not require Environment Agency Board approval.

We have added a new section to the FSd to put all the Pension Fund Scheme of Delegation in one place.

2.2.1 New Section U.1 – Pension Fund Expenditure Justification
Authorising and incurring Environment Agency Pension Fund expenditure on individual items, including projects, which are consistent within the budget.

2.2.2 New Section U.2 – Pension Fund Budgets
Producing and managing budgets for the Pension Funds.

2.2.3 New Section U. 3 – Single Tender Actions – Pensions Only
This covers pension fund expenditure only.

2.2.4 New Section U. 4 – Compensation Payments, pension awards and early retirement
We award compensation payments or additional pension, where requested, as part of our compulsory redundancy or business efficiency, voluntary early release scheme.

In section U.4 we have included payments due to the Pension Fund for the award of additional pension and approval to release pension benefits early.

In section U.4 we have also included approval of requests for the early payment of retirement benefits to a deferred leaver aged between 55 & normal pension age.

2.2.5 New Section U. 5 – Pension Fund write offs
We have added a new section for authorising Environment Agency Pension Fund write offs relating to fraud and financial irregularity. We have also included wording for authorising write offs of overpayment in all other circumstances. We have included both sections on the understanding that we have followed the procedures note requirements and have taken initial action to reclaim the overpayment.

You can find further details in the Appendix B.

Approval was given under Standing Order 4 on 7 July 2015 to this change to the FSd Schedule. This action is now for noting by the Environment Agency Board.

2.3 Delegation of powers from the Secretary of State for Energy and Climate Change, relating to the coordination of information about verifiers under the EU Emissions Trading Scheme

The Secretary of State is able to delegate specific powers to the Environment Agency under a mechanism in section 38 of the Environment Act 1995, known as a delegation agreement. He wishes to delegate an administrative role to the Environment Agency under the EU Emissions Trading Scheme (EU ETS) relating
to the exchange of information about verifiers under the scheme. Independent verification of emissions data is a key element of the EU ETS and we need to ensure that verifiers are performing their functions well. If we enter into the delegation agreement, we will coordinate the exchange of information between the UK regulators and the verifier accreditation bodies across Europe so that assessments can be made about verifier performance. This is a role set out in an EU Regulation. Environment Agency officers in the Environment and Business directorate consider that accepting these new powers is appropriate, does not carry significant risks and will be fully funded through Grant in Aid.

Approval was sought to enter into an agreement with the Secretary of State relating to the delegation of this Secretary of State role to the Environment Agency. Approval was given under Standing Order 4 on 7 July 2015 to this change to the FSoD Schedule.

This action is now for noting by the Environment Agency Board.

2.4 Changes to section A.8 of the Financial Scheme of Delegation Schedule

Further to confirmation received from the Sponsorship Team at Defra (10 June 2015), our delegated limit under section A.8 Advertising and Marketing Spending Restrictions has been reduced from £50,000 to £20,000. Therefore we have amended this section of the Financial Scheme of Delegation to reflect that change as detailed in Appendix B.

Approval was given under Standing Order 4 on 9 July 2015 to this change to the FSoD Schedule.

This action is now for noting by the Environment Agency Board.

2.5 Variation to the Financial Scheme of Delegation (FSoD) and Shared Services Connected Limited (SSCL)

2.5.1 Introduction

Following the formation of Shared Services Connected Limited (SSCL) on 1 November 2013, specific roles and responsibilities that were carried out by the staff in the former Finance Service Centre (FSC) and HR Service centre (HRSC), were transferred to SSCL. As a result, the FSoD was updated to reflect the new arrangements as prescribed in the contract with SSCL.

A number of changes have been further agreed with SSCL which will enable a more appropriate level of authorisation control. We require SSCL signatories to be named as well as job titles, and in addition we have Environment Agency counter signatories on certain transactions.

Changes made to the FSoD by section:

2.5.2 Section C - Approval to spend and contractual commitment - Authorisation of payments due to third parties:

C.10.1 - Funds deducted from payroll

This section has been updated to provide the appropriate delegated authority to SSCL to administer our Payroll and ensure the job titles are up to date, with appropriate segregation of duties. The counter signatories that are Environment
Agency employees have been updated with one signatory removed, and job titles revised to reflect job title changes. For ease of operation one signatory has been expanded to be any of the four National Finance Managers rather than solely the one who is based in Peterborough adjacent to SSCL.

2.5.3 Section G Cheque Signing

G.1 Signing financial instruments e.g. cheques; foreign drafts; CHAPS; BACS payment – SSCL payments only.

This section has been updated to show the delegated authority required by SSCL to administer our payment runs. It also identifies, by post, their delegated limits. All payments up to £100k need to be co-signed with a retained Environment Agency employee.

2.5.4 Section J Insurances

J.2 - Authorising settlements on claims against the Agency's motor insurance arrangements; and
J.3 - Settling self insured liability claims.

These two sections have been updated to reflect an updated Environment Agency job title and to reclassify a delegation from one Finance Executive Manager to reflect the line management chain and so simplify the approval process.

2.5.5 Section L Losses, Write offs, Fruitless Payments and Special Payments

L.1 – Losses & Thefts – including write off of stock, fruitless payments (excluding debt write off).

This section has been updated to clarify the individual whose job title is SSCL Exchequer Services Manager (bad debts).

All the above changes are reflected in the tables shown at Appendix B.

Approval was given under Standing Order 4 on 18 August 2015 to this change to the FSoD Schedule.

This action is now for noting by the Environment Agency Board.

2.6 Required addition to Section C Single Tender Action

The present Form G (Supplementary Spend) is used for increase in spend for both Single Tender Actions and Projects. Form Gs used for Single Tender Actions do not require assurance, nor Defra approval whereas Form Gs used for Projects do require assurance and possibly Defra approval. We have created a new Form CX for the increase in contract spend originally approved under Form Cs allowing the Form G to relate to projects only. We have discussed this with Defra and had confirmation that there is no objection to this change. We would like to add information to Section C5 of the FSoD to explain this change.

As we have not made any changes to the delegated limits we do not require Environment Agency Board approval.
Appendix B contains the proposed revision to Section C.5 Single Tender Action. Track changes have been used to aid comparison.

This action is now for noting by the Environment Agency Board.

Mark McLaughlin
Executive Director of Finance

1 October 2015
G.1 Signing financial instruments e.g. cheques; foreign drafts; CHAPS; BACS payment.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>SSCL</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £100k</td>
<td>(a) Any two signatories as set out in (c) below of which one must be an Executive Director.</td>
<td>(a) Not applicable</td>
<td>(a) Executive Director of Operations and either signatory as set out in (c) below.</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>(b) Any two signatories as set out in (c).</td>
<td>(b) Any two signatories as set out in (c) as well as an Environment Agency National Finance Manager.</td>
<td>(b) Both signatories as set out in (c) below.</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>(c) One signatory from: the Executive Director of Finance or Director of Corporate Finance or Deputy Director Financial Control or National Finance Manager - Accounting managers.</td>
<td>(c) The SSCL Exchequer Services Manager - Jai Smith, or SSCL Service Delivery Lead - Martin Lewis, or SSCL Financial Accounting Team Leader - Rachel Sharpe, or SSCL Service Delivery Lead No 2 - Paul Wrench, or SSCL Pay Control Manager - Diane Clark, as well as an Environment Agency National Finance Manager or Financial Accountant or Deputy Director Financial Control or National Finance Manager - Accounting managers.</td>
<td>(c) One signatory from: Director of Operations or Area Manager</td>
</tr>
</tbody>
</table>

Signatories must not sign for cheques raised for their areas of specialism e.g. Payroll Manager (specified officer) must not sign payroll related cheques.
A.5.1 Approval for consultancy spend – Advisory/Non advisory (excludes consultancy for FCRM capital projects and Legal Counsel) Use the Consultancy Form (internal) or Defra’s eRAP Consultancy Form (as applicable)

This approval is required for any consultancy spend and is separate to any project approvals needed. The Defra approval needed under A.5.1 is from their Procurement department – who arrange consideration by the Chief Secretary and the Cabinet Office where a contract is over 9 months.

A.5.1 approval must be in place before any referral of projects to Defra under A.1 or A.5 and before any procurement is commenced.

- Where Defra is involved in the original approval, re-approval is required every 3 months from the date the contract commences.
- All management consultancy spend requires approval by the Chief Executive.
- Approval can be sought at programme level if deemed appropriate (non advisory only).
- Consultants to cover staff posts on a temporary or permanent basis require Executive Director approval.
- You will need to quote the FSoD reference when raising the consultancy purchase order.

<table>
<thead>
<tr>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory Consultancy</td>
<td></td>
</tr>
<tr>
<td>Over £20k and over 9 months</td>
<td>Appropriate Executive Director, then Chief Executive, then Defra (Procurement), Cabinet Office and Chief Secretary</td>
</tr>
<tr>
<td>eRAP Form + contact the National FSoD Co-ordinator</td>
<td>Director of Operations, Executive Director of Operations, then Chief Executive, then Defra (Procurement), Cabinet Office and Chief Secretary</td>
</tr>
<tr>
<td>Over £100k and less than 9 months</td>
<td>Appropriate Executive Director, then Chief Executive then Defra (Procurement)</td>
</tr>
<tr>
<td>eRAP Form + contact the National FSoD Co-ordinator</td>
<td>Director of Operations, Executive Director of Operations, then Chief Executive then Defra (Procurement)</td>
</tr>
<tr>
<td>£20k - £100k and less than 9 month contract</td>
<td>Appropriate Executive Director then Chief Executive</td>
</tr>
<tr>
<td>eRAP Form + contact the National FSoD Co-ordinator</td>
<td>Executive Director of Operations, Executive Director of Operations, then Chief Executive</td>
</tr>
<tr>
<td>Under £20k (any except management consultancy)</td>
<td>Appropriate Executive Director</td>
</tr>
<tr>
<td>Consultancy Consultancy Form</td>
<td>Executive Director of Operations, Chief Executive</td>
</tr>
</tbody>
</table>

Use of expert witnesses:

- If legal advice is received recommending that an expert witness is required to properly prepare for or conduct a civil or criminal case - this does not need Consultancy approval as it is an integral part of the legal process. It does need procurement approval (Form C or quotes).
- If an expert witness is required in other circumstances, for example during complex discussion relating to operational compensation, a Consultancy approval is required.

