Board Meeting – Open
Tuesday 17 May 2016

Time: 1.15pm – 3.35pm
Venue: Boardroom, Ergon House
Quorum: 5 non-executive Board members

1. Apologies  Acting Chairman  1.15pm  5 mins
2. Declarations of Interest  Acting Chairman
3. Minutes of the open Board meeting on 2 February 2016 and matters arising  Acting Chairman
4. Chief Executive’s Update  Chief Executive  1.20pm  10 mins
5. Finance Report  Director Corporate Finance  1.30pm  5 mins
6. Committee meetings – oral updates
   • FCRM  Lynne Frostick  1.35pm  15 mins
   • Environment and Business  Gill Weeks
   • Pensions  Clive Elphick
7. Informative session on Incident Response Reviews and Lessons Learnt from recent flooding  Executive Director FCRM  1.50pm  45 mins
   For information
8. Matters for Discussion and Decision
   8.1 Main river map variations  Executive Director FCRM  2.35pm  10 mins
      For approval
   8.2 Schemes of Delegation  Director Corporate Finance  2.45pm  5 mins
      For approval/comments
9. Matters for information
   9.1 Annual review of Pensions Committee  Clive Elphick  2.50pm  10 mins
   9.2 Update on bathing water  Executive Director E&B  3.00pm  10 mins
      For information
   9.3 Corporate Scorecard Q3  Director Corporate Finance  3.10pm  10 mins
      For information/comments
9.4 Health, Safety and Wellbeing update
   Director Corporate Assets, Safety, Health and Wellbeing
   3.20pm
   5 mins

9.5 Communications update
   Deputy Chief Executive
   3.25pm
   5 mins

10. Any other business
    3.30pm
    5 mins

11. Date of next meeting – 21 July 2016 (Horizon House, Bristol)

Information Papers
   Acting Chairman’s Update Paper
   Acting Chairman
Minutes of the Open Board meeting held on 2 February 2016 at Horizon House, Bristol

Present
Emma Howard Boyd Acting Chairman
James Bevan Chief Executive
Peter Ainsworth
Karen Burrows
John Varley Board Members
Clive Elphick
Lynne Frostick
Gill Weeks

In attendance
David Rooke Deputy Chief Executive
Harvey Bradshaw Executive Director Environment and Business
Toby Willison Executive Director Operations
Miranda Kavanagh Executive Director Evidence
John Curtin Executive Director Flood and Coastal Risk Management
Bob Branson Director Business Finance
Rob Creed Secretariat Manager

Items 8-11
Paul Woodcock Director Corporate Assets
Item 8
Tom Smith Chair of the Environment Agency’s Independent Data Advisory Group

Apologies
Richard Macdonald Board Member
Jonathan Robinson Executive Director Resources and Legal Services

1.0 Emma Howard Boyd welcomed members of the public to the meeting as appointed Acting Chairman. She extended the Board’s thanks to Sir Philip Dilley for his contribution to the Board as Chairman.

Item 1 Apologies for absence
1.1 Apologies for absence were noted.

Item 2 Declarations of Interest
2.1 There were no declarations of interest.

Item 3 Minutes of the meeting on 15 October 2015 and matters arising
3.1 Two minor typographical errors were noted. Karen Burrows asked that answers on the Action Sheet be clarified. Subject to those changes the Board approved the minutes.

Action: Secretariat
Item 4 Chief Executive’s Update

4.1 James Bevan introduced the paper. There was a discussion about the implications of the Government’s Regulatory Agenda. Gill Weeks expressed a concern that the review of ‘red tape’ should not undermine the effective regulation of the waste sector. Harvey Bradshaw agreed that environmental protection should not be compromised whilst burdens on industry are reduced. The Board asked that a paper be brought to a future meeting.

Action: Executive Director Environment and Business

Item 5 Finance Report

5.1 Bob Branson presented the paper. Emma Howard Boyd explained that the Audit and Risk Assurance Committee will be examining the figures in detail at their next meeting. The Board discussed and noted the points set out in the paper.

Item 6 Overview of Recent Floods

6.1 This item was taken after item 3.

6.2 James Bevan outlined the response to the recent flooding. He highlighted to the Board that the organisation remains on alert for further flooding throughout the winter and that there is currently a major focus on recovery and learning lessons. John Curtin gave a presentation on the extraordinary scale of events and the conditions that caused them.

6.3 Toby Willison gave a detailed presentation on the operational response. He explained how the effective deployment of staff and equipment combined with early warning for partners greatly reduced the potential impacts of the floods.

6.4 The Board discussed the role of property level protection measures and cross sector resilience planning; the importance of good local working relationships with other organisations; the success of working with the military; the role of the Environment Agency when third party flood defence assets fail; the advantages of a full catchment approach to flooding; and the potential for a more integrated use of resources across the Defra Group during incidents.

6.5 It was requested that a paper setting out the evidence on the effectiveness of whole catchment approaches be presented at a future Board meeting.

Action: Executive Director Evidence

6.6 The Board discussed the operation of a pumping station at the Foss Barrier on 26 December 2015 and the flooding of properties upstream of the Barrier. It was noted that a full investigation is underway and the Board asked that a report come to a future Board meeting.

Action: Executive Director Operations

6.7 The Board concluded that there are three main areas for improvement in managing flood risks in the context of a changing climate: having the assets and more resilient organisational structures to respond to prolonged incidents; helping people understand better their own flood risk and enabling them to act
on it; and understanding better the long term implications of recent extremes in the weather.

6.8 The Board noted that the excellent response to the extreme flood events throughout December and January and thanked the staff involved.

Item 7 Schemes of Delegation

7.1 Bob Branson presented the paper on the Financial Scheme of Delegation. The Board approved the changes to the Financial Scheme of Delegation and noted the other items set out in the paper.

Item 8 Informative Session on Data

8.1 Miranda Kavanagh introduced Tom Smith, Chair of the Environment Agency’s Independent Data Advisory Group, who gave a presentation on ‘open data’. Miranda Kavanagh gave a presentation on the Environment Agency’s progress and plans to release 1500 datasets by May 2016.

8.2 The Board discussed the benefits of open data and the potential risks. They asked that a paper outlining the potential liabilities around misuse of data and detailed predicted costs and benefits be brought to a future meeting of the Audit and Risk Assurance Committee.

Action: Executive Director Evidence

8.3 The Board thanked Tom Smith for attending and leading a useful discussion.

Item 9 Matters for Information

Item 9.1 Corporate Scorecard Q2

9.1.1 Bob Branson presented the Corporate Scorecard paper. Harvey Bradshaw explained the number of high risk illegal waste sites has reduced over recent years but that an increase was now evident in some Areas, but not all. He explained that the underlying reasons are not obvious but are thought to include economic and social trends, especially around London, and that reducing their number forms part of our Waste Enforcement Programme as discussed at a recent meeting of the E&B Committee. The increase in numbers has led to a Director-level focus in Operations. The sites themselves are being targeted, with an aim to disrupt the flow of waste to them. An update will be presented at a future meeting.

Action: Executive Director Environment and Business

9.1.2 The Board asked whether finances are causing problems with enforcement of illegal waste sites. Harvey Bradshaw explained that although budgets have remained in place, the fact that this Grant in Aid has recently been allocated on an annual basis has caused challenges for retention of trained staff. The multi-year settlement announced as part of SR15 will help us provide a consistently good service.
Item 9.2 Committee Meetings – oral updates

Environment and Business Committee

9.2.1 Gill Weeks informed the Board that the Committee examined action plans for the sectors causing the highest number of pollution incidents and the complexity of decision making for the Industrial Emissions Directive.

FCRM Committee

9.2.2 Lynne Frostick informed the Board that the Committee examined: the winter flooding and the various reviews; the cost of the Thames Scheme; the devaluation of assets due to damage over the winter; the increased ability for medium to long term planning for FCRM maintenance work under the Spending Review settlement; and the voluntary work of a member of staff – Becky Kervell MBE – for the Map Action organisation.

Item 9.3 Health Safety and Wellbeing Update

9.3.1 Paul Woodcock introduced the paper. The paper highlighted work being done to clarify Health and Safety responsibilities for increased joint working within the Defra group. Karen Burrows tabled a paper giving briefing and prompts on Health Safety and Wellbeing for Board members’ visits to Areas. Paul Woodcock explained that bespoke versions will be issued to Board members in due course.

Item 10 Date of Next Meeting

10.1 The date of the next open meeting was confirmed as 17 May 2016 (Ergon House, London).
FOR NOTING
Recommendations

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

1.0 Flood Recovery

1.1 The number of properties reported to have been flooded for Storms Desmond and Eva at the end of April was 18,883 (Source: DCLG).

1.2 100 days on from the floods, our Flood Support Officers had visited more than 350 communities in Yorkshire, Cumbria, Lancashire, Northumberland and Greater Manchester to provide advice and listen to those affected.

1.3 19,886 flood risk management asset inspections have been completed (100%).

1.4 At the end of April, 138 of 660 repair projects are complete with the remainder scheduled to complete by the end of September 2016. Where necessary, temporary and emergency flood risk management asset repairs are either complete or contingency measures are in place.

1.5 We continue to support Ministerial and Officials Recovery Groups. We have extended our Floodline Service to cover Recovery.

2.0 Flood Re: launch

2.1 The Flood Re scheme, to help householders in areas of high flood risk get insurance cover for flood damage at reasonable cost, was launched on the 4 April. It is an industry-owned and managed not-for-profit re-insurer.

2.2 To fund the scheme Flood Re collects an annual tax from every home insurer in the UK. The tax contributes £180m to a fund each year that Flood Re manages centrally. An insurer passes on the flood risk part of a policy to Flood Re, so the householder does not have to do anything. Flood Re then takes responsibility for that part of the policy and if the householder makes a valid claim on their insurance Flood Re reimburses the insurer from the central Flood Re fund. With this support, insurers should be able to provide more competitive pricing on their policies. Over time, it is estimated that Flood Re will benefit over 350,000 households by having access to those more affordable policies.
2.3 There are a number of exclusions to the scheme, including properties built after 1 January 2009 and most businesses. If a property built before 2009 is demolished and re-built, the new property will still be eligible and some small businesses may also be eligible for the scheme (e.g.: bed and breakfast premises paying Council Tax and insured under a home insurance contract; farmhouse dwellings and cottages where they are covered by a household policy; homeworkers; individual leaseholders protecting own property/flat and leasehold blocks will be eligible for buildings cover if they contain 3 units or fewer, and the freeholder(s) lives in one of the units to be insured).

2.4 The scheme is a transitional measure, designed to smooth the path to risk reflective prices over a period of 25 years (i.e. to avoid sudden price or insurance availability shocks) and it will be subject to review every 5 years. Although the Environment Agency’s input to the scheme development has been limited, we are working with Flood Re and the wider industry to improve the data we share and to develop opportunities to help the industry and householders to manage risk.

3.0 Natural Flood Management

3.1 After the winter floods, there is heightened community and political interest in Natural Flood Management (NFM). Both the Secretary of State Elizabeth Truss and Minister Rory Stewart have made statements supporting the greater use of NFM measures such as upland tree planting. Work streams on NFM have been established by the local flood partnerships in Cumbria, Calderdale and York. We are actively supporting these initiatives, whilst ensuring expectations on what can be achieved through NFM remain realistic.

3.2 There are challenges around defining what standard of protection such measures can provide, how to know when the environment is effectively ‘full’ of water, and helping local communities to understand how they might benefit from remote natural flood management measures.

3.3 The evidence from the ‘slowing the flow’ project in Pickering, Yorkshire was published in April. It shows that the scheme of leaky dams and upstream storage slowed the peak flow by 15-20% which helped save the town from flooding in December.

4.0 Maintenance Programme

4.1 We have recently published the asset maintenance programme for 2016/2017 on gov.uk. This is based on the pre-March 2016 budget; we will be issuing an update to this programme to cover the additional £40m announced in the budget. The programme allows members of the public to search under their post code, local authority district and parish to identify maintenance planned in their area. We will be working with customers to improve the information we make available in future published programmes.

5.0 Environmental Permitting Regulations

5.1 We are making it easier for our customers to do work on and around main river sections with minor works requiring just a simple registration and incurring no charge.
5.2 From 6 April, Flood Defence Consent can no longer be undertaken under powers in the Water Resources Act. As part of the Government’s red tape challenge, activities in, under, over or near a main river, are now permitted through the Environmental Permitting Regulations. The risk based approach will reduce the need for bespoke permits, as more activities will be exempt or permitted under “standard rules”. Customers will be able to get their permissions more quickly for low risk activities by registering an exemption with us. Examples of exemptions include clearance of debris, repairs to raised embankments and dredging up to 1.5km in agricultural land drains.

5.3 New charging proposals, under which we would recover the cost of issuing non-bespoke permits, have been consulted on and are awaiting Ministerial approval. We propose to collect information on the cost of bespoke permits during 2016/17, with a view to fully recovering those costs in future years.

6.0 Closure of Climate Ready and our new adaptation programme

6.1 The end of the financial year has seen the end of ring-fenced Defra funding for the Climate Ready support service, and thus the end of the service itself. The service was designed to deliver the objectives in the National Adaptation Programme and was envisaged as a time limited three year programme but was extended for a further year until March 2016.

6.2 The service has enabled a wide range of organisations to understand better the potential impacts of a changing climate and to take steps to reduce the risks they face. We are working with our partners to ensure that the extensive range of tools (e.g. online tools such as the business resilience health check and the supply chains guidance) that the Climate Ready support service has produced with stakeholders over the past 4 years will continue to be made available. As part of the transition arrangements, we have agreed with Defra that we will continue to support the user interface for the UK Climate Projections that are fundamental to resilient decision making without the ring fenced funding from Climate Ready. This will require a small allocation of resources (approximately 1 fte in 2016/17).

6.3 The focus of our adaptation work will now be on delivering the commitments that are set out in our soon to be published Adaptation Report. This report sets out our climate risks, the progress we are making on tackling those and further steps we need to take to increase our business resilience. Our priority is to ensure that all our new strategies are climate resilient. The key messages in the reports are that:

- The Environment Agency plays an important role in helping communities and businesses to prepare and respond to today’s severe weather, especially floods and droughts
- A changing climate will significantly affect our work, especially on floods, coastal risks, water availability and freshwater habitats
- We are already preparing for climate change and have updated our adaptation plans for the next five years based on the latest climate evidence.
7.0 Business Energy Efficiency and DECC Delivery Landscape Reviews

7.1 In the 2015 Summer Budget the Government announced that they would 'review the business energy efficiency tax landscape and consider approaches to simplify and improve the effectiveness of the regime'. The review covers three schemes that we administer – the CRC (formerly Carbon Reduction Commitment) Energy Efficiency Scheme, Climate Change Agreements (CCA) and the Energy Savings Opportunity Scheme – as well as wider energy and taxation policies. In the spring 2016 budget the Chancellor confirmed that CRC will be abolished following the 2018/19 compliance year, while CCA will continue until at least 2023. The Government will also consult on proposals for a new reporting framework for energy and climate change emissions this summer. We are working closely with DECC as the work progresses.

7.2 The Government also announced that DECC will take steps to improve the customer experience and coherence of its consumer policy delivery. Ofgem's delivery arm, E-Serve, will be split off to ensure Ofgem can focus on its core functions of economic regulation and promoting competition. E-Serve administers renewable energy incentive schemes and energy efficiency and social programmes, such as the feed-in tariff, the renewables obligation and the renewable heat incentive. The announcement stated that DECC is committed to consolidating its delivery providers and will set out the future of consumer-facing functions, including those currently undertaken by E-Serve, in the 2016 Autumn Statement. DECC has confirmed that our functions are also currently in scope of this review.

8.0 Air Quality Monitoring

8.1 On 1 April, responsibility for managing the UK air quality monitoring network transferred from Defra to the Environment Agency. This new role involves managing contractors to deploy and maintain air quality monitoring equipment and provide quality assured data from 300 monitoring stations around the UK.

8.2 The network monitors a range of pollutants in order that the UK meets its requirements under the Air Quality Directives, Habitats Directives, the National Emissions Ceiling Directive and the Industrial Emissions Directive (IED) as well as domestic obligations in the UK Air Quality Strategy. We have not taken on any additional statutory functions for air quality, policy responsibility remains with Defra and the Devolved Administrations. Our statutory remit continues to be limited to controlling emissions from the industrial sources that we regulate for example under the IED. We do undertake air quality monitoring on the back of major incidents where there are concerns about public health impacts.

8.3 Poor air quality continues to be an area of significant public concern and we will continue to be very clear on what our role is.

9.0 Onshore Oil and Gas

9.1 We have issued environmental permits to Third Energy to carry out hydraulic fracturing (fracking) to explore for and produce shale gas at Kirby Misperton,
Yorkshire. Third Energy has been operating conventional gas wells in the Vale of Pickering for approximately 25 years. The gas from these fields is piped to a generating station at Knapton, a permitted installation, where it is used to produce electricity that feeds into the national grid.

9.2 During the permitting process we held two public consultations, firstly on the application and secondly on the proposed permit and supporting documents. After rigorous assessment we are confident that the permits issued will ensure that the right controls are in place to protect people and the environment. Nationally this is the third site that we have permitted to carry out hydraulic fracturing. North Yorkshire County Council is currently considering the application for planning permission.

9.3 Kirby Misperton 8 (KM8) is a vertical well that the company drilled in 2013. If planning permission is granted fracking will take place in the Bowland Shale which is a formation that stretches across a large area of Northern England and may prove to be a significant resource for shale gas. The operator’s plan is to carry out fracking at five different depths between 2,120m and 3,040m below ground. If the company finds it is economic to exploit the gas reserves, the permits we have issued will allow the company to produce gas from the KM8 well.

Engagement with local communities

9.4 We run a number of local community events to explain the regulation of oil and gas, particularly shale gas and answer questions on how we assess permit applications and monitor compliance. We do this alongside regulators from Health and Safety Executive, Oil and Gas Authority, local authorities and Public Health England. Our meeting in Driffield, Yorkshire was interrupted by protesters. We are reviewing procedures and training so these events can be managed safely.

Engagement with oil and gas operators

9.5 In December, the Oil and Gas Authority announced that 159 onshore blocks under the 14th Onshore Oil and Gas Licensing Round are being offered. Around 75% of the 159 blocks being offered relate to shale oil or gas. In February we held an event to introduce new licence holders and their service companies to the environmental and safety regulators of oil and gas. We discussed locating wells to comply with planning guidance and groundwater protection policy, how to apply for permits and how to manage sites safely. Participants welcomed access to regulators’ advice and our explanations of how we work together.

Infrastructure Act

9.6 The Infrastructure Act (section 50) entered into force on 6 April, together with the Protected Areas Regulations, defining those areas within which hydraulic fracturing is to be prohibited at depths above 1200m. Groundwater protected source areas are equivalent to the existing Source Protection Zone 1, aligning with our existing position. Other protected areas include National Parks, Areas of Outstanding Natural Beauty, the Broads and World Heritage Sites. The Secretary of State for Energy and Climate Change now has to be satisfied that conditions have been met before granting a new consent to allow fracking. We are working with DECC and Defra to clarify the
requirements for meeting the conditions which include baseline monitoring and disclosure of chemicals.

**Consultation on Onshore Oil & Gas Sector Guidance**

9.7 Our Onshore Oil and Gas Sector Guidance consultation closed in March. The guidance provides an overview of the role of the Environment Agency and the various permissions that industry may need from us to ensure that risks to the environment are properly managed and regulated. We are assessing the 43 formal responses made and the feedback from the consultation events we organised with industry, regulators, professional bodies and non-governmental organisations.

**Standard rules published**

9.8 We published Standard Rules for the testing of drill and core wells and the storage of small volumes of crude oil in February.

**10.0 Measuring progress in improving our waters**

10.1 The implementation of River Basin Management Plans will create a cleaner healthier environment that benefits people and the economy. Improving England’s waters will increase biodiversity, improve habitat and lead to greater enjoyment of the natural environment.

10.2 It is important that we track progress, implement improvement measures and ensure that investment is targeted to where the benefits are greatest. To do this we have developed a new corporate scorecard measure.

10.3 We will measure the kilometres of waters enhanced each year in England. The enhancements include investments in water bodies to improve chemical and/or physical quality - reducing pollution, improving flows or restoring habitats. It includes investments made by us and our partners; water companies, catchment partners, land managers and our own actions. It will cover investment to improve water quality or alleviate flow issues, physical improvements such as fish passes or habitat restoration or work to address land management impacts.

10.4 In doing so we can encourage others to make their contribution to delivering outcomes and continually improve our understanding of the effectiveness of different actions.

10.5 The national target for 2021 is to enhance 8,600km of the water environment. This was derived from the length of river that we have predicted will see an improvement in one or more elements by 2021. These improvements are based on measures we are highly confident about. We expect over 700km of river to be enhanced in the next 12 months.

10.6 Through our monitoring and assessment work we will check and review that investments are delivering the required improvements over time. We will use our WFD monitoring and classification to check these enhancements translate into real improvements and achieve progress towards Good Ecological Status.
11.0 Defra Fleet Services

11.1 In March 2016 we received consent from the Secretary of State to establish a Defra Fleet Service to be led by the Environment Agency. This will enable us to realise fully the benefits of a collaborative approach to fleet management for the Defra Fleet and to gain the most cost effective solutions to deliver the safest and greenest fleet that meets operational needs.

11.2 We already provide some Defra bodies with our services, this will be extended across other bodies as we move through the implementation phase. Following the 1 April 2016 launch, we will offer the following services:

a) Purchase, hire or lease of vehicles (cars, vans, heavy goods vehicles, 4x4s), plant (tractors, excavators etc) and boats
b) Service, maintenance and repair of all fleet assets
c) Disposal of all fleet assets
d) Provision of telematics to fleet assets
e) Support for all technical and environmental issues relating to fleet.

12.0 Open Data

12.1 In May 2015, the Secretary of State challenged Defra to release 8000 datasets as Open Data by 30 June 2016. The Environment Agency was asked to publish 1500 datasets towards the 8000.

12.2 As of 7 April, we have published 802 Open Data datasets. We expect to meet, and exceed, our target in April. Recently published major Open Data releases include Catchment Data Explorer (556 datasets), LIDAR Point Cloud data (2 datasets) and Flood Data (6 datasets). We have already seen evidence of our data being used externally, for example, the LIDAR data helping to find Roman roads and flood data being used in apps by the Red Cross.

12.3 In addition, business areas are beginning to publish their own day-to-day data. For example, Legal has published Environment Agency Prosecutions and Proceeds of Crime Act Orders, and Health, Safety and Wellbeing has published Employee Injury Incidents, Property Damage Incidents and Third Party Incidents.

12.4 Future planned major releases include our Water Quality Archive (816 datasets) and Site Level Classification Data (128 datasets). When we reach the 1500 target we will continue publishing to reach the stretch goal of 1800 datasets.

James Bevan
Chief Executive

May 2016
Finance Report – Year ended 31 March 2016

Draft Final Position

Revenue and capital GIA expenditure

The draft financial position as at the end of March is reported below. This reports an actual expenditure that is close to the GIA budget. We have shown the positions against the budget and frozen forecast positions for reference but the key table is the summary against GIA budgets.

The capital position is that we have fully spent on our available GIA budget of £423m. Revenue spend is within £2m of budget.

Overall, we were within 0.3% of our total GIA budget which is an excellent achievement. We are finalising year end accounting adjustments and there is likely to be up to £2m of expenditure arising on charge balance adjustments for bad debts and unrecoverable deficits on some schemes.

Audit

The NAO has commenced its audit of our financial statements. The draft annual report will be provided separately for Board review. The NAO is considering whether there is a need to reconsider the valuation of the liability we have in our financial statements for the perpetual fixed payments we make as part of reservoir operating agreements with two water companies. Our understanding is that there is a low likelihood of a requirement to change the valuation.

Revenue Full Year Actual Position

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<td>Reclassification</td>
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<td>Addition to scheme balances</td>
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<td>Overall Overspend / (Underspend)</td>
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Capital Full Year Actual Position

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Bob Branson
Director of Corporate Finance

May 2016
FOR NOTING

Recommendations

The Environment Agency Board is asked to:

1. note the findings of the review of our response to the floods of winter 2015/2016
2. note the focus on improving the identified priorities of logistics and resilience

1.0 Introduction

1.1 Over 18,900 homes and businesses were flooded in the north of England during December 2015 and January 2016 following record breaking rainfall.

1.2 Recovery work is underway and the Environment Agency is on-track to repair all damaged flood defences by the end of September 2016.

1.3 This paper presents the findings of a review of the operational response of the Environment Agency during the floods. The learning is being used to inform preparations for winter 2016/2017.

2.0 Context

2.1 A number of reviews into the severe floods in Cumbria, West Yorkshire, Lancashire, Greater Manchester and North Yorkshire are underway. Overall the multi-agency response to the floods has been considered to be effective.

2.2 The Government’s “National Flood Resilience Review” is due to report in July 2016. It is modelling extreme weather and stress testing the country’s resilience to floods, assessing the resilience of critical local infrastructure and benefits of deploying temporary defences to protect it, and comparing flood protection in London with the eight core cities in England. The report will incorporate recommendations from the review of national flood response arrangements undertaken by Brigadier Matt Holmes for Defra Ministers.

2.3 Environment Agency Board members, the Chief Executive and staff have attended formal sessions and site visits in support of the Environment, Food and Rural Affairs Committee’s “Future flood protection” inquiry and the Environmental Audit Committee’s “Flooding co-operation across government” inquiry.
2.4 Lead Local Flood Authorities are preparing Section 19 reports which investigate the flooding at specific locations.

2.5 Local Resilience Forums (which include the emergency services, local authorities and Environment Agency) are identifying lessons to improve future response. These reviews will help us prioritise our work on flood response plans, highlight the need for joint training and exercising and identify locations where greater community engagement will be most beneficial.

3.0 Review of our operational response to the floods

3.1 It is normal practice for us to review how we respond to a major incident so we can identify what went well and what can be improved in the future. The value of this approach is illustrated by our learning from the winter 2013/2014 floods to make greater use of temporary flood barriers to reduce the impact of floods. Our investment in new equipment and operational plans during 2014/2015 allowed us to protect more communities and infrastructure from the flooding.

3.2 The review of our operational response has been led by our Kent and South London Area Manager.

3.3 We used a peer review process to gather facts from over 100 meetings and site visits. The review identified good practice as well as areas for improvement.

3.4 The recommendations were consolidated into five learning themes from which two priorities have been identified. It is these priorities where a step-change in our response will provide most benefit to those at risk in future major floods:

- **Logistics**
  - We will invest in better systems so moving people and equipment across the country is easier and more efficient
  - We will ensure all Areas have trained incident logistics teams

- **Resilience**
  - We will prepare plans for extreme events which exceed the design standards of defences to inform the incident response
  - We will continue to find ways to help more communities better prepare themselves for floods.

3.5 The review findings are already shaping our incident improvement work and winter 2016/2017 readiness plans.

4.0 Conclusion and Recommendations

4.1 We have completed a review of our operational response to the winter 2015/2016 floods. Many aspects of our contribution to the multi-agency response were effective and demonstrated the value of our ongoing effort to prepare and train for emergencies. Our response also showed we have learned lessons from the winter 2013/2014 floods. However, we have also identified priority areas for improvement.
4.2 The Board is asked to note the findings of the review and the focus on improving the identified priorities of logistics and resilience.

Craig Woolhouse  
Acting Director Incident Management and Resilience

Andrew Pearce  
Area Manager, Kent and South London

May 2016
Open Board meeting  
Meeting date: 17 May 2016  
Item no. 8.1

Appendix 1: List of proposed designation changes

Paper By: Executive Director FCRM

Subject: Changes to the Main River Map

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<td>Recommendations</td>
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The Environment Agency Board is asked to:

1. Change the Main River map by making the determinations set out in Appendix 1 (1 to 13).

1.0 Background

1.1 Watercourses in England can be designated as ‘Main River’; watercourses not designated as Main River are referred to as ‘ordinary watercourses’. Main Rivers are marked on a statutory electronic map maintained by the Environment Agency (‘the Main River map’).

1.2 The Environment Agency has powers in respect of flood risk management on Main Rivers while the flood risk management powers for ordinary watercourses fall to the Lead Local Flood Authority (LLFA), District Councils or Internal Drainage Boards (IDB).

1.3 Decisions on river designation changes were previously made by Defra Ministers. In October 2014, this role transferred to the Environment Agency Board as a result of implementation of the Water Act 2014.

1.4 Designation changes are required for a range of reasons, including building and maintaining flood alleviation schemes. Changing designations of the river network will be a routine activity for the Environment Agency in the future.

1.5 There is a statutory duty to consult on changes to the Main River map. We have consulted relevant communities and partners on the low risk designation changes proposed here, to ensure there are no outstanding issues associated with the changes. The absence of a response to the consultation does not prevent us from making the change.

2.0 FCRM Committee feedback

2.1 The FCRM Committee discussed this topic on 12 April 2016 and recommended the changes to the Main River map.

2.2 There is a statutory duty to consult on changes to the Main River map. We have consulted relevant communities and partners on the low risk designation
changes proposed here, to ensure there are no outstanding issues associated with the changes.

3.0 For approval: Designation changes

3.1 The 13 designation changes are set out in Appendix 1. For each change to the map, the determination is set out in the ‘Text of formal determination’ box. The determinations refer to ‘the Main River consultation map’ and the relevant part of the Main River consultation map is set out immediately below the ‘text of formal determination’ box. Deletions are shown on the map in red and additions in green.

3.2 The changes proposed here include 0.6km of additional Main River where the Environment Agency will have powers to act and 15km of the Main River network being removed and powers passed to a local partner.

3.3 The existing Main River network comprises 36,403km of watercourse. The designation changes proposed here will reduce the Main River network by 0.04 percent. More details on the proposed designation changes are included in Appendix 1.

3.4 These 13 proposed designation changes are low risk amendments that relate to updating the designation status to reflect actual management and maintenance arrangements.