Refer to FSoD and consultancy (788_13) for additional information on consultancy spend under the government spending restrictions.
<table>
<thead>
<tr>
<th>Non-Advisory Consultancy</th>
<th>Appropriate Executive Director</th>
<th>Executive Director of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>No limit Consultancy Form</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FSoD Section A Expenditure Justification

A.8 Advertising and Marketing

All purchased advertising and marketing work is frozen due to the Treasury Spending Restrictions. Details of the activities affected are given here.

Only expenditure on essential activity is allowed. This includes:

- Where government has a legal duty to provide people with information, such as changes to legislation or public services.
- Where marketing and advertising is critical to the effective running of the government.
- Where it is required as part of the NPS application fee process.
- Where there is robust evidence that marketing and advertising delivers measurable outcomes that meet government objectives.

All new, approved contracts over £25k in value must be procured only through approved government frameworks. Details can be provided by your Procurement Manager. Corporate Affairs will decide whether the request is operationally essential before seeking specific approval from Defra and Treasury.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £50k</td>
<td>Director of Corporate Affairs, Appropriate Executive Director, then Chief Executive, then Defra, then Treasury.</td>
<td>Director of Corporate Affairs, then Executive Director of Operations, Director of Corporate Affairs, then Chief Executive, then Defra, then Treasury.</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Appropriate Executive Director, Director of Corporate Affairs, then Chief Executive, then Defra.</td>
<td>Director of Corporate Affairs, then Executive Director of Operations, Director of Corporate Affairs, then Chief Executive, then Defra.</td>
</tr>
<tr>
<td>Up to £20k</td>
<td>Director of Corporate Affairs and Executive Director.</td>
<td>Director of Corporate Affairs and Executive Director of Operations.</td>
</tr>
<tr>
<td>Up to £5k</td>
<td>Executive Director</td>
<td>Executive Director of Operations</td>
</tr>
</tbody>
</table>
FSoD Section M Gifts

M.1

M.1 Individual gifts subject to obtaining the prior authorisation of Defra for gifts exceeding £10k per annum.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £10k p.a.</td>
<td>Defra</td>
<td>Defra</td>
</tr>
<tr>
<td>Up to £10k</td>
<td>Chief Executive or Executive Director of Finance</td>
<td>Chief Executive or Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £200</td>
<td>Executive Director or Director</td>
<td>Executive Director of Operations</td>
</tr>
</tbody>
</table>

Gifts are transactions of a type which are subject to a greater degree of control since the giving of gifts by a public body at taxpayers' expense is a very sensitive issue – see guidance for further clarification.

Use Form L “Special Payments & Gifts” to notify your FSoD coordinator and to obtain the required authorisations for gifts.
Appendix B – for noting by the Board

FSoD Section U Pension Fund Only

U.1 Pension Fund expenditure justification

Authorising and incurring Environment Agency Pension Fund expenditure on individual items, including projects, which are consistent with the budget.

* Please note that this is under review. Any decisions made under this delegation must be reviewed by the Chief Executive.

<table>
<thead>
<tr>
<th>Group</th>
<th>Revenue Approval limit</th>
<th>Representative positions assigned to Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Over £1m</td>
<td>Chair of Pension Committee* and Executive Director of Finance or Executive Director of Resources and Legal Services</td>
</tr>
<tr>
<td>2</td>
<td>Up to £1m</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>3</td>
<td>Up to £500k</td>
<td>Deputy Director Head of Pension Fund Management</td>
</tr>
<tr>
<td>4</td>
<td>Up to £50k</td>
<td>Chief Investment Officer or Chief Responsible Investment and Risk Officer or Pensions Manager</td>
</tr>
</tbody>
</table>
**Not Protectively Marked**  
**Ref: OB/1015-9**

**FSoD Section U Pension Fund Only**

**U.2 Production and management of Pension Fund Budgets**

<table>
<thead>
<tr>
<th>Limit</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>–</td>
<td>Deputy Director Head of Pension Fund Management</td>
</tr>
</tbody>
</table>

Producing* and managing budgets for the Pension Fund

* Please note that this is under review. Any decisions made under this delegation must be reviewed by the Chief Executive.
FSoD Section U Pension Fund Only

U.3 Single Tender Actions – Pension Fund expenditure

SINGLE TENDER ACTIONS (Form C)

i) To authorise justified expenditure (above £5k), on a single tender action basis.

Note:
- all projects (National Office and Area) that have IS expenditure require an additional CIS signature as appropriate.
- all Operations Field Team contracts over £250k awarded by single tender action require reporting to the next meeting of the Environment Agency Board.

Note: once approved the single tender action is subject to FSoD delegations in C8 on Contractual Commitment.

* Please note that this is under review. Any decisions made under this delegation must be reviewed by the Chief Executive.

<table>
<thead>
<tr>
<th>Limit</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £250k</td>
<td>Chair of Pension Committee* and Executive Director of Finance or Executive Director of Resources and Legal Services</td>
</tr>
<tr>
<td>Up to £250k</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Deputy Director Head of Pension Fund Management</td>
</tr>
<tr>
<td>Up to £10k</td>
<td>Chief Investment Officer or Chief Responsible Investment and Risk Officer or Pensions Manager</td>
</tr>
</tbody>
</table>
**FSoD Section U Pension Fund Only**

**U.4 Compensation payments**

The award of lump sum compensation on redundancy or business efficiency grounds

<table>
<thead>
<tr>
<th>Award to</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>Environment Agency Chairman and Remuneration Committee</td>
</tr>
<tr>
<td>Executive Directors</td>
<td>Chief Executive and Remuneration Committee</td>
</tr>
<tr>
<td>Directors and Deputy Directors</td>
<td>Executive Director of Resources &amp; Legal and Executive Director of Finance</td>
</tr>
<tr>
<td>Grades 1-7</td>
<td>Director HR and Deputy Director Head of Pension Fund Management for early payment of pension cases only.</td>
</tr>
</tbody>
</table>
FSoD Section U Pension Fund Only

U.4.1 & U.4.2 Early retirement payments.

U.4.1 Payment of monies due to the Pension Fund within one month of retirement. This is for cases where we make an award of additional pension or agree to pay pension benefits early.

U.4.2 The award of additional pension to active members of the fund on appointment or during employment, to count in the calculation of pension benefits for member (subject to EA budget availability).

<table>
<thead>
<tr>
<th>Limit</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>No limit</td>
<td>Executive Director of Finance and Executive Director of Resources &amp; Legal</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Award to</th>
<th>Authorised officer or body</th>
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<tbody>
<tr>
<td>Chief Executive</td>
<td>Environment Agency Chairman and Remuneration Committee</td>
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<td>Executive Directors</td>
<td>Chief Executive and Remuneration Committee</td>
</tr>
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<td>Directors and Deputy Directors</td>
<td>Executive Director of Resources &amp; Legal and Executive Director of Finance</td>
</tr>
<tr>
<td>Grades 1-7</td>
<td>Director HR and Deputy Director Head of Pension Fund Management</td>
</tr>
</tbody>
</table>
FSoD Section U Pension Fund Only

U.4.3 & U.4.4 Early retirement payments cont.

U.4.3 Approval of the retirement and release of pension benefits for a leaver aged between 55 & normal pension age. This may include approval to waive any early retirement reduction and is subject to Environment Agency budget availability. We can use this in the following circumstances:

a) to a voluntary leaver
b) for a partial retirement case;
   c) for compulsory redundancy cases
   d) for efficiency cases including VERS
   e) to switch on the 85-year rule

<table>
<thead>
<tr>
<th>Award to</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>Environment Agency Chairman and Remuneration Committee</td>
</tr>
<tr>
<td>Executive Directors</td>
<td>Chief Executive and Remuneration Committee</td>
</tr>
<tr>
<td>Directors and Deputy Directors</td>
<td>Executive Director of Resources &amp; Legal and Executive Director of Finance</td>
</tr>
<tr>
<td>Grades 1-7</td>
<td>Director HR and Deputy Director Head of Pension Fund Management</td>
</tr>
</tbody>
</table>
FSoD Section U Pension Fund Only

U.5 Authorising Environment Agency Pension Fund write offs relating to fraud and financial irregularity

U.5.1 Write off limits

U.5.2 Authorising write off approval for overpayments in all other circumstances. This is on the understanding that we have followed the procedures note requirements and have taken initial action to reclaim the overpayment.

* Please note that this is under review. Any decisions made under this delegation must be reviewed by the Chief Executive.

<table>
<thead>
<tr>
<th>Limit</th>
<th>Authorised officer or body</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £100k</td>
<td>Chair of Pension Committee* and Executive Director of Finance or Executive Director of Resources and Legal Services</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Deputy Director Head of Pension Fund Management</td>
</tr>
<tr>
<td>Over £50k</td>
<td>Chair of Pension Committee and Executive Director of Finance or Executive Director of Resources and Legal Services</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £10k</td>
<td>Deputy Director Head of Pension Fund Management</td>
</tr>
<tr>
<td>Up to £5k</td>
<td>Pensions Manager</td>
</tr>
<tr>
<td>Up to £500</td>
<td>The Funds’ Third Party Administrator</td>
</tr>
</tbody>
</table>
A.8 Advertising and Marketing

All purchased advertising and marketing work is frozen due to the Treasury Spending Restrictions. Details of the activities affected are given here.

Only expenditure on essential activity is allowed. This includes:
- Where government has a legal duty to provide people with information, such as changes to legislation or public services.
- Where marketing and advertising is critical to the effective running of the government.
- Where it is required as part of the NPS application fee process.
- Where there is robust evidence that marketing and advertising delivers measurable outcomes that meet government objectives.

All new, approved contracts over £25k in value must be procured only through approved government frameworks. Details can be provided by your Procurement Manager.