4.0 Recommendation

4.1 The Environment Agency Board is asked to:

1. Change the Main River map by making the determinations set out in Appendix 1 (1 to 13).

John Curtin
Executive Director Flood and Coastal Risk Management

May 2016
Appendix 1: List of proposals - Designation changes

<table>
<thead>
<tr>
<th>No</th>
<th>Main River</th>
<th>Area</th>
<th>Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>River Rother, Sheffield</td>
<td>Yorkshire</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>2</td>
<td>The Skell, Skellow</td>
<td>Yorkshire</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>3</td>
<td>Cabborns Farm Ditch, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>4</td>
<td>Curry Marsh Sewer, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>5</td>
<td>Lathol Flood Sewer, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>6</td>
<td>St Clares Sewer, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>7</td>
<td>Stanford Boundary Drain, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>8</td>
<td>Tributary of Benfleet Brook, Essex</td>
<td>Essex Norfolk and Suffolk</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>9</td>
<td>Pyl Brook (Main)</td>
<td>Kent and South London</td>
<td>Addition (Green)</td>
</tr>
<tr>
<td>10</td>
<td>Balcombe Road Ditch</td>
<td>Kent and South London</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>11</td>
<td>River Darent</td>
<td>Kent and South London</td>
<td>Addition (Green)</td>
</tr>
<tr>
<td>12</td>
<td>Poynes Road Ditch</td>
<td>Kent and South London</td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td>13</td>
<td>Lee Street Ditch</td>
<td>Kent and South London</td>
<td>Deletion (Red)</td>
</tr>
</tbody>
</table>

The following links to an example of the consultation documentation.

<table>
<thead>
<tr>
<th>No</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main River</strong></td>
<td>River Rother, Sheffield</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Yorkshire</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>Few benefits in retaining as Main River and any flood risk posed would be better managed by the Lead Local Flood Authority.</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>No representations received.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The River Rother between national grid reference (NGR) SK 44556 84163 and NGR SK 43632 85233, which is shown as a 'deletion' on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
</tr>
<tr>
<td>-----</td>
<td>---</td>
</tr>
<tr>
<td>Main River</td>
<td>The Skell, Skellow</td>
</tr>
<tr>
<td>Area</td>
<td>Yorkshire</td>
</tr>
<tr>
<td>Proposal</td>
<td>Deletion</td>
</tr>
<tr>
<td>Reason</td>
<td>Low likelihood of flooding to people and property.</td>
</tr>
<tr>
<td>Consultation response</td>
<td>No representations received.</td>
</tr>
<tr>
<td>Text of formal determination</td>
<td>The Skell between national grid reference (NGR) SE 52964 11095 and NGR SE 47240 12974, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
</tbody>
</table>
Ref: OB/1605-8.1

<table>
<thead>
<tr>
<th>No</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main River</td>
<td>Cabborns Farm Ditch, Essex</td>
</tr>
<tr>
<td>Area</td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td>Proposal</td>
<td>Deletion</td>
</tr>
<tr>
<td>Reason</td>
<td>Becomes part of London Gateway Port’s surface water system</td>
</tr>
<tr>
<td>Consultation response</td>
<td>After full negotiation with the Port the proposed deletion has been agreed.</td>
</tr>
<tr>
<td>Text of formal determination</td>
<td>The Cabborns Farm Ditch between national grid reference TQ 69657 80897 and TQ 69457 81560, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as a main river.</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
</tr>
<tr>
<td>-----</td>
<td>---</td>
</tr>
<tr>
<td><strong>Main River</strong></td>
<td>Curry Marsh Sewer, Essex</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>Becomes part of London Gateway Port’s surface water system</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>After full negotiation with the Port the proposed deletion has been agreed.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The Curry Marsh Sewer between national grid reference TQ 7222381390 and TQ 7220781444, which is shown as a 'deletion' on the main river consultation map, is no longer to be treated as a main river.</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
</tr>
<tr>
<td>-----</td>
<td>---</td>
</tr>
<tr>
<td>Main River</td>
<td>Lathol Flood Sewer, Essex</td>
</tr>
<tr>
<td>Area</td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td>Proposal</td>
<td>Deletion</td>
</tr>
<tr>
<td>Reason</td>
<td>Becomes part of London Gateway Port’s surface water system</td>
</tr>
<tr>
<td>Consultation response</td>
<td>After full negotiation with the Port the proposed deletion has been agreed.</td>
</tr>
<tr>
<td>Text of formal determination</td>
<td>The Lathol Flood Sewer between national grid reference (NGR) TQ 73631 81790 and NGR TQ 73652 81625, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as a main river.</td>
</tr>
<tr>
<td>No</td>
<td>6</td>
</tr>
<tr>
<td>-----</td>
<td>---</td>
</tr>
<tr>
<td>Main River</td>
<td>St Clares Sewer, Essex</td>
</tr>
<tr>
<td>Area</td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td>Proposal</td>
<td>Deletion</td>
</tr>
<tr>
<td>Reason</td>
<td>Flood risk management works have altered drainage routes. The map change reflects this.</td>
</tr>
<tr>
<td>Consultation response</td>
<td>Agreed with Thurrock Unitary Authority and local landowners.</td>
</tr>
<tr>
<td>Text of formal determination</td>
<td>St Clares Sewer between national grid reference (NGR) TQ6903177848 and NGR TQ6977977696, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as a main river.</td>
</tr>
</tbody>
</table>
Ref: OB/1605-8.1

<table>
<thead>
<tr>
<th>No</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main River</td>
<td>Stanford Boundary Drain, Essex</td>
</tr>
<tr>
<td>Area</td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td>Proposal</td>
<td>Deletion</td>
</tr>
<tr>
<td>Reason</td>
<td>Low likelihood of flooding to people and property</td>
</tr>
</tbody>
</table>

**Consultation response**
The demaining and future responsibilities have been fully approved by all interested landowners including Natural England and London Gateway Port. London Gateway Port has bought the majority of the land where the river flows close to the Port and has agreed to maintain the length as part of their land.

**Text of formal determination**
The Stanford Boundary Drain between national grid reference (NGR) TQ 70623 81690 and NGR TQ 72424 83089, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as a main river.
<table>
<thead>
<tr>
<th>No</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main River</strong></td>
<td>Tributary of Benfleet Brook, Essex</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Essex Norfolk and Suffolk</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>Short stretch with predominantly local flood risks and no wider strategic benefits to retaining as main river.</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>Essex County Council and Castle Point Borough Council were consulted but made no response. Support received from local residents and landowners following letter drop consultation.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The tributary of Benfleet Brook between national grid reference (NGR) TQ7830086155 and NGR TQ7809186125, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
</tbody>
</table>
Main River  | Pyl Brook  
---|---
Area  | Kent and South London  
Proposal  | Addition (Green)  
Reason  | Formalising an existing agreement between us and the London Borough of Sutton where we already carry out the maintenance of the area.  
Consultation response  | No objections have been received during the consultation period.  
Text of formal determination  | The Pyl Brook (Main) between national grid reference (NGR) TQ 25309 65231 and TQ 25212 65377, which is shown as an addition on the main river consultation map, is to be treated as part of a main river.
<table>
<thead>
<tr>
<th>No</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main River</strong></td>
<td>Balcombe Road Ditch</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Kent and South London</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>The watercourse acts on its own, or in combination with others in the vicinity, as part of a network to manage surface water or local flood risk, but makes a limited contribution to catchment scale flood risk management.</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>Both Reigate &amp; Banstead District Council and Surrey County Council agreed to the demaining. No objections have been received during the consultation period.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The Balcombe Road Ditch between national grid reference (NGR) TQ 28744 43390 and NGR TQ 28662 44051, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
<tr>
<td>No</td>
<td>11</td>
</tr>
<tr>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Main River</td>
<td>River Darent</td>
</tr>
<tr>
<td>Area</td>
<td>Kent and South London</td>
</tr>
<tr>
<td>Proposal</td>
<td>Addition (Green)</td>
</tr>
<tr>
<td>Reason</td>
<td>The watercourse is a flood relief channel built by the Environment Agency after the 2002/03 floods to help manage flows on existing main river. Enmaining this section will ensure it is managed by the most appropriate authority.</td>
</tr>
<tr>
<td>Consultation response</td>
<td>No comments or objections have been received during the consultation period.</td>
</tr>
<tr>
<td>Text of formal determination</td>
<td>The watercourses between the following national grid references (NGR), which are shown as additions on the main river consultation map, are to be treated as part of a main river:</td>
</tr>
</tbody>
</table>
  - NGR TQ 44009 53582 and NGR TQ 44034 53651 and
  - NGR TQ 44009 53582 and NGR TQ 44302 53691. |
<table>
<thead>
<tr>
<th>No</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main River</strong></td>
<td>Poynes Road Ditch</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Kent and South London</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>The watercourse acts on its own, or in combination with others in the vicinity, as part of a network to manage surface water or local flood risk, but makes a limited contribution to catchment scale flood risk management.</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>Both Reigate &amp; Banstead District Council and Surrey County Council agreed to the demaining. No objections have been received during the consultation period.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The Poynes Road Ditch between national grid reference (NGR) TQ 27652 44584 and NGR TQ 27858 44932, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
<tr>
<td>No</td>
<td>13</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>Main River</strong></td>
<td>Lee Street Ditch</td>
</tr>
<tr>
<td><strong>Area</strong></td>
<td>Kent and South London</td>
</tr>
<tr>
<td><strong>Proposal</strong></td>
<td>Deletion (Red)</td>
</tr>
<tr>
<td><strong>Reason</strong></td>
<td>The watercourse acts on its own, or in combination with others in the vicinity, as part of a network to manage surface water or local flood risk, but makes a limited contribution to catchment scale flood risk management.</td>
</tr>
<tr>
<td><strong>Consultation response</strong></td>
<td>Both Reigate &amp; Banstead District Council and Surrey County Council agreed to the demaining. No objections have been received during the consultation period.</td>
</tr>
<tr>
<td><strong>Text of formal determination</strong></td>
<td>The Lee Street Ditch between national grid reference (NGR) TQ 27627 43811 and NGR TQ 27510 43716, which is shown as a ‘deletion’ on the main river consultation map, is no longer to be treated as part of a main river.</td>
</tr>
</tbody>
</table>
Open Board meeting  
Meeting date: 17 May 2016  
Item no. 8.2

Appendix 1: Change to Section L2
Appendix 2: Change to Section J2
Appendix 3: Changes to Sections C, E, G and L
Appendix 4: Changes to Sections C and E
Appendix 5: Original Change Request – Section A
Appendix 6: New change request – Section A

Paper by: Director of Corporate Finance

Subject: Financial Scheme of Delegation

FOR APPROVAL
Recommendations

The Board is asked to:

1. Approve the items in section 1.0
2. Note the items in section 2.0
3. Review the item in section 3.0

Section Contents

1.0 Approval

1.1 Change to Section L2 of the FSoD further to Defra request..........................2
1.2 Change to Section A.5.1 of the FSoD further to Defra request. ......................3

2.0 Noted items

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2.2 Changes to Sections C, E, G and L to remove reference to SSCL powers.... 5
2.3 Changes to Sections C8A, CAB and E8..................................................5
2.4 Changes to Section A5.1 further to Permanent Secretary request.................6
2.5 Emergency Form C (Section P1) re. Foss Barrier F/1516/1280......................7
2.6 Approval of Form G1 Lincshore F/1516/1283..........................................9
2.7 Approval to implement the changes to Charging for permitting for flood risk activities ..........................................................11

3.0 Reported item

3.1 Operations Field Staff contract over £250k – South Suffolk F/1516/1457 ......14
1.0 For approval

1.1 Approval for changes to Section L2 of the FSoD further to Defra request

The Board is asked to reduce our delegated limit in Section L2 Special Payments so that we are in line with the Defra Group.

Sponsoring Director: Bob Branson

Section L2 of the FSoD refers to 'Making of Special Payments in accordance with Agency policy and subject to prior authorisation of Defra for payments over £25k'

Approval Route: Environment Agency Board
Bob Branson – Executive Director of Finance
(delegate)
Pat Bolster – Financial Controller

1.1.1 Context

Further to a request from Defra we request Board approval to reduce our present delegation of £25k to £5k so that we are in line with the other Defra bodies.

1.1.2 Recommendation

- That the Executive Director of Finance approves Special Payments under £5k with consultation from the National Director or Area Manager.
- That Special Payments between £5k and £25k are initially approved by the Executive Director of Finance in consultation with the National Director or Area Manager, then the Chief Executive, the Board and then Defra.
- That Special Payments over £25k are initially approved by the Executive Director of Finance in consultation with the National Director or Area Manager, then the Chief Executive, the Board, then Defra and HM Treasury.

1.1.3 Action Required

The Board is requested to approve this change to section L.2 of the FSoD as shown in track changes in Appendix 1.
1.2 Approval for changes to Section A.5.1 of the FSOD further to Secretary of State (via Defra) request

The Board is asked to amend our approval process for advisory consultancy over £50k so that we are in line with the Defra Group.

Sponsoring Director: Bob Branson

Section A.5.1 of the FSOD refers to ‘approval for consultancy spend – Advisory/Non-advisory (excludes consultancy for FCRM capital projects and Legal Counsel)’

Approval Route: Environment Agency Board
Bob Branson – Executive Director of Finance (delegate)
Pat Bolster – Financial Controller

1.2.1 Context

Section 2.4 of this paper provides detail of changes proposed to Section A.5.1 requested by Defra and approved under Standing Order 4.1. However, subsequent changes have been communicated by Defra. We therefore request Board approval to amend our approval process for advisory consultancy over £50k so that we are in line with the other Defra bodies. The Secretary of State has asked to be included in the last section of approvals.

1.2.2 Recommendation

- That advisory consultancy spend for a period of more than 6 months will require Cabinet Office approval.
- That advisory consultancy spend over £50k and for a period of less than 9 months requires, in addition to the approvals stated in 2.4.1, approval from Defra Head of Procurement then Defra Director (National Corporate Services).
- That advisory consultancy spend over £50k and for a period of more than 9 months requires, in addition to the approvals stated in 2.4.1, approval from the Defra HR Director, then Defra Finance Director, then Defra Director (National Corporate Services), then the Permanent Secretary, then the Minister for Departmental Affairs (Parliamentary Under Secretary of State for Environment, Food and Rural Affairs), then the Secretary of State.

1.2.3 Action Required

The Board is requested to approve this change to section A.5.1 of the FSOD as shown below (Appendix 6). The present version of the FSOD is offered in comparison to the required version in Appendix 5.
2.0 Noted items

2.1 Head Office: Financial Scheme of Delegation (FSoD) – changes to delegated limits within Section J.2 Insurances

Sponsoring Director: Bob Branson

Section J.2 of the FSoD refers to ‘Authorising settlements on claims against the Agency’s motor insurance arrangements’.

Approval Route: Chair 19/01/2016
Chief Executive 18/01/2016
Executive Director of Finance (delegate) 18/01/2016

2.1.1 Context

A change to Section J.2 Insurances of the Financial Scheme of Delegation (FSoD) was made because a higher insurer delegated authority of £25k has been agreed, subject to agreed non-delegated exceptions listed below:

- Where there are three or more claimants;
- Alleged/suspected induced incidents;
- Any case where fraud is suspected, either by exaggeration of claim for financial gain or otherwise;
- Pedestrian incidents;
- Cyclist/motorcyclist incidents;
- Any incident where defect in our vehicle is suspected or alleged;
- Any incident where there may be reputational impact for the Environment Agency;
- Any incident involving a fatality; and
- Any litigated disputed liability/quantum case or case within the above exceptions likely to proceed to a court hearing.

This is because it is not practical for all matters within the exceptions to be referred to the Fleet Contract Manager (FCM) and the Fleet Client Officer (FCO) has sufficient direct claims handling experience to make the appropriate commercial decisions relating to liability and quantum in both pre-litigated and litigated matters. The decision making process is time sensitive due to pre and post action protocols.