Corporate Affairs will decide whether the request is operationally essential before seeking specific approval from Defra and Treasury.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £50k</td>
<td>Director of Corporate Affairs, Appropriate Executive Director, then Chief Executive, then Defra, then Treasury.</td>
<td>Director of Operations, Director of Corporate Affairs, then Chief Executive, then Defra, then Treasury.</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Appropriate Executive Director, Director of Corporate Affairs, then Chief Executive, then Defra.</td>
<td>Director of Operations, Director of Corporate Affairs, then Chief Executive, then Defra.</td>
</tr>
<tr>
<td>Up to £20k</td>
<td>Director of Corporate Affairs and Executive Director.</td>
<td>Director of Corporate Affairs and Director of Operations.</td>
</tr>
<tr>
<td>Up to £5k</td>
<td>Executive Director</td>
<td>Director of Operations</td>
</tr>
</tbody>
</table>
Variation to the Financial Scheme of Delegation (FSoD) and Shared Services Connected Limited (SSCL)

FSoD Section C Approval to spend and contractual commitment

C.10.1 Shared Services Connected Limited (SSCL) - authorisation of payments due to third parties for:

<table>
<thead>
<tr>
<th>National Office and national services</th>
<th>Limit</th>
<th>Authorised body or officer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to £12m</td>
<td>SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith.</td>
</tr>
<tr>
<td></td>
<td>Up to £25k</td>
<td>SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith, or SSCL Service Delivery lead no 2 - Paul Wrench.</td>
</tr>
<tr>
<td></td>
<td>Up to £10k</td>
<td>SSCL Financial Accounting Team Leader - Rachel Sharpe, or SSCL Team Leader, Purchase Order Processing – Lynne Johnson.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All to be co-signed by:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment Agency National Finance Manager or Financial Accountant.</td>
</tr>
</tbody>
</table>
G.1 Signing financial instruments e.g. cheques; foreign drafts; CHAPS; BACS payment.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>SSCL</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £100k</td>
<td>(a) Any two signatories as set out in (c) below of which one must be an Executive Director.</td>
<td>(a) Not applicable</td>
<td>(a) Executive Director of Operations and either signatory as set out in (c) below.</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>(b) Any two signatories as set out in (c).</td>
<td>(b) Any two signatories as set out in (c) as well as an Environment Agency National Finance Manager.</td>
<td>(b) Both signatories as set out in (c) below.</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>(c) One signatory from: the Executive Director of Finance or Director of Corporate Finance or Deputy Director Financial Control or National Finance Manager - Accounting.</td>
<td>(c) The SSCL Exchequer Services Manager - Jai Smith, or SSCL Service Delivery Lead - Martin Lewis, or SSCL Financial Accounting Team Leader - Rachel Sharpe, or SSCL Service Delivery Lead No 2 - Paul Wrench, or SSCL Pay Control Manager - Diane Clark. as well as an Environment Agency National Finance Manager or Financial Accountant or Deputy Director Financial Control or National Finance Manager - Accounting.</td>
<td>(c) One signatory from: Director of Operations or Area Manager</td>
</tr>
</tbody>
</table>

Signatories must not sign for cheques raised for their areas of specialism e.g. Payroll Manager (specified officer) must not sign payroll related cheques.
## FSoD Section J Insurances

### J.2

J.2 Authorising settlements on claims against the Agency’s motor insurance arrangements.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £1m</td>
<td>Chief Executive</td>
<td>Chief Executive</td>
</tr>
<tr>
<td>Over £100k</td>
<td>Executive Director of Finance</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>Deputy Director Financial</td>
<td>Area Manager or Senior Legal Advisor/Solicitor</td>
</tr>
<tr>
<td></td>
<td>Controller</td>
<td></td>
</tr>
<tr>
<td>Up to £50k</td>
<td>National Finance Manager -</td>
<td>National Finance Manager -</td>
</tr>
<tr>
<td></td>
<td>Transaction Control or Fleet</td>
<td>Transaction Control or Fleet Operations</td>
</tr>
<tr>
<td></td>
<td>Operations Contract Manager</td>
<td>Operations Contract Manager</td>
</tr>
<tr>
<td>Up to £5k in respect of any one claim</td>
<td>Third party Contractor under contract authorised in C1 and reported monthly to Fleet Operations Contract Manager</td>
<td>Third party Contractor under contract authorised in C1 and reported monthly to Fleet Operations Contract Manager</td>
</tr>
</tbody>
</table>

The National Finance Manager - Transaction Control or Fleet Operations Contract Manager (FOCM) are authorised to settle civil proceedings made against the Agency.
## FSoD Section J Insurances

### J.3

Settling self insured liability claims.

Do not use this Section for Operational Compensation claims. These are approved under Section T5.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £1m</td>
<td>Agency Board</td>
<td>Agency Board</td>
</tr>
<tr>
<td>Up to £1m</td>
<td>Chief Executive in consultation with Executive Director of Resources and Legal Services</td>
<td>Chief Executive in consultation with Executive Director of Resources and Legal Services</td>
</tr>
<tr>
<td>Up to £250k</td>
<td>Appropriate Executive Director or Director in consultation with the National Finance Manager - Transaction Control</td>
<td>Director of Operations in consultation with the National Finance Manager - Transaction Control</td>
</tr>
<tr>
<td>Up to £150k</td>
<td>Deputy Director Financial Controller in consultation with the National Finance Manager</td>
<td>Area Manager in consultation with the National Finance Manager</td>
</tr>
<tr>
<td>Up to £50k in respect of any one claim</td>
<td>National Finance Manager - Transaction Control</td>
<td>National Finance Manager - Transaction Control</td>
</tr>
</tbody>
</table>
FSoD Section L Losses, Write offs, Fruitless Payments and Special Payments

L.1 Losses and Thefts – including write-off of stock, fruitless payments (excluding debt write off)

L.1 Individual write-offs of stock and other assets (including equipment, plant and motor vehicles) subject to obtaining the prior approval of Defra for:

- write-off of losses exceeding £100k from the theft or vandal damage of vehicles or their destruction or damage by road traffic accident or fire;

- write-off of other losses from fire, theft or vandal damage exceeding £100k;

- write-off of losses from other causes exceeding £100k.

For L.1 use Form L “Losses” to obtain the required authorisation for all losses, including waivers and variations on commercial developments and for notifying the National Office of any losses not passed up for authorisation.

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over £100k</td>
<td>Agency Board and Defra and Chief Executive</td>
<td>Agency Board and Defra and Chief Executive</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>Executive Director of Finance</td>
<td>Executive Director of Finance</td>
</tr>
<tr>
<td>Up to £50k losses – theft or vandal damage to vehicles</td>
<td>Director or Deputy Director of Finance Operations (Head Office)</td>
<td>Director or Deputy Director of Finance Operations (Head Office)</td>
</tr>
<tr>
<td>Up to £50k other losses – fire; theft; vandal damage</td>
<td>Director or Deputy Director of Finance Operations (Head Office)</td>
<td>Area Manager or Deputy Director of Finance Operations (National)</td>
</tr>
<tr>
<td>Up to £20k losses - other causes</td>
<td>Director or Deputy Director of Finance Operations (Head Office)</td>
<td>Area Manager or Deputy Director of Finance Operations (National)</td>
</tr>
<tr>
<td>Up to £5k</td>
<td>Senior Finance Business Partner</td>
<td>Senior Finance Business Partner</td>
</tr>
<tr>
<td>Up to £1k</td>
<td>SSCCL Exchequer Services Manager - Jai Smith</td>
<td>SSCCL Exchequer Services Manager - Jai Smith</td>
</tr>
</tbody>
</table>
C.5 SINGLE TENDER ACTIONS

To authorise justified expenditure (above £5k), on a single tender action basis.

Note:
- all projects (National Office and Area) that have IS expenditure require an additional CIS approval as appropriate.
- all Operations Field Team contracts over £250k awarded by single tender action require reporting to the next meeting of the Environment Agency Board.
- all Form Cs raised to engage ex-employees whether through sole source or competition within 2 years of leaving the Agency require consultation with: Deputy Director HR Employee Relations, Rewards, Pensions with Deputy Director of Procurement and approval by the appropriate Executive Director prior to commitment.
- once approved the single tender action is subject to FSoD delegations in C8 on Contractual Commitment

Note: All increases in spend will require consultation with Procurement and need to be completed on a Form CX. The approval route is the same as the Form C and is cumulative.
Health, Safety and Wellbeing monthly report – August 2015

1.0 Introduction
1.1 This update report to the Board on health, safety and wellbeing performance covers performance in August 2015. In addition, it seeks approval from the Board on outputs from our Safe and Well big conversations. This report also incorporates the annual designated person’s safety report for Rye Harbour.

1.2 We have now concluded our Safe and Well big conversations. Based on the outputs of these, advice received from the Health and Safety Laboratory, and extensive consultation including with the Board sub-group, our final draft Health Safety and Wellbeing Values and Commitments and a first draft of our Safe and Well plan have been developed for consideration by the Board (Appendices 2-4). The values and commitments have been endorsed by the Executive Directors’ Team.

2.0 Safety performance
2.1 We experienced 1 lost time injury (injuries causing an employee to take time off work) and 2 safety critical incidents (incidents which have the potential to cause serious harm and which present significant learning opportunities) since 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>Lost time injury</td>
<td>Environment Officer undertaking routine inspection of inert waste transfer station. Lost their footing whilst climbing over established waste pile. Fell and sprained ankle. Absent for one day.</td>
</tr>
<tr>
<td>Safety Critical Incident</td>
<td>While tracking on site a 360 excavator being operated by a field services operative hit an overhead power cable, bringing it down. This incident has been classified as an SCI to determine if the lessons from previous incidents have been learned and improvements to our management of this risk are as robust as they should be.</td>
</tr>
<tr>
<td>Safety Critical Incident</td>
<td>Environment Agency employee was driving a lorry in a B&amp;Q car park and some pipe work suspended above the carriageway was caught by the crane on the vehicle, breaking it away from the building and landing on the vehicle. No injuries. Damage sustained to the building, but not the vehicle. SCI since this is a known risk in the haulage sector and to establish if there are better risk reduction solutions to those we currently employ.</td>
</tr>
</tbody>
</table>

2.3 One of our corporate scorecard measures is the percentage of accountable staff who responded to red and amber actions issued by our Safeguard system within a specified timeframe. We aim for 95% compliance with actions by a specified deadline. We have listened to feedback and created a regular rhythm for issuing and completing routine Safeguard actions. They will now be issued on the 1st day of each month for completion by the end of the relevant month.

2.4 Two red actions were completed in August. The first prohibited the use of a component in fall arrest systems that had been found to be defective. This achieved 100% compliance. The second alerted Operations Managers to a risk associated with using a winch fitted on a particular type of remote control mower, and prohibited
Ref: OB/1015-9.2

its use in certain circumstances. This achieved 80% compliance within the deadline, and 100% following a further reminder from the Health Safety and Wellbeing team. An amber action was issued on 1 September requiring recipients to ensure that key authorised roles are filled by competent staff.