The Fleet Contract Manager, Strategic Fleet Manager (SFM) and Head of Fleet Operations (HFO) will be made aware of all high value claims.

Matters relating to suspected fraud will continue to be referred to Directors through FSoD in line with already agreed process.

The Fleet Client Officer will refer matters which may be delicate or where additional agreement is deemed necessary to the FCO, HFO, SFM as appropriate.

2.1.2 Recommendation

This change to the FSoD is detailed in Appendix 2 in track changes. It was approved under Sub Delegation 19/1/2016 and is now for noting by the Environment Agency Board.
2.2 Head Office/Area: removal of the financial powers assigned to SSCL (third party supplier) in the Financial Scheme of Delegation (FSoD)

Sponsoring Director:  Bob Branson

Approval Route:  Chair  28/01/2016
                Chief Executive  28/01/2016
                Executive Director of Finance (delegate)  26/01/2016

2.2.1 Introduction

Approval was sought to remove all delegations within the FSoD to SSCL employees which suggest that they may take financial decisions in addition to or in place of Environment Agency officers and employees, as only Environment Agency officers and employees can take these decisions under the FSoD.

2.2.2 Recommendation

These changes were approved under Standing Order 4.1 of the Board’s Standing Orders on 28/1/2016 as set out in Appendix 3 below.

2.3 Head Office/Area: Amendment to sections C.8A and C.8B Approval to Spend and section E.8 Income

Sponsoring Director:  Bob Branson

Approval Route:  Chair  17/02/2016
                Chief Executive  17/02/2016
                Deputy Chief Executive  17/02/2016
                Executive Director of Finance (delegate)  1/02/2016

2.3.1 Details of request for change and justification

Further to a request for clarity, we have changed the following sections of the FSoD so that they apply to the business as a whole and not just Flood and Coastal Risk Management (FCRM). Functions other than FCRM work on Partnership projects and were using sections C.8A and C.8B of the FSoD for approval to spend despite the fact that they were specifically worded for FCRM. We changed the wording so that the whole of the organisation can use these sections to arrange appropriate approval under FSoD.

We also removed the listed approvers under section E.8 on partnership funding income because they are inconsistent with the requirement to have this partnership income approved under sections A.1, A.2 and A.3 as appropriate.

2.3.2 Recommendation

These changes were approved under Standing Order 4.1 of the Board’s Standing Orders on 17/2/2016 as set out in Appendix 4 below.
2.4  **Head Office/Area: Amendment to Section A 5.1 Approval for consultancy spend**

**Sponsoring Director:** Bob Branson

**Approval Route:**

- Chair: 22/02/2016
- Chief Executive: 17/02/2016
- Deputy Chief Executive: 17/02/2016
- Executive Director of Finance (delegate): 17/02/2016

2.4.1  **Details of request for change and justification**

We have been requested by the Defra Permanent Secretary to amend our delegated limits for approving advisory consultancy spend.

These changes affect Section A5.1 of the FSOD, which is **Approval for consultancy spend – advisory/non-advisory (excludes consultancy for FCRM capital spend projects and Legal Counsel).**

The Permanent Secretary is required to approve all consultancy expenditure where the value exceeds £20k, regardless of contract length. To expedite approval, and to reduce the administrative burden, this has been delegated accordingly to the following people:

- Advisory Consultancy contracts up to £50k where they do not exceed nine months in total length will require the approval of the relevant Executive Director and Chief Executive of the Environment Agency, cc’d to Defra’s Network Procurement in Network Corporate Services (NCS).
- Advisory Consultancy contracts over £50k where they do not exceed nine months in total length will require the approval of the relevant Executive Director and Chief Executive of the Environment Agency, the Director General Chief Operating Officer of Defra and the Defra Director of Commercial, Estates and Knowledge, cc’d to Defra’s Network Procurement in Network Corporate Services (NCS).
- Advisory Consultancy contracts that do exceed nine months in total length will require approval from the relevant Executive Director and Chief Executive of the Environment Agency, the Defra Director of Commercial, Estates and Knowledge, the Defra Director of HR, the Defra CFO and the Minister for the Cabinet Office.

2.4.2  **Recommendation**

These changes were approved under Standing Order 4.1 of the Board’s Standing Orders on 22/2/2016 as set out in Appendix 5 below. However, as referred to in Section 1.3 of this paper, further amendments have been made and are detailed in Appendix 6.
2.5 National: Operational Services FCRM Form C (under P1). Ref: F/1516/1280 Foss Barrier Recovery Project £12m

All such instances over £250k are brought to the attention of the next meeting of the Board and to the attention of Defra as soon as possible after the event. Retrospective authorisation of emergency expenditure incurred on a single tender action basis as per limits in Section C5.

Sponsoring Director: Phil Younge (delegate)

Approval Route: 
- Defra Paul Murby 15/02/2016
- Chief Executive 12/02/2016
- Deputy Chief Executive 16/02/2016
- Executive Director of Operations 11/02/2016
- Executive Director of Finance (delegate) 19/02/2016
- Deputy Director of Procurement 31/03/2016

2.5.1 Summary

The pumping station at the Foss Barrier was flooded on 26 December 2015 and suffered substantial damage as a result. If the pumping station and barrier are not operational then there is an increased risk of flooding to 1,857 properties. We have undertaken some initial emergency works to restore temporary pumping capacity and reinstate controls for the pumping station. The current temporary arrangements could not be relied upon through another winter season and would pose an unacceptable risk of repeat flooding.

2.5.2 Objectives

It is not possible to develop a full project scope, run a competitive tender exercise, evaluate the returns, appoint a contractor and procure and install the required replacement pumping equipment before next winter’s flood season. Other approaches have been considered involving advance purchase of the pumps and shortened procurement exercises but these do not enable the works to the pumps to be installed before next winter.

2.5.3 Key Benefits

It is therefore proposed to treat the necessary further work to restore pumping capacity with required resilience as emergency works. We would procure the necessary works by directly awarding the contract to WEM Framework Contractor JBA Bentley. This approach has the following advantages:

- Early commencement of the works and installation of the new pumps before next winter.
- The use of a contractor with knowledge of the site obtained through the implementation of the emergency measures implemented to date.
- Opportunity to off hire the temporary pumping equipment earlier and to curtail ongoing costs.
- Demonstrable progress on the delivery of the necessary works to restore these critical flood defence assets and ensure they are maintained.
2.5.4 Conclusion

The proposed contract is for the restoration of the pumping station and refurbishment of the barrier to improve resilience. This will include procuring and moving all of the required electrical equipment, including starters, switchgear, distribution panels and HV supply to a series of new rooms constructed on the roof of the existing pumping station, above the high water level. Eight new pumps will also be installed to maximise the available capacity of the pumping station. In addition to moving the mains supply up a floor we will also procure new, larger generators to provide adequate back up power should the mains power fail.

In addition to the creation of a second floor on the building, the building will also need to be strengthened to cope with the additional loads on the roof and the capacity of the culvert increased. This will allow for a more efficient discharge of the water and allow for the option of discharging a greater capacity if needed in the future.

There will also be some minor refurbishment works carried out to the existing gate including a re-paint, installation of a hydraulic lifting system, and replacement of the bearing and drive machinery.

Whilst all of the above works are being carried out there is need to continue to operate the pumping station at its existing capacity. This is to be achieved by constructing a platform, out of the flood zone, to house the temporary pump arrangements on it, along with associated electrics and generators. This arrangement will remain in place until the scheme is completed. These proposed works will return the pumping station to full operation with increased resilience.

2.5.5 Recommendation

Approval was sought to direct award these emergency works to restore resilient operational capability at the Foss Barrier and Pumping Station to JBA Bentley.

This Form C (P1) for Foss Barrier Recovery Project was approved under Section C5 of the FSod on 31/03/2016 and is now for noting by the Environment Agency Board.
2.6 Area/ncmps: Business Case Update Report (Form G) for Lincshore 2010-2015 (F/1516/1283) £14m

Sponsoring Director: David Dangerfield, Director FCRM National Services

Approval Route:
- Chair: 23/03/2016
- Chief Executive: 19/03/2016
- Executive Director of Operations: 9/03/2016
- Executive Director of Finance (delegate): 3/03/2016
- Deputy Director of Procurement: 16/03/2016

Under Section C.6 of the Financial Scheme of Delegation Board approval is required for supplementary expenditure for FCRM authorised projects over £5m.

2.6.1 Introduction and background

The Environment Agency has delivered annual beach nourishment campaigns on the Lincshore frontage since 1997. These campaigns have been undertaken under various framework arrangements with several contractors to sustain the beach and standard of protection (0.5% annual exceedance probability (AEP)). The works are required to manage the flood risk to 20,000 residential, 1,700 commercial/industrial properties (and some 30,000 static caravans), 35,000ha of prime agricultural land and various environmental assets (e.g. Sea Bank Clay Pits SSSI), as well as reducing the potential risk to life and considerable distress/disruption to the community from flooding.

The requirement for the Form G is as a result of a management decision to change scope. This allows time to negotiate with partners on the preferred future for the frontage and agree a mechanism for attracting the associated funding.

2.6.2 Cost and scope changes

The project has successfully delivered 6 years of nourishment against a planned 5 years under the existing approval. This Form G requests approval for additional expenditure to enable a further two nourishment campaigns. These campaigns will assist in managing the flood risk along the Lincolnshire coastline whilst the Saltfleet to Gibraltar Point Strategy (SGP) and subsequent works are progressed and approved.

The Environmental Statement (ES) for the next five years has been prepared, based upon a continuation of the annual beach nourishment as per the current management regime. This approach aligns with the preferred option in the draft SGP strategy as the proposed short term direction of management of the coastline. Initial consultation has gained support from the key stakeholders for continuation of nourishment for the next 5 years. The project team has resolved some issues with Natural England so we are now in a position to finalise the ES that will support the Marine Licence application.
2.6.3 Risks

The main outstanding risks relate to the management of flood risk along this frontage in the absence of a mechanism to maintain the Standard of Protection (SoP) along this frontage in the period until works arising from the Strategy are delivered. It is these risks that this Form G is seeking to manage.

2.6.4 Financial Summary

From 2010 to 2014, the works at Lincshore were tendered and delivered under the National Contractor’s Framework (NCF2) procured with the successful contractor Birse Civils for 5 campaigns. Birse brought in a specialist subcontractor (Dredging International) as a partner to successfully deliver these works. With the creation of the Water and Environmental Management Framework (WEM) the contract was retendered and Team Van Oord (TVO) was the successful contractor and appointed Principal Contractor. TVO were initially awarded the 2015 campaign with the potential to extend for a further 2 years subject to approvals, the need and their performance. As the works have and are being procured under the national frameworks, we have not and will not exceed any Official Journal of the European Union (OJEU) limits in delivering these works.

The procurement strategy for the two additional campaigns as presented within the Form G has been discussed and approved by procurement and commercial teams. The works fit into the national frameworks under OJEU rules and this scheme does not need to revise or issue an individual notice. The TVO contract has offered the Environment Agency the best value commercial offer under the WEM framework.

2.6.5 Recommendation

This Business Case Update Report (Form G) for Lincshore was approved under Standing Order 4.1 on 23 March 2016 and is now for noting by the Environment Agency Board.
2.7 Head Office: Approval to implement the changes to Charging for permitting for flood risk activities

Memo Route: Date:
Chair Emma Howard Boyd 19/04/2016
Deputy Chief Executive David Rooke 14/04/2016
Executive Director of Finance (delegate) Bob Branson 11/04/2016
Director of Business Finance Phil Winrow 11/04/2016

2.7.1 Introduction

The Flood Defence Consent regime and its associated £50 charge have been in place since 1991. This does not cover our costs and we currently subsidise the work from Grant in Aid (GIA).

Regulation of flood risk activities was incorporated into Environmental Permitting Regulations (EPR) on 6 April 2016. As part of this, we are revising our regulatory regime and the associated charges.

EPR introduces exclusions and exemptions from regulation for which there will be no charge. This submission seeks approval of the charges (set out below) for permits, which will be set as part of the Environmental Permitting Regulations charging scheme.

The charges were approved by the FCRM Board Committee prior to public consultation; there has been one change in response to consultation feedback.

We are seeking the approval of the government to implement the new charges. In the interim, the existing charge of £50 is applying as it did under flood defence consenting.

2.7.2 Flood risk activity charges for 2016/17

- Application charge of £170 for one flood risk activity (standard rule or bespoke);
- Additional charge of £40 for each subsequent activity on the same application (standard rule or bespoke); and
- Subsistence charge of £70 for compliance work on all types of permits.

In response to consultation feedback, permits for works of repair or recovery relating to damage caused by storms “Desmond” or “Eva” will be exempted from the above charges. Applications will need to be made within 12 months of the last day on which the damage occurred. Defra strongly support this and have asked for this mechanism to be possible for future storms of similar scale and impact, subject to agreement at the time.

The above charges will apply for all other applications and compliance work during 2016/17. The charges cover the cost of providing the regulatory service to determine a standard rule permit application and the compliance of permits for the lowest risk activities, both being the minimum service that every customer will receive. The total annual income is estimated at £860k.
These charges improve cost recovery compared with the existing charge, bringing charging for flood risk activities more in line with HMT guidance and the majority of our regulatory regimes.

2.7.3 Consultation

We consulted on the charging proposals between 15 January and 14 February 2016. We received 104 responses to the consultation. The best represented sectors were the environment/NGO sector and local government. Flood and coastal erosion risk management and land management partnerships were represented, as were land and environment managers. 7 responses came from RFCCs.

Support for the application and compliance charge proposals was mixed (as shown in the below table), with about equal proportions of responses for and against. We recognise that any rise in charges will not be popular with all. However, government policy on charging to recover the costs of regulatory services is clear and we have worked with Defra and HM Treasury to develop these charges. Therefore, we are recommending proceeding with the proposed charges. Our rationale for continuing with the proposals is that we will achieve full cost recovery for Standard Rules applications and low risk permit compliance and it increases cost recovery for other permits. We will also use the feedback from this consultation, where applicable, to inform future charge proposals.

<table>
<thead>
<tr>
<th>Consultation</th>
<th>In favour %</th>
<th>Against %</th>
<th>Didn't know / didn't answer %</th>
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<tbody>
<tr>
<td>Application Charge</td>
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<td>37</td>
<td>25</td>
</tr>
<tr>
<td>Compliance Charge</td>
<td>34</td>
<td>35</td>
<td>31</td>
</tr>
<tr>
<td>Flat charge for application</td>
<td>29</td>
<td>49</td>
<td>22</td>
</tr>
<tr>
<td>Flat charge for compliance</td>
<td>23</td>
<td>47</td>
<td>30</td>
</tr>
</tbody>
</table>

The proposed approach of “flat charges” for applications and compliance for all types of permit was less popular. For example, due to concerns of unfairness because some charge payers will not pay the full cost of their regulation. We agree, and our intention is move to a tiered charging structure reflecting the cost of our risk-based approach to this regulation and to fully recover our costs.

There was feedback that charges should be reduced or waived altogether for various groups, sectors or situations. The main groups nominated for this were charities, not for profit organisations and those carrying out flood repair or works for wider environmental benefit. In response to this feedback, we proposed the exemption from charging for permits relating to recovery or repair of severe storms damage, because the link to storm damage is a particular case for this regulatory regime. Although there are many deserving causes for waiving charges, these cases do not cost any less to determine or compliance check. Therefore, in line with HMT Managing Public Money rules, and recognising that low risk activities (30%) will be exempt, the charges as consulted on apply to the remaining cases.
2.7.4 Recommendation

This request to implement the changes to Charging for permitting for flood risk activities was approved under Standing Order 4.1 on 19 April 2016 and is now for noting by the Environment Agency Board.
3.0 For reporting

3.1 FCRM – South East Form C. Ref: F/1516/1457 Refurbishment of an existing flood storage reservoir on the River Gipping in Stowmarket by the South Suffolk Field Team, part of local Field Services. £330k

Sponsoring Director: Charlie Beardall (delegate)

Section C.5 of the Financial Scheme of Delegation requires all Operations Field Team contracts over £250k awarded by single tender action to be reported at the next meeting of the Environment Agency Board.

Approval Route: Date of approval:
Deputy Chief Executive David Rooke 29/03/2016
Executive Director of Finance (delegate) Bob Branson 29/03/2016
Deputy Director of Procurement Clare Marsden 29/03/2016

3.1.1 Description of contract:

A project aiming to deliver refurbishment of an existing flood storage reservoir on the River Gipping in Stowmarket has been allotted for delivery by the South Suffolk Field Team, part of local Field Services.

The South Suffolk Field Team will be engaged as the Contractor / Principal Contractor. They will use their own team members and supervisory staff / team leaders. Where necessary, support from North Suffolk Field Team members and temporary agency worker labour will be used. This will give a large enough delivery team to meet an approximate fourteen week main construction phase / delivery period and enable simultaneous construction gangs on site to minimise delivery timescales. Main construction phase is programmed to start in June 2016.

During 2015-16 advance enabling works have been delivered by the South Suffolk Field Team. Further work is ongoing including environmental mitigation and tree clearance / ground preparation. Clay material for use in the refurbishment work has already been imported to site.

The work will involve alterations to three existing separate clay embankments comprising the main embankments which retain water when the River Gipping is in flood. We will be raising the embankments to counter over two decades of clay material settlement, widening the crest, decreasing the upstream and downstream slope angles of all embankments, improving their durability when overtopped and creating a safer asset for our in house maintenance teams to undertake regular grass cutting and maintenance operations.

The last inspection and report noted the poor condition of grass cover and issues with settlement and maintenance. Further reports identify these as ongoing issues. The embankment profile needs to change to enable better maintenance access for operatives and equipment. This work is supported by the Inspecting Engineer who has clearly indicated no works would result in an early inspection and/or failure at the next inspection due in 2018. Over the last two winters retention levels in the reservoir have been kept artificially low and actively managed by the Flood Incident Duty Officer (FIDO) to ensure no overtopping occurs, which would seriously increase the risk of embankment failure and irrecoverable loss of the asset during a flooding incident.
A ‘Matter in the Interest of Safety’ report would be issued and require the Environment Agency to very quickly rectify the situation. This work is therefore seen to pre-empt that above course of action and logically delivers improvement to the reservoir asset which is not currently meeting its desired operational performance standard.

The Suffolk Asset Performance Team (AP) have to date led the design and management of this work, they have now handed the project management to local ncpms colleagues. The Suffolk AP team engaged a Framework designer under WEM Lot 3 (PSC) to procure additional design support and appointment of a construction engineer or qualified civil engineer to oversee the design and implementation of the work as required by the Reservoirs Act. A principal designer is working closely with South Suffolk Field Team as they develop their construction plans / methodologies. The Norfolk and Suffolk catchment engineer is liaising closely and coordinating with all teams to ensure minimal risks in delivery phase.

Using the local skills of the Asset Performance Team and South Suffolk Field Team has kept contract management costs to a minimum and given essential development opportunities to graduate engineers and field team members. It ensures that the field teams have the opportunity to continue to practice and maintain core skills which has proven advantageous when responding to flooding or environmental incidents.

3.1.2 Justification for Single Tender Action

Use of South Suffolk Field Team / local Field Service has the following benefits:

- The works carry a degree of risk due to the poor ground conditions and using Operations Delivery ensures that we pay actual costs only and do not incur large amounts of risk charges which would be built into any contractor’s tender. We can also scale down manpower very quickly to minimise lost standing time should bad weather conditions make site conditions more difficult.
- The cost estimate provided by local Field Services can be benchmarked to ensure we are obtaining value for money.
- This project provides an ideal opportunity to maintain and develop the skills of the local Field Services Team members. They have the technical competence and relevant experience to undertake this type of work.
- It will raise the profile of the organisation both regionally and nationally.
- This will allow us greater flexibility and approach. By keeping the project internal, this should allow for greater flexibility to react to potential design or specification amendments as the project proceeds, with the least effect on cost.
- Undertaking the construction element of the scheme will assist with our understanding when it comes to future maintenance works. There has been very close liaison in the development of the design with AP and Field Teams, all in one office and acting in each other’s best interest.
- The nature of the scheme lends itself well to the skills and capabilities of local Field Services teams and the timescales involved. Local Field Services will address any resource issues and will provide increased efficiency by contracting out the low skilled elements of recurring works programme during the delivery of this project.
- This work will not have any effect on the planned Revenue or Asset
Ref: OB/1605-8.2

Replacement work in the Area, nor have any effect on the efficiency and delivery of KPI 961/965 targets.

- The opportunity to be part of such an important local project will undoubtedly have a positive motivational and morale boosting effect upon the local Field Service teams, who already have an active interest in the scheme.

Bob Branson
Director of Corporate Finance

May 2016
Appendix 1

FSoD Section L Losses, Write offs and Special Payments

L.2 & L.3 Special payments and early retirement payments

L.2 Making of special payments in accordance with Agency policy and subject to prior authorisation of Defra for payments over £5k.

If in doubt, special payments should be referred to Defra. They could involve important incidents of principle, contain lessons of wider interest or create a precedent for other Departments. They could be the following or similar types of transactions:

- Personal Accident Scheme (work time cover). Defra approval required >£5k;
- Extra-contractual payments e.g. contractual dispute settlements;
- Compensation payments e.g. personal injury;
- Ex-gratia payments beyond statutory cover or legal liability.

L.3 All special payments in respect of early retirement or severance of staff require notification to HM Treasury via Executive Director of Resources and Legal Services.

For L.2 use Form L "Special Payments & Gifts" to notify the National Office and to obtain the required authorisations.

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### Table: Authorised officer or body for special payments

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above £25k</td>
<td>Executive Director of Finance in consultation with National Director</td>
<td>Executive Director of Finance in consultation with Area Manager</td>
</tr>
<tr>
<td>Between £5k and £25k</td>
<td>Executive Director of Finance in consultation with National Director</td>
<td>Executive Director of Finance in consultation with Area Manager</td>
</tr>
<tr>
<td>Up to £5k</td>
<td>Executive Director of Finance in consultation with National Director</td>
<td>Executive Director of Finance in consultation with Area Manager</td>
</tr>
<tr>
<td>No limit</td>
<td>Executive Director of Resources and Legal Services</td>
<td>Executive Director of Resources and Legal Services</td>
</tr>
</tbody>
</table>
Appendix 2

FSoD Section J Insurances  
J.1 & J.2

J.1 Arranging insurances, subject to the prior authorisation of Defra.

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

### Table: Arranging Insurances

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executive Director of Finance</td>
<td>–</td>
</tr>
<tr>
<td>Over £1m</td>
<td>Chief Executive Director of Finance</td>
<td>Chief Executive Director of Finance</td>
</tr>
<tr>
<td>Over £100k</td>
<td>Deputy Director Financial Control</td>
<td>Area Manager or Senior Legal Advisor/Solicitor</td>
</tr>
<tr>
<td>Up to £100k</td>
<td>National Finance Manager - Transaction Control or Fleet Operations Contract Manager</td>
<td>National Finance Manager - Transaction Control or Fleet Operations Contract Manager</td>
</tr>
<tr>
<td>Up to £50k</td>
<td>Fleet Operations Contract Manager</td>
<td>Fleet Operations Contract Manager</td>
</tr>
<tr>
<td>Up to £25k</td>
<td>Fleet Operations Contract Manager</td>
<td>Fleet Operations Contract Manager</td>
</tr>
<tr>
<td>in respect of any one claim</td>
<td>Fleet Operations Contract Manager</td>
<td>Fleet Operations Contract Manager</td>
</tr>
</tbody>
</table>

1 The Fleet Operations Contract Manager will engage the services of a third party contractor under a contract authorised in section C1 of the FSoD and be reported to monthly with this engagement. The Contract Manager remains the delegated authority.
Ref: OB/1605-8.2

Appendix 3

FSoD Section C Approval to spend and contractual commitment

C.10.1 & C.10.2 Shared Services, authorisation of payments due to third parties for:

10.1 Funds deducted from payroll:
Tax; National Insurance; Pensions; and Union deductions;
Voluntary Deductions (Social Clubs, Charities etc);
Statutory Deductions (CSA, Attachments of Earnings etc).

| National Office and national services | | |
|-------------------------------------|------------------|
| Limit                               | Authorised body or officer |
| Up to £12m                          | Deputy Director Shared Services To be co-signed by: Environment Agency National Finance Manager or Financial Accountant. |
| Up to £750k                         | Deputy Director Shared Services |

Note: Cheque signing for these items is covered under FSoD G.1.

The Deputy Director Shared Services will engage the services of SSCL under a contract authorised in section C1 of the FSoD. The Deputy Director Shared Services remains the delegated authority.

Deleted: Connected Limited (SSCL)
Deleted: SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith.
Deleted: Up to £25k
Deleted: SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith, or SSCL Service Delivery lead no 2 - Paul Wrench.
Deleted: Up to £10k
Deleted: SSCL Financial Accounting Team Leader - Rachel Sharpe, or SSCL Team Leader, Purchase Order Processing – Lynne Johnson.
Deleted: All
Deleted: SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith.
Deleted: Up to £25k
Deleted: SSCL Service Delivery Lead - Martin Lewis, or SSCL Exchequer Services Manager - Jai Smith, or SSCL Service Delivery lead no 2 - Paul Wrench.
Deleted: Up to £10k
Deleted: SSCL Financial Accounting Team Leader - Rachel Sharpe, or SSCL Team Leader, Purchase Order Processing – Lynne Johnson.
### E.1 Determining the Agency’s charging policies and agreeing charges for other than local services, subject to the prior approval of Defra for all non flood defence charging schemes.

- Limit: Agency Board
- Authorised officer or body: –

### E.2 Determining charges for local services.

- Limit: –
- Authorised officer or body: Area Manager in consultation with Deputy Director Finance Operations (National)

### E.3 Authorising flood defence levies and other charges recommended by the relevant Flood Defence Committees.

- Limit: Agency Board
- Authorised officer or body: –

### E.6.1 Authorising variations of income invoices.

<table>
<thead>
<tr>
<th>National</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limit</td>
<td>Authorised officer or body</td>
</tr>
<tr>
<td>–</td>
<td>Deputy Director Finance (HO) or Deputy Director Financial Control</td>
</tr>
<tr>
<td>–</td>
<td>Deputy Director of Finance (Area)</td>
</tr>
</tbody>
</table>

### E.6.2 Authorisation of instalment arrangements on outstanding debts

<table>
<thead>
<tr>
<th>National</th>
<th>Area</th>
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</thead>
<tbody>
<tr>
<td>Limit</td>
<td>Authorised officer or body</td>
</tr>
<tr>
<td>–</td>
<td>Deputy Director Shared Services</td>
</tr>
<tr>
<td>–</td>
<td>Deputy Director Shared Services</td>
</tr>
</tbody>
</table>

The Deputy Director Shared Services will engage the services of SSCL to process transactions under a contract authorised in section C1 of the FSOD. The Deputy Director Shared Services remains the delegated authority.

Deleted: SSCL
Deleted: and instalment arrangements on outstanding debts
Deleted: Exchequer Services Manager (SSCL)
Deleted: Senior Finance Business Partner in consultation with Credit Control Manager (SSCL)
### Appendix 3 cont...

#### FSoD Section G Cheque Signing

**G.1 & G.2**

<table>
<thead>
<tr>
<th>Authorised body or officer</th>
<th>Limit</th>
<th>National Office</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Over £100k</td>
<td>(a) Any two signatories as set out in (c) below of which one must be the Executive Director.</td>
<td>(a) Executive Director of Operations and either signatory as set out in (c) below.</td>
</tr>
<tr>
<td></td>
<td>Up to £100k</td>
<td>(b) Any two signatories as set out in (c).</td>
<td>(b) Both signatories set out in (c) below.</td>
</tr>
<tr>
<td></td>
<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.</td>
<td>(c) One signatory from: Director of Operations or Area Manager.</td>
</tr>
<tr>
<td></td>
<td>Up to £1,000</td>
<td>Any one officer specified by the Chief Executive or Executive Director of Finance.</td>
<td></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.**

**G.2 Cheques issued from designated bank account for Court Injunction applications.**

*The Deputy Director Shared Services will engage the services of SSCL to process transactions under a contract authorised in section C1 of the FSoD. The Deputy Director Shared Services remains the delegated authority.*

**Deleted:** SSCL

**Deleted:** (a) Not applicable

**Deleted:** (b) Any two signatories as set out in (c) as well as an Environment Agency National Finance Manager.

**Deleted:** (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

**Deleted:** Accounting

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**Page 21 of 29**
Appendix 3 cont...

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>Chief Executive, then Agency Board and then Defra</td>
<td>Chief Executive, then Agency Board and then Defra</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>Area Manager or Deputy Director of Finance Operations (National)</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>
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<td>Area Manager or Deputy Director of Finance Operations (National)</td>
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<tr>
<td>Up to £5k</td>
<td>Senior Finance Business Partner</td>
<td>Senior Finance Business Partner</td>
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</table>

Deleted:
- Up to £1k
- SSCL Exchequer Services Manager - Jai Smith
- SSCL Exchequer Services Manager - Jai Smith
C.8A To award contracts for all justified expenditure approved from budgeted funds by signing:

- All standard forms of contract, including award letters to supplier and contractors.
- Standard partnership agreements.
- Official purchase orders.

And subject to:

- Any contract being awarded on a competitive basis, otherwise single tender action – section C5. Unless awarded under the terms of an existing framework agreement established for the purpose.
Appendix 4 cont…

FSoD Section C Approval to spend and contractual commitment

C.8B  Contractual Commitment

C.8B  To award contracts for all justified expenditure approved from budgeted funds by signing:
National Contracts and Framework Agreements.

Non standard contracts drawn up by non Agency sources (e.g. suppliers), and Agency contractors which are bespoke or contain variations from approved Agency conditions.
And subject to:

- Variations to standard contracts for receipt of partnership contributions will also be in consultation with the relevant Executive Director. Where such variations have been agreed by Executive Directors in principle on a general basis, their use in an individual contract requires consultation with the Director of Operations and, for FCRM, the FCRM partnership funding policy advisor.
- Any contract being awarded on a competitive basis, otherwise single tender action – section C5.