3.0 Absence
3.1 Our sickness absence levels are 3.2%, in line with previous months. Our Wellbeing theme for September is “Making Time for Fitness”; designed to raise awareness of the importance of exercise and provide practical tips to help colleagues make time for fitness and stay motivated.

4.0 Public Safety
4.1 This remains a priority area of work for Operations and the Health Safety and Wellbeing Service. In August we concluded an audit on public safety arrangements focusing on governance and competence. Overall compliance was good and the audit usefully identified opportunities for enhancements to our processes. The full report will be considered by the Operations Leadership Team.

5.0 Contact with the Health and Safety Executive
5.1 We did not receive any regulatory contact from the HSE this month.

6.0 Network Corporate Services
6.1 Significant work and engagement has been taking place to assess and advise on the impacts of the Network Corporate Services changes on health, safety and wellbeing accountabilities and to ensure that the structures under consideration are legally compliant and will not expose Defra, the Environment Agency or its staff to legal or HSW risks.

7.0 Significant improvements made to our management arrangements
7.1 As part of our health, safety and wellbeing refresh we continue to develop our operational instructions and guidance, and to react to learning from incidents to ensure we operate to best practice. In August we:

- Completed the review of, and re-published, over 40 Control of Substances Hazardous to Health assessments, removing 3 obsolete assessments. The toolbox talk training for staff on COSHH has been updated to assist team leaders in briefing their teams.
- Consulted on and revised our risk assessment and Operational Instruction on transporting dangerous substances.
- Reviewed the lessons arising from the red actions to place additional planning controls on plant working near water and presented a plan to Operations Leadership Team in early September to ensure that best practice is consistently adopted and applied across all operational teams.

8.0 Forward look
8.1 In September we will be:

- continuing our theme of promoting personal safety whilst travelling on Environment Agency business;
- continuing to support the NCS changes.
- developing a final draft for consultation of the proposed improvements of our Safety, Health and Environment Code of Practice, “Safety is Paramount”, which establishes the HSW standards for our construction activities contracted out to framework contractors.
- in collaboration with colleagues in E&B, we will be reviewing the progress made on managing the risks to our staff when visiting waste sites, and considering whether any further action is required.

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: 14
Number of Lost Time Incidents in August: 1

Safety Critical Incident Tracker

Number of Safety Critical Incidents year to date: 8
Number of Safety Critical Incidents in August: 2
Appendix 2 – Outputs from the Safe and Well Big Conversations

September Report to the Board
15 October 2015

Outputs from the Safe and Well Big Conversations

1.0 Introduction
1.1 This paper updates the Board on the outcomes from the Big Conversation, and the steps that we are taking in the development of our high level plan. It proposes a new set of values and commitments (Appendix 3). These evolved during the extensive consultation within the organisation including the Board Sub Group.

2.0 Background
2.1 In August 2014 the Executive Directors’ Team requested a re-fresh of our policy and core values on health, safety and wellbeing. This was in response to a plateauing of performance and recognition of the importance of maintaining and constantly seeking to improve the health, safety and wellbeing culture.
2.2 We have delivered a significant programme of consultation on new safe and well values and commitments around the organisation. "Big Conversations" took place in 23 different offices, plus five mini-sessions for colleagues in Field Operations and 3 Live Meetings. We spoke to at least 600 colleagues from all levels and functions. We have also used the Health and Safety Laboratory (an arm of the Health and Safety Executive) to peer review our findings and help advise on our priorities for action. The Health and Safety Laboratory have commended us on the scope and extent of this engagement with our staff.

3.0 Development of our new Values and Commitments
3.1 Our new values and commitments will replace our existing Health, Safety and Wellbeing Policy Statement and provide a focus for our next efforts to ensure we keep safe and well. A proposed set of values and commitments is shown in appendix 1. This reflects the comments from Executive Directors, the Board Health, Safety and Wellbeing group and outputs from the Big Conversation. The values and commitments were endorsed by the Executive Directors’ Team at its September meeting and recommended to the Board for adoption.

4.0 Action plan
4.1 The Big Conversation sessions also sought views from all levels and functions on what was good about our approach and where we should focus our next efforts. Appendix 4 contains a draft high-level action plan to take forward the key and recurring themes to emerge.
4.2 The plan uses the proposed new commitments as a structure and reflects input from the Health and Safety Laboratory. More significant actions are shown towards the top of each column. Where a decision is required about a specific action, this is also indicated. Further papers on specific decisions will be brought forward to Operations Leadership Team, Executive Directors’ Team or other relevant groups as necessary.

5.0 Conclusion and recommendations
5.1 The Board is asked to:
   • Agree to the adoption of our new Safe and Well Values and Commitments.
   • Comment and advise on the high-level organisational draft action plan.
Our values and commitments express the organisation we will strive and challenge each other to be.

**Our core values**
- We act on the belief that all harm can be prevented, and
- Working here will improve health and wellbeing

**Our commitments**
I will:
- Take the initiative to make this a safe, healthy and well place
- Look out for others and thank those that challenge me
- Recognise that my wellbeing, health and safety are all equally important
- Be competent and confident
- Plan effectively and respond properly when risks change
- Stop if I feel I am putting myself or others at risk
- Learn when things go wrong
- Take the time to share with, listen to and learn from others
- Encourage and recognise those that make this a better place to work

If each and every one of us puts these values and commitments at the heart of everything we do, we can together ensure the Environment Agency is a safe and well place.

Sir Phillip Dilley

Chief Executive

Chairman
Safe and Well plan 2015/16

We act on the belief that all harm can be prevented.
Working here will improve wellbeing.

Take the initiative

We’ve all got a part to play in keeping ourselves and others safe and well. We shouldn’t assume that someone else will do it for us. We will always support those who take the initiative.

We will support and give leadership to those who are actively involved in managing our health, safety and wellbeing.

Decision We will consider Executive Directors each having their own portfolio to show increased visible leadership around health, safety and wellbeing.

Jonathan Robinson will hold regular 1:1s with other Executive Directors to check progress with our values and commitments.

Decision Directors will lead on safety audits and active monitoring.

Teams will be encouraged to rotate deliver the monthly Safe and Well briefing pack at team meetings.

Trailer champions groups will be formalised so all parts of the organisation using trailers have champions.

Look out for others

We should all look out for our colleagues to keep them safe and well. If you’re challenged about something potentially unsafe, say thank you.

Our focus will be on looking out for others and what behaviour we expect from those who challenge and are challenged.

We will share good examples of how colleagues have looked out for each other.

We will review how we capture the views of our staff on challenging unsafe practices.

We will consider if our new version of SHERMS should include a specific category on “looking out for each other”.

Be competent & confident

We will ensure we are all clear about what we’ve been asked to do, why we’ve been asked to do it and are suitably trained, equipped, trusted and supported.

Roles of all employees, line managers and directors will be revised to reflect our new values and commitments.

Decision Health, safety and wellbeing will be formally embedded into professional and technical development frameworks.

Instructions and processes will focus more on “why” it is important they are followed, using real examples were possible.

We will review the balance between competency and procedures so keeping safe and well doesn’t become a “tick box” exercise.

Our management of health, safety and wellbeing modules will be reviewed to reflect our new values and commitments and adapted to reflect training needs flagged up through individual performance plans.

Decision We will consider the reintroduction of defensive driver training and the qualifying criteria in the light of the Telematics system.

Plan & respond

It’s vital to plan ahead to ensure we take health, safety and wellbeing risks into account and respond if these risks change.

We will ensure enough time is built into all our work plans to allow for health, safety and wellbeing actions to be incorporated.

We will look closely at how we recover from major incidents and how they impact on the health, safety and wellbeing of individuals who have incident management roles.

We will find ways to bring the “planners” and “do-ers” together to ensure that we plan work in a way that is appropriate and achievable.

Decision Users of Operational Instructions will be involved in their review and development.

Examples of where good planning has helped manage health and safety risk will be shared.
We will understand the risks to our safety and wellbeing and be supported if we have to pause our work to review these to prevent accidents.

Dynamic Risk Assessment will be relaunched, using external and real-life examples to give a clear vision of how it should be used.

**Decision** We will ensure all new and revised management and employee Operational Instructions clearly set out the “must do” actions.

Good practice examples of Dynamic Risk Assessment and “red carding” will be shared.

We will review how we issue and communicate actions which require a fast or significant response to ensure the reasons are fully understood.

**Decision** We will consider rolling out piloted Hazard Awareness workshops.

We will encourage safer behaviours when using our fleet vehicles through a series of campaigns.

A “red card” section will be added onto SHERMS so we can track when this is a factor.

We know that things will still happen and when they do we will share our experiences to prevent the same things happening again.

The monthly slide pack will be used to share emerging facts about incidents and how we’ve responded to recurring incidents.

Learning will be shared through our Easinet homepage and signposted to real life examples.

Review of Safety Critical Incidents will be speeded up and we will tell more people about incident reviews.

**Decision** A formal launch of “fair and just culture” will be considered to encourage further awareness.

The Frequent, Frightening and Fabulous approach to SHERMS review will be adopted across the organisation.

More SHERMS reviews will be carried out by business unit or topic – not just by geography.

**Decision** We will consider introducing a method of reporting anonymously on SHERMS and check if action forwarding can be re-introduced.

Teams will be encouraged to share stories and learning around their incidents more widely.

**Decision** We will consider a pilot of team-led incident reviews to encourage transparency, trust and resilience.

We all need to share our own experiences of good and bad health and safety practices and won’t just wait for others to do it.

More personal examples of good and bad practice will be captured and shared to enable improved learning.

Our approach to contractor selection and evaluation will be improved with an increased emphasis on risk management.

We will improve competency and confidence of contract and framework managers through training and development.

**Decision** The Safety, Health and Environment Code of Practice will be extended to Facilities and Estates contractors and other frameworks.

We will show what health, safety and wellbeing behaviours we expect our staff to adopt across our range of sites and scenarios.

**Decision** We will share our health, safety and wellbeing good practice and learning with the outside world.

HASLE notices and monthly slide pack will be used to share examples of good practice.

Management teams will be encouraged to ask their team leaders “When did you last say thank you?”

HASLE notices will be used to share examples of good practice.

**Decision** We will consider launching an Environment Agency Health, Safety and Wellbeing Award.

We need to take time to thank people who help keep us safe and well and encourage everyone to play their part.

We will show what health, safety and wellbeing behaviours we expect our staff to adopt across our range of sites and scenarios.

**Decision** We will ensure our performance measures are used to encourage positive behaviours.

Prompt feedback from line managers to those who report incidents on SHERMS will be encouraged.

We will support and encourage our Trade Union Safety Representatives.

Teams will be encouraged to share stories and learning around their incidents more widely.
We've come a long way in highlighting the importance of health, safety and wellbeing but will need to consider all three equally during our work.

We will develop a wellbeing vision and what success will look like.

We will develop line manager competencies for good people managers, including managing staff wellbeing.

**Decision** Formalising our approach to *Healthy Minds First Aiders* will be considered.

A calendar of wellbeing themes will be developed and launched, with focus on mental health.

**Decision** An annual health check will be launched, including for Field Team colleagues.

We will ensure access to Occupational Health is clear and simple.

Wellbeing will be embedded as part of the new assurance models.

**Decision** We will review and adopt learning from health and wellbeing projects undertaken by the Few Programme.

**Decision** Health, safety and wellbeing issues will be incorporated into revised Travel Hierarchy and we will support the installation of video conferencing at 13 new sites.

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**Measuring our success**

**Decision** We will need to use a range of organisational indicators to measure the success.

**Quantitative measures**

- Improved employee survey results, such as increased confidence in line managers, increased confidence that the organisation respond to health, safety and wellbeing issues and a reduction in those willing to take risks to get the job done;
- Compliance with Safeguard actions improves;
- A reduction in Lost Time Incidents, Safety Critical Incidents and RIDDOR reportable incidents;
- An increase in SHERMS reporting, including more reporting of health and wellbeing issues;
- A reduction in sickness absence;
- An increase in the awareness and use of wellbeing services, such as occupational health and employee assistance services;
- An increase in take up of health, safety and wellbeing training;

**Cultural and behavioural measures**

- People know the Safe and Well values and commitments and understand how they personally contribute to them;
- All teams view and discuss the monthly Safe and Well briefing pack at their face to face team meetings;
- Changes in language, such as “looking out for each other”;
- Anecdotal evidence, such as examples of people trying to resolve issues rather than just reporting them.

**Outcome measures**

- More examples of us sharing learning and good practice with colleagues and other organisations;
- Our positive Safe and Well work will have an external presence;
- Health, safety and wellbeing is built into professional and technical development frameworks;
- Health, safety and wellbeing is built into all operational guidance;
- Local recognition awards are given to those who display excellent health, safety and wellbeing behaviours.
Appendix 5 – Harbour Safety Report for Rye Harbour

To: The Environment Agency Board
   Richard Houghton, Deputy Director, Health, Safety and Wellbeing
   Andrew Pearce, Duty Holder (Area Manager, Kent & South London)

From: James Barker, Health, Safety and Wellbeing Business Partner; Designated Person for Rye Harbour

Subject: Annual Designated Person’s Harbour Safety Report for Rye Harbour 2014/2015
1.0 Executive Summary

I am satisfied that health, safety and wellbeing at Rye Harbour is being managed to a high standard, in accordance with the harbour’s Port Marine Safety Code. Risks are being regularly reviewed and appropriate action taken to reduce the risks to an acceptable level. An active approach is taken by the harbour team to ensure continued improvement. I have recorded no concerns.

2.0 Introduction

The Department for Transport’s Port Marine Safety Code (PMSC) applies to every harbour authority with statutory powers and duties for marine pilotage. It is written to apply to ports of all sizes, irrespective of resources, cargoes handled or levels of traffic. The code requirements apply to our activities at Rye Harbour, but not Lydney Harbour, where we do not have pilotage duties (these duties are held by the port authority, The Gloucester Harbour Trust).

Each harbour authority must appoint an individual as the Designated Person to provide independent assurance directly to the duty holder that the marine safety management system, for which the duty holder is responsible, is working effectively. Their main responsibility is to determine, through assessment and audit, the effectiveness of the marine safety management system in ensuring compliance with the Code.

As appointed Designated Person for Rye Harbour I made regular visits to the harbour during 2014/2015 with the purpose of conducting audits to ensure compliance with the PMSC and reporting any concerns to the duty holder. Details of my findings are documented within this report.

3.0 Port Marine Safety Code (PMSC)

Activities have been audited against the PMSC and Rye Harbour is fully compliant. Risks identified have been reviewed as appropriate, and are being managed to ensure that they remain as low as possible. The harbour’s revised marine safety management system, which was published in Q1 of 2014/15, is in line with the requirements of the Department of Transport’s PMSC.

In April 2014 the delegated role of Duty Holder transferred from the then Regional Director of South East, to the Area Manager of Kent and South London to reflect organisational changes.

As required by the PMSC, the Duty Holder has written to the Maritime and Coastguard Agency with our three yearly statement to confirm that we are compliant with the Code.
4.0 Training and competence

It was identified by the Harbour Master in 2013/2014 that the decline in the number of ships requiring pilotage had created difficulties in pilots maintaining competence. To mitigate this, training sessions are now held throughout the year, which include practical sessions.

The Duty Holder received training from an external provider on the significance of the PMSC and responsibilities of his role within the harbour.

5.0 Incidents

There have been no Safety Critical Incidents reported this year, and no incidents involving ships in the harbour.

The Designated Person identified that hazards and near misses are being under reported and has encouraged the Harbour Master to ensure that they are recorded on SHERMS 2.

6.0 Public Safety

The Deputy Harbour Master has been trained in Public Safety Risk Assessment and he reviews both the harbour and town fish quay quarterly. I am satisfied that public safety is managed to a high standard.

7.0 Town Fish Quay

The Town Fish Quay is owned by the Environment Agency and managed by the Harbour Master. Following concerns last year about health and safety standards at the quay, the Deputy Harbour Master has a much stronger presence and standards have improved to satisfactory levels, but with further improvements planned.

8.0 Conclusion

I am satisfied that health, safety and wellbeing at Rye Harbour is being managed to a high standard. The Harbour Master and his deputy are active in identifying risks and manage them by implementing controls. Incidents are taken seriously and learning is acted upon appropriately. Progress has been made at the Town Fish Quay and steps are being taken to ensure further improvements in the coming year.

James Barker
Designated Person
September 2015
Paper by: Executive Director of Finance

Subject: Environment Agency Corporate Scorecard April to June 2015 (Quarter 1)

1.0 Background
1.1 The corporate scorecard (CSC) has 22 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. Measures in bold in this paper are reported quarterly to the Defra Board.

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

2.0 Summary of year end performance and key issues
2.1 At the end of Quarter 1 2015, 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>3</td>
</tr>
<tr>
<td>Red</td>
<td>1</td>
</tr>
<tr>
<td>Not reported in this quarter</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
</tr>
</tbody>
</table>

FOR COMMENT
Recommendations

Board members are asked to comment on:
- performance in Quarter 1 2015/16
- the actions indicated in the corporate scorecard report (Appendix 1)
3.0 Green measures

3.1 The table below highlights notable areas of good performance

<table>
<thead>
<tr>
<th>Measure</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a We reduce the risk from flooding for more households</td>
<td>At the end of quarter 1, over 3,900 households were better protected from flooding. Our target is to deliver schemes that will better protect 300,000 households from flooding by 2020. We are currently on track to meet our annual target of 54,000.</td>
</tr>
<tr>
<td>2c We improve and protect rivers and wetlands damaged by unsustainable abstractions</td>
<td>In quarter 1 we received nineteen voluntary licence notifications against a target of nine. Eleven of these licences were to protect Habitats Directive sites. In addition to this, eight licences have been closed in the Restoring Sustainable Abstractions programme.</td>
</tr>
<tr>
<td>2f We maintain our navigation assets at or above target condition</td>
<td>Due to additional funding received in 2012/13 and 2013/14 the number of navigation assets at or above target condition remains at 88%, against a target of 80%. We expect to see a slow deterioration in asset conditions as reallocations in our capital and revenue funding take effect.</td>
</tr>
<tr>
<td>4b We contribute to the delivery of priority development sites</td>
<td>97% of planned actions were achieved in Q1 against a target of 80%.</td>
</tr>
<tr>
<td>5b.i and 5b.ii We have a diverse workforce: proportion of staff from a BAME origin and percentage of Executive Managers who are female</td>
<td>Black, Asian and minority ethnic (BAME) recruitment has been higher this quarter than our target rate of 5%. More is being done to attract candidates from BAME backgrounds to apply for our vacancies. The number of females at grade 7 has increased slightly this quarter while the percentage of female Executive Managers has remained broadly consistent with previous quarters.</td>
</tr>
<tr>
<td>5c.i and 5c.ii We provide a safe place to work: Lost time incident (LTI) frequency rate &amp; health and safety actions are implemented in target time</td>
<td>Five Lost Time Incidents were reported in quarter 1 and our lost time frequency rate is a 12 month rolling average of 0.13 per 100,000 hours worked. Our ceiling this year is a 12 month rolling-average LTI Frequency Rate of 0.16 or lower. Following the introduction of a new system to manage health and safety actions we are now achieving a 98% rate for actions to be completed within the target time.</td>
</tr>
</tbody>
</table>

4.0 Red and amber measures

<table>
<thead>
<tr>
<th>Measure</th>
<th>Summary of performance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.b We maintain our flood and coastal risk management assets at or above the target condition</td>
<td>AMBER At the end of Q1, 96.1% of FCRM assets were meeting their target condition. We expect to improve asset condition to above the target of 97% by Q4.</td>
</tr>
<tr>
<td>3.d We reduce the overall risk presented by illegal waste sites, targeting our efforts on</td>
<td>RED In April 2014 the baseline for the number of High Risk (HR) illegal...</td>
</tr>
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</table>
the highest risk sites waste sites was set at 272 with a target to reduce by 24% to 206 sites by Q4 2015-16. The number at the end of Q1 is 300. Data shows an increase in illegal waste sites from last year. However, the number of new sites reported in Q1 was the lowest since Q4 2013-14.

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

AMBER We responded to 92% of applications and enquiries within 21 days against a target of 95%. We are continuing to implement our performance improvement action plan as a priority.