<table>
<thead>
<tr>
<th>Limit</th>
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<th>Area</th>
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<tr>
<td>Over £5m</td>
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<td>Deputy Director of Procurement</td>
</tr>
<tr>
<td>Up to £5m</td>
<td>Senior Procurement Manager</td>
<td>Senior Procurement Manager</td>
</tr>
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<td>Procurement Manager</td>
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<tr>
<td>Over £5m</td>
<td>Deputy Director of Procurement in consultation with Executive Director of Resources and Legal Services</td>
<td>Deputy Director of Procurement in consultation with Executive Director of Resources and Legal Services</td>
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<td>Up to £5m</td>
<td>Senior Procurement Manager in consultation with Executive Director of Resources and Legal Services</td>
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<td>Procurement Manager in consultation with Executive Director of Resources and Legal Services</td>
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</tr>
</tbody>
</table>

Please refer to Section E.8 re Third Party Contributions to Agency Projects.
Appendix 4 cont…

**FSoD Section E Income**

**E.7, E.8 & E.9**

**E.7** Approval of agreements for exception from or reduction in water abstraction charges (S126 WRA).

<table>
<thead>
<tr>
<th>Limit</th>
<th>National Office</th>
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<tbody>
<tr>
<td>–</td>
<td>Deputy Director of Water Resources in consultation with Executive Director of Finance</td>
<td>Deputy Director of Water Resources in consultation with Executive Director of Finance</td>
</tr>
</tbody>
</table>

**E.8** Agree third party contributions to Agency Projects.
- For third party contributions, authorisation must be obtained from the relevant Authorised Body or Officer referred to in A.1, A.2 or A.3 as appropriate (in line with the value of the contribution).
- **Partnership Funding** (Easinet)
  - **Agree third party contributions to FCRM projects** (Form E ‘Project Income Approval’). You must obtain this authorisation before you negotiate with the third party.

**E.9** Agreement with Local Authority and Internal Drainage Boards for repayment of Capital Grants.

Please refer to Section C.8B Contractual Commitment relating to Partnership contributions
### Appendix 5 original change request

**FSoD Section A Expenditure Justification**

**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. Advisory Consultancy requires a number of approvals from Defra Directors and these are detailed opposite. Approval may also be required from the Director General Chief Operating Officer of Defra, Defra’s Chief Finance Officer and the Minister for the Cabinet Office where a contract is over 9 months and over £20,000 in value.

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.
- Advisory consultancy contracts **at less than 9 months in duration, irrespective of value**, are noted to Defra Procurement. Defra follow up to check the contracts have ended at the specified times.
- For contracts valued **up to £50k** and less than 9 months, which don’t go to Defra for approval – if the value increases to over £50k, or the contract period exceeds 9 months – then they will need to be submitted to Defra Procurement and the others detailed opposite for approval.

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

<table>
<thead>
<tr>
<th>Limit</th>
<th>Authorised officer or body</th>
</tr>
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<tbody>
<tr>
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<td>Appropriate Executive Director, then Chief Executive, then Director of Commercial, Estates and Knowledge (Defra) Director HR (Defra), Chief Finance Officer (Defra) and Minister for the Cabinet Office</td>
</tr>
<tr>
<td>eRAP Form and subsequent documents</td>
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<tr>
<td>contact the National FSoD Co-ordinator to arrange</td>
<td>Deleted: The Defra approval needed under A.5.1 is from their Procurement department</td>
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<tr>
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<td>Appropriate Executive Director, then Chief Executive, then Director NCS (Defra) Director General Chief Operating Officer (Defra) and noted to Defra (Procurement)</td>
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Ref: OB/1605-8.2

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.

<table>
<thead>
<tr>
<th>Consultancy</th>
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</table>

Refer to FSoD and consultancy (788_13) for additional information on consultancy spend under the government spending restrictions
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.

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.
- Advisory consultancy contracts at less than 9 months in duration, irrespective of value are noted to Defra Procurement. Defra follow up to check the contracts have ended at the specified times.
- For contracts valued up to £50k and less than 9 months, which don’t go to Defra for approval – if the value increases to over £50k, or the contract period exceeds 9 months – then they will then need to be submitted to Defra Procurement and the others detailed opposite for approval.

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).

### Table: Consultancy Approval Limitations

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<td>Defra Director, then Chief Executive, then Defra Head of Procurement</td>
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<td>Defra Director (NCS), then the Permanent Secretary, the Secretary of State and the Cabinet Office (and noted to Defra Procurement)</td>
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<td>Defra Director (NCS)</td>
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If an expert witness is required in other circumstances, for example during complex discussion relating to operational compensation, a Consultancy approval is required.

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</table>

Refer to FSoD and consultancy (788_13) for additional information on consultancy spend under the government spending restrictions.
FOR INFORMATION
Recommendations

The Board is asked to note and discuss the findings of the Pensions Committee’s annual assessment.

1.0 Introduction

1.1 In January 2016 the Pensions Committee undertook its second independent effectiveness survey of itself. This included a review of progress against the previous effectiveness survey of March 2014 and an independent view on the effectiveness of its governance against best practice.

1.2 The Pensions Committee receives regular updates against the current year business plan, the last of which was considered at the 23 March 2016 meeting. At that meeting, they also agreed the key areas of focus for 2017. This paper sets out a summary of the discussions throughout the year. The Board is asked to note and discuss the points made.

2.0 Effectiveness Assessment

2.1 The assessment covered a range of areas which can impact on effective governance: Effectiveness of meetings; Accessibility, format and usefulness of information; Knowledge and understanding; Administration; Governance structure; Vision for the future; Compliance; Business planning; and Risk management.

2.2 Pension Committee members, key officers and advisers participated in the assessment and were supported by an ongoing independent assessment of our arrangements by our risk and governance providers Aon Hewitt. The findings concluded that the effectiveness of the Pensions Committee, the Investment Sub-Committee and Pension Board continue to be of a high level in most areas and has improved in a number of areas since 2014. In particular, Aon Hewitt highlighted the following as key areas of good practice:

- An excellent level of collective knowledge amongst Pension Committee members and recognition of the importance of training;
- A high level of engagement and commitment shown by all involved;
- A robust governance structure with appropriate levels of delegation;
- An excellent understanding of the Environment Agency Pension Fund's (EAPF) key risks;
High quality administration of meetings; and
A unanimous view that the Pension Committee and Investment Sub-Committee add value.

2.3 The key concerns coming out of this review have already been identified by the EAPF, and are as follows:

- Meetings often feel rushed – this matter has recently been addressed by extending the times of the Pensions Committee and Investment Sub-Committee meetings
- Officer resources are stretched – this matter is being dealt with, albeit it is taking longer than originally envisaged (other than one new member of staff who has now commenced). Aon Hewitt has highlighted this as a critical risk to the management of the EAPF.

2.4 The other matters highlighted in the Aon Hewitt report are generally areas that the Pensions Committee should continue to be mindful of, or that they may wish to consider in the future (but with no particular urgency). A table summarising these points is included in Section A of Appendix 1 to this report.

3.0 Pensions Committee activities 2015-16

3.1 The Pensions Committee, Investment Sub-Committee and Pension Board have standard agenda items. These are primarily to enable them to meet their responsibilities as laid out in the terms of reference. In addition, opportunities, change matters, risks and issues are discussed, and decision and direction given. The main additional matters covered by the Pensions Committee and Investment Sub-Committee over the last 12 months are included in section B of Appendix 1.

3.2 The Fund has been recognised with six awards for its achievements in Responsible Investment and communications.

4.0 Pensions Committee activities 2016-17

4.1 The main matters for Pensions Committee focus, in addition to standard responsibilities, are included in Section C of Appendix 1.

4.2 The fund has identified 8 critical risks to be managed, these are included in Section D of Appendix 1.

5.0 Conclusion and recommendations

5.1 The Board is asked to note and discuss the findings of the annual review of the work of the Pensions Committee.

Clive Elphick
Chairman of Pensions Committee

May 2016
## Appendix 1: Effectiveness Assessment Progress Report by Aon Hewitt

### Section A

<table>
<thead>
<tr>
<th>Area</th>
<th>Matters for ongoing awareness and consideration</th>
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<tr>
<td>Accessibility, Format &amp; Usefulness of Information</td>
<td>Officers/advisers ensure report introductions/ presentations are necessary and don't simply repeat what is in report and are kept as succinct as possible.</td>
</tr>
<tr>
<td></td>
<td>Continue to monitor sound issues and officers and advisers to speak clearly and loudly to ensure all attendees can hear them.</td>
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<tr>
<td></td>
<td>Ensure that no items requiring decisions are presented without prior warning and a written report.</td>
</tr>
<tr>
<td></td>
<td>Consider including information in agenda showing whether items will be for information only or whether decisions will be required.</td>
</tr>
<tr>
<td></td>
<td>Consider whether to circulate minor items / decisions outside of meetings by email to assist in meetings not being too rushed.</td>
</tr>
<tr>
<td>Knowledge and Understanding</td>
<td>Continue focusing on knowledge and skills with an ongoing training programme to ensure that all members (especially new members) get up to and remain up to speed (particularly given the fast changing environment)</td>
</tr>
<tr>
<td></td>
<td>Chairs to consider ways to increase participation from all members in meetings</td>
</tr>
<tr>
<td></td>
<td>Consider a joint meeting of all officers and advisers, for example, to assist with business planning</td>
</tr>
<tr>
<td>Administration</td>
<td>Continuation of drive towards full electronic accessibility</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Ensure that enough focus is spent on how the risks are managed rather than simply how they are monitored.</td>
</tr>
<tr>
<td></td>
<td>Consider focusing on one or two risks in detail at each meeting to get a better understanding of options for mitigation</td>
</tr>
<tr>
<td>Objective monitoring</td>
<td>Consider reviewing the Fund's strategic objectives against the information provided in the dashboard and other monitoring reports to ensure that all areas are joined up and the EAPF's agreed objectives are being appropriately monitored</td>
</tr>
<tr>
<td>Pension Board / Governance Structure</td>
<td>Ensure PB is given enough time and space to 'find its feet' and then perhaps consider whether it requires review</td>
</tr>
</tbody>
</table>
Section B – Pensions Committee activities 2015-16

The Pensions Committee has provided a strong steer throughout the year on a significant number of large changes that will have a long term impact on the performance of the Fund. It has been essential that it has received and responded to quality information and made timely and strategic decisions in line with the foundation of the policies it has had in place:

- LGPS Investment Pooling – the Government driven requirement for all LGPS funds to pool assets so as to provide savings in investment management costs. The EAPF propose to pool with a number of LGPS funds, mainly from the South West of England (“Project Brunel”). This is a major project, with the EAPF taking some of the leading roles. The main stages of establishment and implementation are likely to extend into 2017/8.
- Developing and launching the Responsible Investment Strategy and Climate Change Policy - these include key areas for engagement with stakeholders and have already achieved national and global recognition.
- Defra One Business – Providing ongoing information on pension options to the Pensions Committee, Environment Agency Board and Defra One Business EMT.
- Conflict of Interests Policy and Reporting Breaches Procedure – these were developed and implemented to capture EAPF and LGPS specific requirements.
- Communications Strategy – developing the foundations for ongoing roll-out of the EAPF digital engagement plan including audience segmentation and educating different target groups.
- National Frameworks – as a Founding Authority, working with other LGPS administering authorities to establish national procurement frameworks for legal services, actuaries, ESG providers and third party administration.
- The Pension’s Regulator Code of Practice for Public Service Pension Schemes – a detailed check against the Regulator’s Code, which highlighted an extremely high level of compliance.
Section C – Pensions Committee activities 2016-17

- LGPS Investment Pooling – Project Brunel
- 2016 actuarial valuation to formalise ongoing employer contribution rates, including approving the new funding strategy, considering any potential impact on existing investment strategies and introducing liability hedging
- Delivery of Climate Change Policy
- GMP reconciliation – a major exercise to ensure consistency between EAPF and HMRC’s records relating to contracted-out information for scheme members
- Finalising the national Third Party Administration framework
- The pension rights in relation to any staff who may be transferred to Defra One Business.

Section D – Key Risks for 2016-17

Governance

- Scheme structure and sustainability - Integrity: Changes in the scheme design leads to fundamental change in the governance, funding, investment or administration of the scheme – score of 25 (target 16)
- Scheme structure and sustainability – Capacity to deliver: There are dramatic or unexpected or unprecedented changes in the fund characteristics (e.g. funding level, membership, investment performance) – score of 16 (target 6)
- Regulation and compliance – Integrity: The fund fails to comply with external regulation and legislation pertaining to the effective management of the fund – score 16 (target 4)
- Regulation and compliance – Capacity to deliver: There is an ineffective governance structure – score 16 (target 3)
- Resources and skills – Capacity to deliver: The capacity and or capability of internal resource is insufficient (resilience) – score of 25 (target 3)

Funding and Investment

- Funding level – Capacity to deliver: Material changes in the valuation of liabilities (changes in discount rate, longevity, membership, etc) – score of 25 (target 12)
- Funding level – Integrity: Employers corporate changes/restructuring lead to unexpected or unprecedented staff reductions – score of 20 (target 3)
- Investment – Capacity to deliver: Untimely/sub-optimal implementation of investment strategy resulting in variation of actual portfolio from investment strategy – score 16 (target 4)

Benefits Administration

- Employer – Capacity to deliver: There is organisational change within Employers – score 16 (target 8)
Paper by: Executive Director of Environment and Business

Subject: Bathing Waters

FOR INFORMATION

Recommendations

The Board is asked to:

1. Note the results from the 2015 bathing season
2. Note the ongoing steps being taken to address the sources of pollution at priority waters
3. Note the internal assurance process that is in place in advance of the 2016 season

1.0 Background

1.1 This paper updates the Board on results from the first bathing season using the more stringent standards of the revised Bathing Waters Directive and explains what measures are in place to manage risks associated with posting of the required signage at ‘poor’ waters this bathing season.

1.2 The paper was tabled by correspondence at the EDT meeting on 13 April 2016. Support for the paper was received and no further comments made.

2.0 Results for the 2015 Bathing Season

2.1 In November 2015, the first classifications under the revised Bathing Waters Directive were released. A total of 12 (2.9%) bathing waters in England failed to meet the minimum standards, substantially less than the 25 bathing waters which were considered to be ‘at risk’ of being ‘poor’ at the start of the season. Our efforts in identifying pollution sources, driving improvements and managing expectations and communications with stakeholders have been focused at these bathing waters.

2.2 Over 90% of bathing waters in England were classified in the top two classes of ‘good’ or ‘excellent’. Whilst we cannot make an exact comparison using historic data, if the tighter standards had been in place in 1995, we estimate that 54% would have been classified as ‘poor’.
3.0 Changes since last Bathing Season

3.1 Since the results were reported in November, three bathing waters have been de-designated by Defra, following a public consultation, on the grounds of low use (Lyme Regis Church Cliff, Staithes and Newhaven). Two of these sites - Lyme Regis Church Cliff and Staithes, were classified as ‘poor’ in 2015, so 10 waters remain classified as ‘poor’ for 2016.

4.0 The 2016 Bathing Season

4.1 The relevant local councils are required to post ‘advice against bathing’ signs at the 10 ‘poor’ bathing waters this season, focusing attention on their quality. The signs will include the 2015 classification, a standard advice against bathing symbol (see Appendix 1) and a summary of the sources of pollution.

5.0 Priority waters

5.1 Predicting which bathing waters will pass or fail the requirements of the Directive is far from being a precise science. The weather has a big influence on water quality. An analysis of historic data together with knowledge of pollution sources shows that, in addition to the 10 ‘poor’ bathing waters, there are a further 14 bathing waters where there is a risk of them being ‘poor’ in the 2016 season or in future years. There are a total of 24 bathing waters that are a priority for action (Appendix 1).