5.d We manage our money effectively

AMBER The Environment Agency has invested 22% of the full year affordable budget in the first quarter of 2015-16.

We have been working with Defra on scenarios for in-year Grant in Aid (GiA) budget reductions. The current in-year GiA reduction is £16.5m, with an understanding that there may be more reductions later in the year.

Mark McLaughlin
Executive Director of Finance
### Increasing the resilience of people, property and businesses to the risks of flooding and coastal erosion

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<tr>
<th></th>
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<th>Quarter 1 2015</th>
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<tr>
<td></td>
<td></td>
<td>Units</td>
<td></td>
<td>Q4 2014/15 Actual</td>
<td>Q1 YTD Actual</td>
</tr>
<tr>
<td>1a</td>
<td>We reduce the risk from flooding for more households*</td>
<td>Households protected during SR period</td>
<td></td>
<td>177,279</td>
<td>3,900</td>
</tr>
<tr>
<td>1b</td>
<td>We maintain our flood and coastal risk management assets at or above the target condition</td>
<td>% of high consequence assets at required condition</td>
<td></td>
<td>97%</td>
<td>96%</td>
</tr>
<tr>
<td>1c</td>
<td>More households and businesses at high risk of flooding can receive direct warnings</td>
<td>Properties able to receive warnings</td>
<td></td>
<td>953,000</td>
<td>Due Q4</td>
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### Protecting and improving water, land and biodiversity

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<tr>
<td>2a</td>
<td>We work with others to improve the quality of surface waters, groundwaters, coastal waters and wetlands* new classification methodology used in 2014 so target needs to be re-established</td>
<td>Number of water bodies at good ecological status</td>
<td></td>
<td>1,398</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2b</td>
<td>The quality of bathing water is getting better</td>
<td>% meeting revised Directive standards</td>
<td></td>
<td>94%</td>
<td>Due Q3</td>
<td>Due Q3</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2c</td>
<td>We improve and protect rivers and wetlands damaged by unsustainable abstractions</td>
<td>Number of abstraction licence notifications</td>
<td></td>
<td>169</td>
<td>19</td>
<td>9</td>
<td>GREEN</td>
<td>4</td>
</tr>
<tr>
<td>2d</td>
<td>We deliver our commitments to the England Biodiversity Strategy by:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Creating new habitat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Restoring sites of special scientific interest (SSSI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2e</td>
<td>There are fewer salmon rivers in the ‘at risk’ category</td>
<td>Number of salmon rivers ‘at risk’</td>
<td></td>
<td>10</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2f</td>
<td>We maintain our navigation assets at or above the target condition</td>
<td>% of high consequence assets at required condition</td>
<td></td>
<td>88%</td>
<td>88%</td>
<td>80%</td>
<td>GREEN</td>
<td>5</td>
</tr>
</tbody>
</table>

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

<p>| | | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3a</td>
<td>We improve business compliance through supporting legitimate business to comply and by tackling the deliberately non-compliant*</td>
<td>Sites in lowest compliance bands (D, E and F) for 2+ years as a % of total permitted sites</td>
<td></td>
<td>229</td>
<td>1.7%</td>
<td>Due Q4</td>
<td>Due Q4</td>
<td>N/A</td>
</tr>
<tr>
<td>3b</td>
<td>We reduce serious and significant pollution incidents*</td>
<td>Number of incidents</td>
<td></td>
<td>635</td>
<td>Due Q2</td>
<td>Due Q2</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>3c</td>
<td>We reduce the administrative costs of regulation to businesses*</td>
<td>£m savings at Q4</td>
<td></td>
<td>£292m</td>
<td>1</td>
<td>1</td>
<td>GREEN</td>
<td>6</td>
</tr>
<tr>
<td>3d</td>
<td>We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites</td>
<td>Number of high risk illegal waste sites</td>
<td></td>
<td>275</td>
<td>300</td>
<td>234</td>
<td>RED</td>
<td>7</td>
</tr>
</tbody>
</table>

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

<p>| | | | | | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4a</td>
<td>We respond to planning application consultations and pre-application enquiries within 21 days</td>
<td>% responded to within target time</td>
<td></td>
<td>93%</td>
<td>92%</td>
<td>95%</td>
<td>AMBER</td>
<td>8</td>
</tr>
<tr>
<td>4b</td>
<td>We contribute to the delivery of priority development sites</td>
<td>% of planned actions delivered</td>
<td></td>
<td>101%</td>
<td>97%</td>
<td>80%</td>
<td>GREEN</td>
<td>9</td>
</tr>
</tbody>
</table>

### Ensuring that we are fit for the future

<p>| | | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5a</td>
<td>We reduce our carbon footprint</td>
<td>CO₂ emissions (tonnes)</td>
<td></td>
<td>35,635</td>
<td>3,107</td>
<td>8,576</td>
<td>GREEN</td>
<td>10</td>
</tr>
<tr>
<td>5b</td>
<td>We have a diverse workforce:</td>
<td>% of staff</td>
<td></td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.6%</td>
<td>GREEN</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Proportion of Executive Managers who are female</td>
<td>% of female EMs</td>
<td></td>
<td>33%</td>
<td>34%</td>
<td>33%</td>
<td>GREEN</td>
<td>12</td>
</tr>
<tr>
<td>5c</td>
<td>We provide a safe place to work:</td>
<td>% of actions completed</td>
<td></td>
<td>94%</td>
<td>98%</td>
<td>95%</td>
<td>GREEN</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Lost time incident (LTI) frequency rate</td>
<td></td>
<td>0.16</td>
<td>0.13</td>
<td>0.16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Health and safety actions implemented in target time</td>
<td></td>
<td>94%</td>
<td>98%</td>
<td>95%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5d</td>
<td>We manage our money effectively</td>
<td>% spend to budget (£m)</td>
<td></td>
<td>100%</td>
<td>106%</td>
<td>100%</td>
<td>AMBER</td>
<td>15</td>
</tr>
</tbody>
</table>

* These measures are reported quarterly to Defra Board
Since 1 April 2015, the Environment Agency, Local Authorities and Internal Drainage Boards have reduced the risk of flooding and coastal erosion to around 3,900 properties. We have achieved this by improving existing flood and coastal erosion management assets and building new ones.

The majority of schemes reducing the risk of flood and coastal erosion this year will be completed in quarter 4. We forecast that around 54,000 houses will have a reduced risk from flooding and coastal erosion by March 2016.

The majority of projects for the overall 6-year programme will complete in 2019/20 and 2020/21. We are managing the programme closely to manage this risk.

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

**Houses protected**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>6 year target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>GREEN</td>
<td>3,900</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>GREEN</td>
</tr>
</tbody>
</table>

Owners: Executive Directors of FCRM and Operations

**Insight this quarter**

- **Q1 15/16**: 675
- **Q2 15/16**: 127
- **Q3 15/16**: 306
- **Q4 15/16**: 67

- Removed from significant flood probability
- Protected against loss in 20 years from coastal erosion
- Removed from significant flood probability (households in areas of deprivation)
- Protected against loss in 20 years from coastal erosion (households in areas of deprivation)

**Actions**

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
</table>

Page 2
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 in high consequence systems at or above the required target condition

Q1 2015/16

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBER</td>
<td>96%</td>
<td>97%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

At the end of Q1, 96.1% of FCRM assets were meeting their target condition. The Environment Agency expects to improve asset condition to above 97% by Q4.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/11</td>
<td>98%</td>
<td>98%</td>
</tr>
<tr>
<td>2011/12</td>
<td>99%</td>
<td>94%</td>
</tr>
<tr>
<td>2012/13</td>
<td>98%</td>
<td>97%</td>
</tr>
<tr>
<td>2013/14</td>
<td>94%</td>
<td>96%</td>
</tr>
<tr>
<td>2014/15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 15/16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

No. of high consequence assets passing

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>At or above required target condition (EA)</td>
<td>25,654</td>
<td></td>
</tr>
<tr>
<td>Below required target condition (EA)</td>
<td>1,048</td>
<td></td>
</tr>
<tr>
<td>At or above required target condition (3rd party)</td>
<td>24,364</td>
<td></td>
</tr>
<tr>
<td>Below required target condition (3rd party)</td>
<td>1,192</td>
<td></td>
</tr>
</tbody>
</table>

Actions

Action(s): Monitor closely and review via monthly reports
Owner(s): Exec. Director of FCRM
Deadline(s): Q4 2015/16
In Q1 2015-16 we received 19 voluntary licence notifications (Section 51) within 5 areas. In addition to this we have concluded no action is required on 8 further licences.

11 of the 19 licences were to protect Habitats Directive sites. There are 41 remaining licences where notifications must be delivered by the Habitats Directive deadline of 22 December 2015. These are in the following 5 areas: Cumbria and Lancashire(4), Devon and Cornwall(10), Essex Norfolk and Suffolk(6), Solent and South Downs(20), Wessex(1).

There are 241 licences remaining for assessment and action as necessary in the restoring sustainable abstraction programme.

From 2015/16 the measure is recording the number of licence notifications, previously it was licence changes.
2.f. We maintain our navigation assets at or above the target condition

Q1 2015/16

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

At the end of Q1 88.3% of our navigation assets are at or above target condition against the corporate target of 80% in 2015/16.

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.

While performance against target shows we’re progressing well, this masks an issue with a number of high consequence sites that are not in target condition and pose a business risk if funding cannot be found to address the issues. Additional work is underway to identify the high consequence (critical) assets. High consequence assets are identified as those which enable passage along the river, for example the locks. This will give us a better understanding of the risks to navigation and the actual costs needed to support navigation along the waterways under our management.

No. at or above target condition

<table>
<thead>
<tr>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Protecting and improving water, land and biodiversity

2.f. We maintain our navigation assets at or above the target condition

Q1 2015/16

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>

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No. at or above target condition

<table>
<thead>
<tr>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
</tr>
<tr>
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</tr>
</tbody>
</table>
The required milestone was completed this quarter.

We have confirmed ownership of the regulatory simplification measures that will contribute towards the 2015/16 target.

As part of the ongoing tracking of these measures, implementation plans, including the quantification and verification of savings to business will be confirmed in due course.

Note: savings figures are not due to be reported until the final milestone in Q4.
3.d We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites

In April 2014 the KPI baseline for the number of High Risk (HR) Illegal Waste Sites (IWS) was set at 272 with a target to reduce by 24% to 206 sites by Q4 2015-16. The number of HR sites at the end of Q1 is 300.

Data shows an increase in illegal waste sites from last year. However, the number of new sites reported in Q1 was lowest since Q4 2013/14.

- No. active sites = 640 (+45 from Q4 14/15)
- New illegal waste sites = 145 (-74 from Q4 14/15)
- No. high risk illegal sites = 300 (+20 from Q4 14/15)
- New high risk illegal sites = 48 (-14 from Q4 14/15)
- No. sites stopped and cleared in Q1 = 39

Reasons for the increase and actions to be taken to be identified.

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reasons for the increase and actions to be taken to be identified.</td>
<td>Exec. Director E&amp;B &amp; Exec. Director of Operations</td>
<td>Q2 2015/16</td>
</tr>
</tbody>
</table>
4.a We respond to planning application consultations and pre-application enquiries within 21 days

Q1 2015-16

Owners: Executive Directors of Environment and Business and Operations

Status | Actual | Target | Forecast
--- | --- | --- | ---
AMBER | 92% | 95% | AMBER

We continue to implement our performance improvement action plan as a priority. This includes both immediate measures e.g eliminating the delays that lead to consultations being just 1-7 days late, and medium term actions around resource, guidance and communications.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>93%</td>
<td>92%</td>
</tr>
<tr>
<td>Q1 15/16</td>
<td>92%</td>
<td>92%</td>
</tr>
</tbody>
</table>

**Pareto chart of the number of days taken to respond**

Cumulative percents of the number of days taken to respond

**Actions**

**Action(s)**
Continue to implement performance Improvement Action Plan

**Owner(s)**
Executive Director, E&B & Executive Director, Operations

**Deadline(s)**
Ongoing
Quarter 4 2015/16

We are putting in place a £270k project to improve the Development Planning System (DPS). This work will make the system more efficient for staff with the overall aim of improving performance.
Working together and with others to create better places

4.b We contribute to the delivery of priority development sites

Q1 2015 -16

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>97%</td>
<td>80%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

% of planned actions delivered

Q1 has seen 97% of planned actions achieved, ensuring a strong start to 15/16. Most Area teams have focussed on providing pre-planning advice and technical information on 'Priority Development Sites'.

Outcome of actions this quarter

Completed: 239
Rolled forwards: 7
Cancelled: 0

Actions

Action(s) | Owner(s) | Deadline(s)
Ensuring that we are fit for the future

5.a We reduce our carbon footprint

Q1 2015-16

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Ceiling Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>3,107</td>
<td>8,576</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

Quarter 1 YTD carbon dioxide emissions by type (tonnes)

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,107</td>
<td>8,576</td>
</tr>
<tr>
<td>Operational fuel</td>
<td>GREEN</td>
<td>657</td>
</tr>
<tr>
<td>Transport</td>
<td>GREEN</td>
<td>2,450</td>
</tr>
<tr>
<td>Buildings (inc Labs)</td>
<td>0</td>
<td>1,917</td>
</tr>
<tr>
<td>Pumping</td>
<td>0</td>
<td>3,088</td>
</tr>
</tbody>
</table>

We are not in a position to report Q1 total carbon data due to key datasets not being available from our external suppliers. Our energy consumption (electricity, gas, oil) comprises 57% of our overall carbon emissions, with electricity forming the largest element. Both of our electricity suppliers have introduced new billing systems. Difficulties with these new systems have resulted in missing or inaccurate data for Q1. The result is that we are missing a significant element of our carbon data for Q1 and are unable to fully report performance.

Actions

We are working with suppliers and contractors to rectify the problems as quickly as possible

Owner(s)
Exec Director - Resources & Legal Services

Deadline(s)
Ongoing
Ensuring that we are fit for the future

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

Q1 2015-16

Owner: Executive Director of Resources and Legal Services

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target (no less than)</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>3.8%</td>
<td>3.6%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**BAME staff as % of all staff**

There were 11 BAME recruits this quarter out of a total of 150 new starters. BAME recruitment is currently 7.3% against a target of no less than 5%.

BAME turnover rate this quarter is 7.7% (28 leavers from an average BAME workforce over the last 12 months of 362) compared to 4.1% for the total Environment Agency.

The BAME percentage for Q1 has remained the same as Q4 at 3.8% (393).

The figures above include Eastern European staff. If Eastern European staff are excluded the BAME percentage is 3.5% with a population size of 357 staff.

The equivalent figure for the Civil Service is 10.1%.

**Number of BAME staff**

**Actions**

- Unconscious bias training for interviews
- Initiative to attract more BAME candidates
- Development programmes and coaching for BAME staff

**Owner(s)**

- Exec Director - Resources & Legal Services

**Deadline(s)**

- Ongoing
Ensuring that we are fit for the future

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

Q1 2015-16

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target (no less than)</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>34%</td>
<td>33%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**Proportion of Executive Managers (EMs) who are female**

The percentage of female EMs is 34.2% (41); it was 34.5% last quarter. This exceeds the target of no less than 33%, which is based on an objective of recruiting 50% female Executive Managers.

The equivalent figure for the UK Civil Service is 37%.

The percentage of female Grade 7s is 35% (169). It was 34% last quarter.

**Proportion of Grade 7 Managers who are female**

**Actions**

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unconscious bias training for interviews</td>
<td>Exec. Director, Resources &amp; Legal Services</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Development programmes and coaching for female staff</td>
<td>Exec. Director, Resources &amp; Legal Services</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Ensuring that we are fit for the future

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

Q1 2015-16

Owner: Executive Director of Resources and Legal Services

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Ceiling Rate</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>0.13</td>
<td>0.16</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

Lost time incident frequency rate

Five Lost Time Incidents (LTIs) were reported in Q1 and our lost time frequency rate is a 12 month rolling average of 0.13 per 100,000 hours worked.

Our ceiling this year is a 12 month rolling-average LTI Frequency Rate (LTIFR) of 0.16 or lower. Our ceiling for 2015/16 has been reduced in line with the end of 2014/15 performance.

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

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure each LTI is fully reviewed and relevant lessons widely shared</td>
<td>Exec. Director of Operations</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Analyse LTI and incident data at national level to identify emerging trends</td>
<td>Exec. 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

Q1 2015-16

Owner: Executive Director of Resources and Legal Services

**Status**

<table>
<thead>
<tr>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>98%</td>
<td>95%</td>
</tr>
</tbody>
</table>

In Q1, three Safeguard actions were completed. One was an Immediate and Critical (red) Action, one was a Priority (amber) Action and one was a Routine (green) Action. Two compliance reports were produced in Q1. The overall compliance was 97%, an increase on the previous quarter (94%).

The compliance figure used for this measure is the percentage of those who completed the action by the target completion date +10 days (except for 'red' actions which are generated the day after the action closes). For Q1 this is 98% overall. The red action was issued to 18 managers, with all completed on time (100%). The amber action was issued to 38 Area Environment Managers, of which 37 were completed on time or responded to as not applicable to the recipient (97%). The outstanding action has been chased and completion requested.

The significant improvement in performance can be attributed in part to the new safeguard system and its reminder capabilities.

### No. priority actions completed

<table>
<thead>
<tr>
<th>Year</th>
<th>Red</th>
<th>Amber</th>
<th>Green</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/13</td>
<td>67%</td>
<td>69%</td>
<td>94%</td>
</tr>
<tr>
<td>2013/14</td>
<td>94%</td>
<td>98%</td>
<td></td>
</tr>
</tbody>
</table>

### No. red and amber actions complete or N/A, or incomplete

<table>
<thead>
<tr>
<th>Period</th>
<th>Red Actions Completed or N/A</th>
<th>Red Actions Incomplete</th>
<th>Amber Actions Completed or N/A</th>
<th>Amber Actions Incomplete</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14 Q1</td>
<td>47</td>
<td>27</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td>2013/14 Q2</td>
<td>34</td>
<td>9</td>
<td>18</td>
<td>1</td>
</tr>
</tbody>
</table>

### Actions

- **Provide reports and information to enable managers to take follow-up actions**
  - Owner(s): Exec. Director, Resources & Legal
  - Deadline(s): Ongoing

- **Take a strong lead in ensuring that staff comply with expectations**
  - Owner(s): All line managers
  - Deadline(s): Ongoing
5.d We manage our money effectively

The Environment Agency has invested 22% of full year affordable budget in the first quarter of 2015-16.

2015-16 has seen a strong start up of spend. Good progress has been made on projects and programmes, in particular on our Flood and Coastal Erosion Risk Management (FCERM) capital programme. We have some underspends within our people budgets.

In September, a mid-year financial review will be presented to Executive Directors, focusing on our ability to deliver to our new reduced budgets, as well as highlighting any risks and issues for the business.

### Expenditure against profiled YTD (%)

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBER</td>
<td>106%</td>
<td>100%</td>
</tr>
</tbody>
</table>

![Expenditure against profiled YTD (%) chart]

### Expenditure against profiled YTD (£m)

<table>
<thead>
<tr>
<th>Q1 14/15</th>
<th>Q1 15/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>£258m</td>
<td>£244m</td>
</tr>
</tbody>
</table>

![Expenditure against profiled YTD (£m) chart]

### Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitate EDT sign off of in-year budget reductions</td>
<td>Exec. Director of Finance</td>
<td>22/07/2015</td>
</tr>
<tr>
<td>Provide mid-year financial review to Executive Directors</td>
<td>Exec. Director of Finance</td>
<td>30/09/2015</td>
</tr>
</tbody>
</table>
Appendix 1: Examples of communications activities

Paper by:  Director of Corporate Affairs

Subject:  Communications update

FOR INFORMATION

Recommendations
The Board is asked to note the communications activities for June, July, August and September with a particular focus on the themed months of sustainable fisheries, regulated industry and valuing water.

1.0  Background and context

1.1  This paper provides an update on Environment Agency communications activity from June to September 2015.

1.2  Over the last few months we have been working closely with all of Defra to more closely align our communications activities.

2.0  Review of communications from June to August (September verbal)

2.1  In June we secured 1,475 items of broadcast, print and online coverage in total across local, regional and national media with 99% of coverage being positive or neutral. In July we secured 1,388 items also with 99% of coverage being positive or neutral, and similarly in August 2,272 items were secured with 99% of coverage being positive or neutral.