5.2 Our view is that by 2019, the number of poor waters would be in the order of 3 and those at risk would be around 10. We need to recognise the importance of adverse rainfall events and that many of the at risk waters are influenced by agricultural and urban diffuse pollution. To make substantial additional reductions in risk at these waters significant land use change is likely to be required.

6.0 What is the problem at the priority waters?

6.1 We have a good understanding of the sources of pollution at the majority of the priority waters. Water company discharges and agricultural and urban diffuse pollution continue to be important sources. Faecal contamination from dogs and birds is also a factor at some sites. This knowledge enables appropriate measures to be targeted. Where there is less certainty of the causes of poor water quality we continue to work with partners to investigate and identify the sources.

7.0 What is being done to tackle pollution?

7.1 There is an action plan in place for each of the priority bathing waters. For the period 2015-2020 there are over 300 improvement schemes (mainly to reduce combined sewer overflow discharges) included in water company business plans.

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

8.0 The role of others

8.1 Achieving improvements in water quality at these waters requires action from all parties involved. We use our data and evidence to influence our partners to play their part. We need to ensure we have informed the key influencers and decision makers about what is causing the problem, what needs to be done and by whom.

9.0 Assurance

9.1 The joint Operations and E&B internal Bathing Water Assurance Group continues to operate to help ensure that:

- we have clear action plans
- we are actively managing local relationships
- partners and other organisations are committed to deliver their actions.

9.2 In addition to an internal audit of our bathing water management processes, Operations (via Alan Burrows – D&C Area Manager) is leading an assurance review exercise to ensure we are taking all appropriate actions for the priority waters and are prepared for the upcoming bathing season.

10.0 Conclusions or recommendations

10.1 The Board is asked to note the results from the 2015 bathing season and the ongoing steps being taken at the priority waters and the internal assurance procedures.

Jonathan Ponting
E&B Senior Advisor, Water Quality

May 2016
Appendix 1: Advice against bathing symbol + Priority bathing waters
FOR INFORMATION
Recommendations

The Board is asked to comment on:

1. performance in Quarter 3 2015/16
2. the actions indicated in the corporate scorecard report (Appendix 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 3 and a more detailed ‘insight report’ with commentary that reviews performance issues and trends for each measure.

2.0 Summary of Quarter 3 performance and key issues

2.1 At the end of Quarter 3 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>2</td>
</tr>
<tr>
<td>Not reported in this quarter</td>
<td>6</td>
</tr>
<tr>
<td>Not performance assessed due to setting targets from new baseline</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22</strong></td>
</tr>
</tbody>
</table>
### Measure | Summary of performance explained
--- | ---
3.d We reduce the overall risk presented by illegal waste sites, targeting our efforts on the highest risk sites | **RED** - 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. At the end of quarter 3, 7 Areas were on track to meet the end of year target and another 3 have achieved reductions but not sufficient to meet the target. Of the 5 areas that saw significant increases in numbers, 4 are in the South East. We have therefore focussed efforts in the South East and significant progress is being made.

5.c.ii We provide a safe place to work: Health & Safety actions implemented in target time | **RED** - Poor performance in Q3 can be mainly attributed to two actions. An action to recall defective equipment was issued on a Friday for completion by Monday evening, which meant that it was initially missed by 39 of the 111 who received the action. An action regarding lone working precautions was issued to 245 team members rather than managers - historically this results in poorer performance because team members are less familiar with the system. The Health Safety and Wellbeing (HSW) service continues to review the process for issuing actions to make it as efficient and easy as possible.

If a situation is identified where there is a significant and immediate risk to our staff, we may take a combination of actions. We may issue a red action with a short deadline to prohibit an activity or to quarantine suspect equipment and follow up with emails and telephone calls to ensure the message has been received. Additional follow up may be made by HSW Business partners, or Fleet Operations business partners for fleet items/activities.

1.b We maintain our flood and coastal risk management assets at or above the target condition | **AMBER** - There is a drop of 0.3% in this KPI from the position in Q2 largely due to storms in December. Over 550 projects to repair damaged assets are in progress but given the uncertainty until asset inspections are complete together with the storm damage in December and January it is unlikely that we will meet the 97% target for asset condition this year. Our recovery programme, coupled with our planned programme of work for 2016/17 should enable us to meet the target of 97% by April 2017. However, this will be subject to any further storm damage and to securing all
the additional funding needed for repairs in 2016/17.

Where assets are below the required condition this identifies that work is required, this does not mean that they have structurally failed or that performance in a flood is compromised. If the performance of an asset is reduced, we will take action to ensure that flood risk is effectively managed until the asset is repaired or replaced.

3.c We reduce the administrative costs of regulation to businesses

**AMBER** – The target is £20m over the multi year life of the project. This is being delivered by the Smarter Environmental Regulation Review (SERR) Advice and Guidance project. We have delivered many of the Smarter Guidance reforms, but are currently not on track for delivering the required reduction in volumes of advice and guidance at quarter 3. This is due to the reform taking longer than anticipated and a decline in the skilled editorial resource available. However, the trend is improving and we expect to achieve the savings by the end of the financial year. We are confident that the £20m benefit will be made this financial year, with the caveat that the savings are based on the SERR Impact Assessment (IA). The assumptions in the IA may be revised following the current consultation.

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

**AMBER** – We continue to focus on improving performance in this area as a priority. We have identified that there is a correlation between performance and two key factors, consultee response times and team capability/experience and are putting in place actions to address these. Working with Environment Planning and Engagement (EPE) Managers and Sustainable Places (SP) Team Leaders we are also putting in place measures to ensure consistency of approach. The work is overseen by the Evolving Sustainable Places Programme Board - that includes National and Area representatives, chaired by the Deputy Director for Sustainable Places and Systems.

### 4.0 Greens from the Corporate Scorecard

<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>It is highly likely that this target will be achieved. The majority of schemes that achieve better protection to homes in 2015/16 were planned to be complete between 1 January and 31 March 2016. These include Humber Grimsby Docks which will better protect over 12,000 homes.</td>
</tr>
</tbody>
</table>
2b The quality of bathing waters is getting better

Over 90% of bathing waters were classified as ‘good’ or ‘excellent’ in 2015. 2.9% of bathing waters failed to meet the minimum standards of the revised Directive.

Whilst we cannot make a direct comparison between the old and new standards using historic data, had we been using the new standards in 1995, we estimate that 54% of bathing waters would have been classified as poor. In 2015, only 3% of bathing waters were poor.

These results reflect concerted efforts by the Environment Agency and its partners to identify and reduce pollution sources that affect ‘at risk’ waters. This work will continue in the coming years, with the aim of all waters achieving at least ‘sufficient’ class.

2c We improve and protect rivers and wetlands damaged by unsustainable abstraction

We have completed actions to resolve 56 unsustainable abstractions. The final year target for 15/16 is 59.

In Q3 we issued notification to change 29 licences. 25 of these were voluntary agreements with the licence holder (section 51). We served notice on licence holders to change an additional 4 licences (Section 52). In addition we concluded no action was required on a further 3 licences. 26 of these licence notifications relate to delivery of the Habitats Directive (HD) licences to the statutory deadline of 22 December 2015 and represents a significant success.

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

As previously reported, 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%.

3b We reduce serious and significant pollution incidents

The downward trend in the number of category 1 and 2 pollution incidents continues and the current data shows that the 2015 calendar year had one of the lowest totals ever recorded. Work on sector pollution reduction plans continues and we are reviewing the results in order to set appropriate targets for the 2016/17 year.

4b We contribute to the delivery of priority development sites

To round off another year of our work effectively engaging and influencing priority development sites around the country, our Sustainable Places Area teams have delivered 95% of this quarter’s planned actions.

5a We reduce our carbon footprint

We are currently at 91% of our YTD target for total carbon. We reduced our emissions by 245 tonnes compared to the same period last year.
5c.i We provide a safe place to work: Lost time incident (LTI) frequency rate

Four Lost Time Incidents (LTIs) were reported in Q3 and our lost time frequency rate is a 12 month rolling average of 0.14 per 100,000 hours worked.

5d We manage our money effectively

The Environment Agency has invested 67% of full year affordable budget in the first three quarters of 2015-16, which is closer to an even profile of spend than the investment rate achieved at the same point last year (65%). We need to hit year end forecast spend levels to ensure we invest our full year budget, including an additional £25m of flood recovery and incident management funding received from HM Treasury.

5.0 Forecasts for measures which are not reported at quarter 3

5.1 There are six measures which are not reported in Quarter 3 and therefore will not be included in the Board paper or the corporate scorecard pack.

Bob Branson
Director of Corporate Finance

May 2016
### Appendix 1
**Corporate Scorecard 2015-16**

**Quarter 3**
**October - December**

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

<p>| | | | | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>1a</strong></td>
<td>We reduce the risk from flooding for more households*</td>
<td>Households protected during SR period</td>
<td>7,210</td>
<td>13,000</td>
</tr>
<tr>
<td><strong>1b</strong></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>96%</td>
<td>96%</td>
</tr>
<tr>
<td><strong>1c</strong></td>
<td>More households and businesses at high risk of flooding can receive direct warnings</td>
<td>Properties able to receive warnings</td>
<td>953,000 @ Q4 2014/15</td>
<td>Due Q4</td>
</tr>
</tbody>
</table>

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

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<tbody>
<tr>
<td><strong>2a</strong></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>1,398 @ Q4 2014/15</td>
<td>Due Q4</td>
</tr>
<tr>
<td><strong>2b</strong></td>
<td>The quality of bathing water is getting better</td>
<td>% meeting revised Directive standards</td>
<td>94% @ Q3 2014/15</td>
<td>97%</td>
</tr>
<tr>
<td><strong>2c</strong></td>
<td>We improve and protect rivers and wetlands damaged by unsustainable abstractions</td>
<td>Number of abstraction licence notifications</td>
<td>27</td>
<td>56</td>
</tr>
<tr>
<td><strong>2d</strong></td>
<td>We deliver our commitments to the England Biodiversity Strategy by:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>Creating new habitat</td>
<td>Hectares created and/or restored</td>
<td>1,869 @ Q4 2014/15</td>
<td>Due Q4</td>
</tr>
<tr>
<td>ii</td>
<td>Restoring sites of special scientific interest (SSSI)</td>
<td></td>
<td>241</td>
<td>Due Q4</td>
</tr>
<tr>
<td><strong>2e</strong></td>
<td>There are fewer salmon rivers in the ‘at risk’ category</td>
<td>Number of salmon rivers ‘at risk’</td>
<td>100% @ Q4 2014/15</td>
<td>Due Q4</td>
</tr>
<tr>
<td><strong>2f</strong></td>
<td>We maintain our navigation assets at or above the target condition</td>
<td>% of high consequence assets at required condition</td>
<td>88%</td>
<td>88%</td>
</tr>
</tbody>
</table>

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

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<tbody>
<tr>
<td><strong>3a</strong></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 3+ years as a % of total permitted sites</td>
<td>229</td>
<td>1.7% @ Q4 2014/15</td>
</tr>
<tr>
<td><strong>3b</strong></td>
<td>We reduce serious and significant pollution incidents*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landfill Sector</td>
<td>Non Hazardous Waste</td>
<td>Biowaste</td>
<td>Water Industry</td>
<td>Agriculture</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td><strong>3c</strong></td>
<td>We reduce the administrative costs of regulation to businesses*</td>
<td>£m savings at Q4 milestones Q1 to Q3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>3d</strong></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>323</td>
<td>322</td>
</tr>
</tbody>
</table>

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

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</thead>
<tbody>
<tr>
<td><strong>4a</strong></td>
<td>We respond to planning application consultations and pre-application enquiries within 21 days</td>
<td>% responded to within target time</td>
<td>91%</td>
<td>92%</td>
</tr>
<tr>
<td><strong>4b</strong></td>
<td>We contribute to the delivery of priority development sites</td>
<td>% of planned actions delivered</td>
<td>96%</td>
<td>95%</td>
</tr>
</tbody>
</table>

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

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</tr>
</thead>
<tbody>
<tr>
<td><strong>5a</strong></td>
<td>We reduce our carbon footprint</td>
<td>CO₂ emissions (tonnes)</td>
<td>16,252</td>
<td>25,592</td>
</tr>
<tr>
<td><strong>5b</strong></td>
<td>We have a diverse workforce:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>Proportion of staff who are of Black, Asian and Minority Ethnic (BAME) origin</td>
<td>% of staff</td>
<td>3.8%</td>
<td>Not reportable due to system issues</td>
</tr>
<tr>
<td>ii</td>
<td>Proportion of Executive Managers who are female</td>
<td>% of female EMs</td>
<td>34%</td>
<td>as above</td>
</tr>
<tr>
<td><strong>5c</strong></td>
<td>We provide a safe place to work:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>Lost time incident (LTI) frequency rate</td>
<td>LTI per 100,000 hours worked</td>
<td>0.15</td>
<td>0.14</td>
</tr>
<tr>
<td>ii</td>
<td>Health and safety actions implemented in target time</td>
<td>% of actions completed</td>
<td>87%</td>
<td>83%</td>
</tr>
<tr>
<td><strong>5d</strong></td>
<td>We manage our money effectively</td>
<td>% spend to budget (£m)</td>
<td>97%</td>
<td>98%</td>
</tr>
</tbody>
</table>

* These measures are reported quarterly to Defra Board
1.a We reduce the risk from flooding and coastal erosion for more households

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>6 year target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>13,000</td>
<td>300,000</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**Houses protected**

It is highly likely that this target will be achieved. The majority of schemes that achieve better protection to homes in 2015/16 were planned to be complete between 1 January and 31 March 2016. These include Humber Grimsby Docks which will better protect over 12,000 homes.

**Insight this quarter**

- Removed from significant flood probability: 1,349
- Protected against loss in 20 years from coastal erosion: 0
- Removed from significant flood probability (households in areas of deprivation): 0
- Protected against loss in 20 years from coastal erosion (households in areas of deprivation): 185

**Actions**

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

---

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

Q3 2015/16

Owners: Executive Directors of FCRM and Operations

6 year target to be met by the end of the financial year 2020/21

15/16 target (44,000)
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

Q3 2015/16

Owners: Executive Directors of FCRM and Operations

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

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

There is a drop of 0.3% in this KPI from the position in Q2 largely due to storms in December. Over 550 projects to repair damaged assets are in progress but given the uncertainty until asset inspections are complete together with the storm damage in December and January it is unlikely that we will meet the 97% target for asset condition this year. Our recovery programme, coupled with our planned programme of work for 2016/17 should enable us to meet the target of 97% by April 2017. However, this will be subject to any further storm damage and to securing all the additional funding needed for repairs in 2016/17.

Where assets are below the required condition this identifies that work is required, this does not mean that they have structurally failed or that performance in a flood is compromised. If the performance of an asset is reduced, we will take action to ensure that flood risk is effectively managed until the asset is repaired or replaced.