2.2  We made gains to our national and regional Twitter accounts during this period. The national @EnvAgency account alone now has over 338,000 followers.

2.3  Social media commentary was 95% either positive or neutral.

2.4  Examples of Agency communications service include:

Corporate

- We have arranged for four interviews with trade media for Paul Leinster to mark the end of his term of office as Chief Executive.

- Executive Directors Team and Operations Directors hosted sessions with staff across the country during July and August to hear about the future direction of the Environment Agency in delivering Defra priorities and to celebrate our successes.
The annual meeting of Executive Managers took place on 15 September, hosted by interim Chief Executive, David Rooke. The theme was leadership in a changing organisation and planning for the future, with contributions from Clare Moriarty, Defra Permanent Secretary; Chairman, Sir Philip Dilley; and outgoing Chief Executive, Paul Leinster.

We had a lot of interest in our blog on LIDAR data being made free for all to use as open data and promoted it on social media. This supports the Secretary of State’s ambitions for increasing data availability and utilisation. The promotion included a LIDAR image of Twickenham to coincide with England’s opening game of the Rugby World Cup.

Flood and coastal risk management

- We successfully tested our incident preparedness during Exercise Obex. During the exercise we promoted our work to test temporary flood defences as part of Minister Rory Stewart’s visit to Guildford. The Minister gave positive local media interviews about the use of the barriers and the overall investment programme.

- In August the Chairman opened the new £26m flood scheme in Morpeth, which was built in partnership with Northumberland County Council. We ran events for partners and the community to celebrate the opening, which gained significant local print, broadcast and online coverage. The scheme was also visited by Clare Moriarty, Defra’s new permanent secretary, which we facilitated as part of her induction into her new role.

- We continue to work with EE to add numbers to the flood warning service, enabling us to send more people timely flood alerts and warnings. In July we automatically added around 200,000 EE mobile numbers and as a result we’ve received over 1,000 calls to Floodline and 99% of those added have stayed on the system. A further 168,000 numbers will be added in November and highlighted during this year’s Flood Action campaign from 2 to 13 November.

Water, land and biodiversity

- June was sustainable fisheries themed month, which included a focus on encouraging people to buy a fishing rod licence. We used a variety of different channels to promote angling and reasons to buy a licence. There were almost 67,000 views on social media of a short Angling Trust video of ‘brilliant kid’, a Paul Whitehouse character from the BBC’s The Fast Show, which was specifically resurrected to coincide with the campaign. As a result of the campaign indicative figures show a 2% increase in rod licence sales compared to the same point last year, which is the first rise since 2009.

- We recently announced that the Angling Trust had won the contract to deliver some of our fisheries work, including increasing angling participation, resulting in positive pieces in the Angling Times and Anglers’ Mail.

- As part of valuing water month in August, we secured significant national and local coverage, including a positive piece on BBC Countryfile about a river restoration project in Cumbria. Across the country, we used blogs and social media to promote our work in partnerships on bathing waters, for example the Yorkshire Bathing Waters Partnership and Turning Tides in Cumbria. In August
we saw a 75% increase in views on our bathing water application, compared with this time last year.

- We recently gained widespread local and national coverage of lampreys returning to England’s rivers due to them been cleaner. The story generated over 70 print and online articles, including the Telegraph, Metro, The Times, FT, Guardian, Mirror Online, The Independent, Express online and ITV News.

Regulated industry

- During July we had a successful themed month focusing on regulated industry. The aim was to increase trust and confidence in us as a regulator and the number of people who report illegal activity through Crimestoppers. Over 30 partners, including the LGA and neighbourhood watch, supported our waste crime signs on social media. Our campaign blogs also generated trade media copy in Resource Magazine and CIWM. A full evaluation of the campaign is being carried out.

- The prosecution of Southern Water for a pollution incident generated broadcast coverage in BBC South Today and BBC South East and featured as the headline story in every Sussex newspaper.

- We continue to raise awareness with the public and industry of the firm action being taken against illegal operators. For example, we publicised the outcome of a successful prosecution against a man from Halifax man for non-payment of a Proceeds of Crime order which resulted in a 20 month custodial sentence. Our messaging is also aimed at helping operators comply rather than focusing purely on prosecution.

Pam Gilder  
Director of Corporate Affairs

8 October 2015
Appendix 1: Activities: Flood & coastal risk management

WORKSHOPS: Householders help to shape Environment Agency’s £120m scheme

Flooding victims give plan for city relief channel their votes

Improvements on River Slea to boost water flow and habitats

North Yorkshire flood defences scheme finished

Trash screen cleared

Flood defence exhibitions
Appendix 1 Water, land & biodiversity

Lampreys return to Yorkshire rivers after 30 years
© 4 September 2010 England

Don’t get caught out... Buy a rod licence before you #gofishing. There’s no excuse and it’s easy online ow.ly/Nm4yl

How we raise millions of fish each year to stock lakes & rivers. Read our new blog: ow.ly/NOIAx

Going to the beach this summer? Make sure you’re doing your part for #CleanerSeas @EnvAgency: ow.ly/PZIDN
Appendix 1 Regulated industry

Sea sewage spill was avoidable, says court

Water firm breached terms of environmental work permits

By Adrian Imms
Reporter
adrian.imms@eastanguenews.co.uk
A SEWAGE spill which closed

was an avoidable incident. It is very disappointing that Selwyns

Environment Agency @EnvAgency - Jul 29
Waste crime affects communities & harms the environment. Call @CrimestoppersUK on 0800 555 111 #wastecrime

Stop waste crime. Report it.
Suspicious behaviour may alert you to illegal waste sites. Look out for:

Activity out of hours
Smoke
Increased numbers of lorries entering a site
Waste going in but not coming out

Water pollution

Call Crimestoppers anonymously on 0800 555 111 or visit www.crimestoppers-uk.org

Lynn News

21/07/16 | 9 to 2 CPC Sunny spells ☀️ Tmrw Low 🌒 | Like us 🎥 Follow us 📺 Place your Ad | Subscribe

Latest Local News | Dereham | Fakenham | Hingham & Coast | Southwold

West Norfolk Council backs new waste crime campaign

Man jailed for failing to pay £78,000 order

A Halifax man has been jailed for 30 months for failing to pay a £78,000 confiscation order relating to the financial benefit he obtained through illegal waste crime at Framlingham Farm. The operation was carried out by the Environment Agency and Suffolk Constabulary.

If you see suspicious waste crime, call Crimestoppers anonymously on 0800 555 111.
Appendix 1 Corporate communications

Yorkshire crayfish conference success
Crayfish experts congregated in Yorkshire for the first national conference in 6 years.

Your river starts here! SuDS in the heart of Derbyshire
Having a vision, partnership working and a passion for SuDS brings benefits for the river, community and wildlife.

Rivers Agency Northern Ireland
soaks up information to help its flood response

1,000 more homes protected from flood risk

Valuing water

→ access to clean water is essential
→ there is an increasing strain on our water supply
→ we respond to water pollution, droughts and floods
Ref: CB/1015-Info1

Board Meeting
Meeting date: 15 October 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>
</tr>
</thead>
<tbody>
<tr>
<td>15 July</td>
<td>I met with Mark Hoban of Flood Re to discuss joint working between the Environment Agency and the Association of British Insurers.</td>
<td></td>
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<tr>
<td>20 July</td>
<td>I visited our Hertfordshire and North London area to meet with Caroline Douglas and her team. This included visits to the Radlett Brook Flood Alleviation Scheme and a waste site at Appspond Lane.</td>
<td></td>
</tr>
<tr>
<td>21 July</td>
<td>I met with Judith Hackitt, Chair of the Health and Safety Executive to discuss joint working.</td>
<td></td>
</tr>
<tr>
<td>11 August</td>
<td>I met with Stuart Jarvis, Director of Economy, Transport and Environment, Councillor Woodward and Councillor Mans of Hampshire County Council to discuss ways of working with the Environment Agency.</td>
<td></td>
</tr>
<tr>
<td>11 August</td>
<td>I met with Ian McCarthy and Jenny Douglas from the International Festival of Business to discuss Environment Agency involvement in 2016 Festival.</td>
<td></td>
</tr>
<tr>
<td>24 August</td>
<td>I visited our Northumberland, Durham and Tees area to meet Marie Fallon and her team. This included a visit to the Morpeth Flood Alleviation Scheme.</td>
<td></td>
</tr>
<tr>
<td>25 August</td>
<td>I visited our Yorkshire area to meet Mark Scott and his team. This included visits to the Leeds Flood Alleviation Scheme and the Leeds Recycling and Renewable Facility.</td>
<td></td>
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<tr>
<td>14 September</td>
<td>I attended a mid-year performance review meeting with Paul Leinster, Defra Secretary of State, Liz Truss MP and Defra Minister Rory Stewart.</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>14 September</td>
<td>I attended a Water UK reception with Toby Willison and Ed Mitchell to discuss working relationships with UK water companies.</td>
<td></td>
</tr>
<tr>
<td>15 September</td>
<td>I met with the Chairman of the Forestry Commission, Harry Studholme to discuss the government’s priorities.</td>
<td></td>
</tr>
<tr>
<td>15 September</td>
<td>I met with Defra Secretary of State, Liz Truss MP, Ian Liddell-Grainger MP, David Warburton MP, Rebecca Pow MP, James Heappey MP, Marcus Fysh MP to discuss the Somerset Rivers Authority and the Bridgwater Barrier.</td>
<td></td>
</tr>
<tr>
<td>22 September</td>
<td>I attended a reception with key Environment Agency partners to discuss future priorities and to mark Paul Leinster’s retirement.</td>
<td></td>
</tr>
<tr>
<td>24 September</td>
<td>Along with other Board members I visited our Cambridgeshire and Bedfordshire Area to meet Julie Foley and her team. This included a visit to a farm in Chippenham to discuss water abstraction.</td>
<td></td>
</tr>
<tr>
<td>29 September</td>
<td>Along with the Chairs of other Defra bodies I attended a meeting of the Defra Chairs Forum.</td>
<td></td>
</tr>
<tr>
<td>14 October</td>
<td>I attended a workshop with Defra Secretary of State, Liz Truss MP and Defra Minister Rory Stewart MP to discuss Defra’s 25 year strategy.</td>
<td></td>
</tr>
</tbody>
</table>

* 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