<table>
<thead>
<tr>
<th>No. of high consequence assets passing</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>At or above required target condition (EA)</th>
<th>Below required target condition (EA)</th>
<th>At or above required target condition (3rd party)</th>
<th>Below required target condition (3rd party)</th>
</tr>
</thead>
<tbody>
<tr>
<td>26,255</td>
<td>1,178</td>
<td>24,157</td>
<td>1,317</td>
</tr>
</tbody>
</table>

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement the recovery programme and continue with our planned programme of works to meet the 97% target by April 2017.</td>
<td>Executive Director of FCRM and the Executive Director of Operations</td>
<td>31st March 2017</td>
</tr>
</tbody>
</table>
Official bathing water classification results for England’s 418 bathing waters were released on 5 November 2015 under the revised Bathing Waters Directive. Over 90% of bathing waters were classified as ‘good’ or ‘excellent’. 12 (2.9%) bathing waters failed to meet the minimum standards of the Directive. This is substantially less than the 25 bathing waters which were considered to be ‘at risk’ of being ‘poor’ at the start of the season. By way of comparison, 23 (6%) bathing waters would have been classified as ‘poor’ in 2014 had the revised Bathing Waters Directive been in force.

As a further comparison, had we been using the new standards in 1995, 54% of bathing waters would have been classified as poor. In 2015, only 3% of bathing waters were poor.

These results reflect concerted efforts by the Environment Agency and its partners to identify and reduce pollution sources that affect ‘at risk’ waters. This work will continue in the coming years, with the aim of all waters achieving at least ‘sufficient’ class.
Protecting and improving water, land and biodiversity

2.c We improve and protect rivers and wetlands damaged by unsustainable abstractions

Q3 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>56</td>
<td>59</td>
<td>Amber</td>
</tr>
</tbody>
</table>

Cumulative number of abstraction licence notifications

We have completed actions to resolve 56 unsustainable abstractions. The final year target for 15/16 is 59.

In Q3 we issued notification to change 29 licences. 25 of these were voluntary agreements with the licence holder (section 51). We served notice on licence holders to change an additional 4 licences (Section 52). In addition we concluded no action was required on a further 3 licences. 26 of these licence notifications relate to delivery of the Habitats Directive (HD) licences to the statutory deadline of 22 December 2015 and represents a significant success.

There are 6 abstraction licences that we have not been able to address in 15/16. Three of these are in Cumbria and a decision was made not to serve notice on the licence holders during the winter flooding. The other three are water company licences on the River Itchen in Hampshire.

Restoring Sustainable Abstraction Targets

Actions

<table>
<thead>
<tr>
<th>Action(s)</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver the 3 outstanding Habitats Directive licences in Cumbria and Lancashire</td>
<td>Area Manager Cumbria and Lancashire</td>
<td>29/02/2016</td>
</tr>
</tbody>
</table>
Protecting and improving water, land and biodiversity

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

<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 Q3, 88.3% of our navigation assets are at or above target condition against the corporate target which is 80% 2015/16.

Our 'over-performance' is due to additional funding being secured in 2012/13 and 2013/14 which has helped increase our asset condition above target levels. Condition improvement work that is being progressed is offsetting deterioration on other assets keeping the KPI performance stable.

No. at or above target condition

Our 'over-performance' is due to additional funding being secured in 2012/13 and 2013/14 which has helped increase our asset condition above target levels. Condition improvement work that is being progressed is offsetting deterioration on other assets keeping the KPI performance stable.

Actions
3. b We reduce serious and significant pollution incidents

Number of Category 1 & 2 pollution incidents by sector this quarter

The data shown here is using initial quarterly data which is subject to change. The results for the most recent quarter are likely to increase in future reports due to the inherent lag time in investigating and recording all the necessary incident details onto the reporting system.
3.b We reduce serious and significant pollution incidents

Part 2 of 3

Q3 2015-16

Owners: Executive Directors of Environment and Business and Operations

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

Number of Category 1 & 2 pollution incidents by sector

<table>
<thead>
<tr>
<th>Category 1 &amp; 2 incidents from the biowaste sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonally Adjusted Actual</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category 1 &amp; 2 incidents from the water industry sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonally Adjusted Actual</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category 1 &amp; 2 incidents from the agriculture sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonally Adjusted Actual</td>
</tr>
</tbody>
</table>

Insight - breakdown by media impacted

Category 1 & 2 incidents from the biowaste sector by media type impacted

Category 1 & 2 incidents from the water industry sector by media type impacted

Category 1 & 2 incidents from the agricultural sector by media type impacted

Air  | Land  | Water  | Multiple impacts |
-----|-------|--------|------------------|
3.b We reduce serious and significant pollution incidents

Overview this quarter

Pareto chart to show which sectors make up the most number of category 1 and 2 pollution incidents over the last 12 months

Cat 1 & 2 incidents continue to decline from the peak in Q4 2013/14

The results show we are now at 6 year low in the overall incident count.

Water Quality:

The number of category 1 and 2 pollution incidents for the water and sewerage companies shows a significant drop in Q3 (Oct/Nov/Dec) compared to Q2 (July/Aug/Sept) 2015. This seasonal drop has been observed in previous years. We do not believe it is a response to any specific new actions we have taken over and above our comprehensive ongoing regulation and influencing of the companies.

Waste:

- There has been a substantial fall in the number of serious (Cat 1 & 2) incidents associated to permitted landfill and DfR sites during 2015 compared to previous years. At the end of Q3, there have been only 12 serious incidents associated with the sector. This has continued the good progress made in 2014 during which the numbers of serious incidents fell to 32 from a peak of 49 in 2013.
- The majority of serious incidents in the landfill sector are odour related, and in most cases the root cause is inadequate gas and/or leachate management. We are addressing these incidents with detailed technical reviews of gas management systems at sites where it is falling below the required standards. We are also reviewing our approach to the regulation of leachate and have produced internal advice on a staged enforcement approach to address elevated leachate levels.
- The permit review programme is progressing well and the revised permit template contains more robust conditions relating to the management of landfill gas. Over 100 operational landfill permits have now been varied and issued.
- Area/E&B working groups are improving the enforceability of landfill permits, odour management through joint audits and the compliance classification scheme.

Agriculture

- The general trend in cat 1 & 2 incidents from agriculture continues to increase. The incidents are mainly containment failures in the dairy industry. The economic status of the industry and limited intervention tools means that our ability to address this is currently limited. Most Areas are focussing work on priority WFD catchments. Incident numbers are also weather-related and even though rainfall and river levels have reached record highs, it’s unlikely that slurry incidents were observed or reported given the nature of flooding rivers. We are also in discussion with industry about better targeting of interventions.

Commentary Insight

Actions

We will continue with implementing and reviewing our Pollution Incident Reduction plans

Deputy Director Waste & Illegals

Q4 2015/16
Improving the way we work as a regulator to protect people and the environment and support sustainable growth

3.c We reduce the administrative costs of regulation to businesses

Q3 2015/16

Owner: Executive Director of Environment and Business and Operations

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

<table>
<thead>
<tr>
<th>Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Milestone</strong></td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Confirm ownership and tracking of all strategy aims and targets that support our Better Regulation agenda</td>
</tr>
<tr>
<td>Confirm delivery plans are in place for all aims and targets that support the Better Regulation agenda</td>
</tr>
<tr>
<td>Track and confirm delivery of plans that support the Better Regulation agenda</td>
</tr>
</tbody>
</table>

The target is £20m over the multi-year life of the project. This is being delivered by the SERR Advice and Guidance project. We have delivered many of the Smarter Guidance reforms, but are currently not on track for delivering the required reduction in volumes of advice and guidance at quarter 3. This is due to the reform taking longer than anticipated and a decline in the skilled editorial resource available. However, the trend is improving and we expect to achieve the savings by the end of the financial year. We are confident that the £20m benefit will be made this financial year, with the caveat that the savings are based on the SERR Impact Assessment (IA). The assumptions in the IA may be revised following the current consultation.

<table>
<thead>
<tr>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Action(s)</strong></td>
</tr>
<tr>
<td>All efforts continue to be made to identify appropriately skilled resource</td>
</tr>
</tbody>
</table>
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.

After a reduction in the first 2 quarters of 14/15 the number of HR sites has increased steadily over the last 5 quarters and is now 322. The KPI is red as we have failed to meet the target by 45%.

At the end of quarter 3, 7 Areas were on track to meet the end of year target and another 3 have achieved reductions but not sufficient to meet the target. Of the 5 areas that saw significant increases in numbers, 4 are in the South East. We have therefore focused efforts in the South East and significant progress is being made.

169 new sites were found during Q3, 41 were HR. 161 sites were stopped, 37 were HR. 85 sites were stopped within 90 days.

**Actions**

- **Continue to emphasise that tackling High Risk IWS is a priority**
- **Reinforce message that EPR Waste teams have a role to play**
- **Investigate reasons for anomalous situation in the southeast**

**Owner(s)**

- Exec. Director E&B & Exec. Director of Operations
- Deputy Director Waste and Illegals

**Deadline(s)**

- Q3 2015/16
4.a We respond to planning application consultations and pre-application enquiries within 21 days

Q3 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>AMBER</td>
<td>92%</td>
<td>95%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

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

We continue to focus on improving performance in this area as a priority. Comparing Q2 to Q3 most Areas have improved slightly or stayed pretty much the same except for West Thames, Cumbria and Lancs and GMCC. It is still too early to see the impact of some of the measures we have put in place. We have identified that there is a correlation between performance and two key factors - consultee response times and team capability / experience - we are putting in place actions to address these. Working with EPE Managers and SP Team Leaders we are also putting in place measures to ensure consistency of approach. The work is overseen by the Evolving Sustainable Places Programme Board - that includes National and Area representatives, chaired by the Deputy Director for Sustainable Places and Systems.

Pareto chart of planning application response times in 2015/16

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

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

Deadline(s)
- Ongoing
4.b We contribute to the delivery of priority development sites

Q3 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>95%</td>
<td>80%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

Successful engagement and influence of priority development sites continues, with Areas realising 95% of this quarter’s planned actions.

For example, in Shropshire, Herefordshire, Worcestershire and Gloucestershire, we are engaged in the delivery of the £100 million Cinderford Northern Quarter Site; the region’s largest regeneration project that will provide 18,800sqm for business use, 195 new homes and a new College campus. This quarter, we advised on discharge of condition applications regarding remediation of contaminated land and the provision of flood plain compensation, as well as provided charged pre-application advice on the College’s piling risk assessment. As a result, we secured the betterment to controlled waters as part of the WFD and ensured minimal flood risk.

Elsewhere this quarter in Cambridgeshire and Bedfordshire, we successfully influenced the A14 major road infrastructure project (worth £1.4 billion) by providing written and oral advice throughout the DCO Examination to the Panel of Inspectors. Detailed design has started, and to meet our key objective reduce flood risk to local communities, we will work with Highways England to identify locations to reduce flood risk to existing settlements in quarter 4.

---

Outcome of actions this quarter

<table>
<thead>
<tr>
<th>Actions</th>
<th>Owner(s)</th>
<th>Deadline(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue to work with area SP teams to ensure delivery</td>
<td>Deputy Director, Sustainable Places &amp; Systems</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
5.a We reduce our carbon footprint

Q3 2015-16

Owner: Executive Director of Resources and Legal Services

### Quarter 3 YTD carbon dioxide emissions by type (tonnes)

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Ceiling Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN</td>
<td>25,592</td>
<td>27,991</td>
</tr>
<tr>
<td>GREEN</td>
<td>3,207</td>
<td>3,207</td>
</tr>
<tr>
<td>AMBER</td>
<td>7,933</td>
<td>7,823</td>
</tr>
<tr>
<td>GREEN</td>
<td>6,535</td>
<td></td>
</tr>
<tr>
<td>GREEN</td>
<td>10,425</td>
<td></td>
</tr>
</tbody>
</table>

**Overall -** we are currently at 91% of our YTD target for total carbon. We reduced our emissions by 245 tonnes compared to the same period last year.

**Total travel -** we are AMBER against our YTD target for carbon from travel. Although emissions have reduced from 8,348 to 7,933 tonnes compared to last year, they have not reduced by as much as we were targeting.

**Train travel -** carbon from our train travel has increased by 24.66% from 985 tonnes in 14/15 to 1,228 tonnes in 15/16. We are producing quarterly Directorate Top 30 travel reports to help Executive Directors and their teams take action to reduce train travel.

**Road travel -** we have seen a decrease in carbon from lease/casual vehicles by 6.62% from 2,193 to 2,048 tonnes. For carbon from badged vehicles we have achieved a reduction of 12.03% from 4,885 to 4,297 tonnes through ongoing work to green our fleet.

### Tonnes of carbon dioxide produced

At Q3 year to date air travel makes up 0.34% (83 tonnes) of the total carbon for the Environment Agency for 15/16. This is an increase 53% (44 tonnes) compared to the same period in 14/15. Variations are due to specific work programmes, when flights take place during the year and an increase in domestic flights. The Greening Government Commitment target is to reduce domestic flights by 20% against a 2009/10 baseline. Our domestic flights increased by 10% from last year but are down 35% compared to the year before that.

Operational fuel - carbon from our operational fuel has reduced by 58.19% from 3,890 tonnes in 14/15 to 1,627 tonnes in 15/16. At the beginning of 2014 we purchased large volumes of gas oil for pumping operations to respond to flooding incidents in Wessex on the Somerset Levels.

Pumping - we have seen a 31.67%, or 2,262 tonnes, increase in carbon dioxide from our pumping use. A large portion of that increase can be explained by a significant refund (and subsequent carbon rebate) we received in October 2014 for over billing at one of our biggest water resources pumps, Wixoe.

### Actions

We are providing detailed analysis on travel to Directorates to help them take action to address increasing travel where possible.
Ensuring that we are fit for the future

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

Q3 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></td>
<td>0.0%</td>
<td>3.6%</td>
<td>AMBER</td>
</tr>
</tbody>
</table>

At present we are working closely with SSCL on developing the reporting of workforce data from SOP.

The recent introduction of a new recruitment system will allow us to better understand where in the selection process BAME candidates are falling out. This, coupled with an increasing take up of unconscious bias training for recruiting managers, should help to remove barriers for improving BAME recruitment. We are also piloting a strategic relationship with Brunel University, where there is a very high proportion of BAME students. This will test effective, long term ways of preparing a better pipeline of appropriately skilled graduates with a far better awareness of the Environment Agency as a potential employer.

Internally we continue to run a number of positive action development courses specifically for BAME staff to equip them with the skills and confidence to retain them as well as to progress in their careers.

**BAME staff as % of all staff**

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>3.9%</td>
<td></td>
</tr>
<tr>
<td>2014/15</td>
<td>3.8%</td>
<td></td>
</tr>
<tr>
<td>Q1 15/16</td>
<td>3.8%</td>
<td></td>
</tr>
<tr>
<td>Q2 15/16</td>
<td>3.8%</td>
<td></td>
</tr>
<tr>
<td>Q3 15/16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Number of BAME staff**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>425</td>
</tr>
<tr>
<td>2014/15</td>
<td>394</td>
</tr>
<tr>
<td>Q1 15/16</td>
<td>393</td>
</tr>
<tr>
<td>Q2 15/16</td>
<td>395</td>
</tr>
<tr>
<td>Q3 15/16</td>
<td></td>
</tr>
</tbody>
</table>

**Actions**

- Unconscious bias training for interviews
- Initiative to attract more BAME candidates
- Development programmes and coaching for BAME staff
- Exec Director - Resources & Legal Services
- Ongoing
At present we are working closely with SSCL on developing the reporting of workforce data from SOP.

The deeper embedding of succession planning throughout the organisation is a key factor in preparing a pipeline of high quality candidates for future Executive Manager roles. All directorates now carry out detailed succession planning which helps to identify development requirements for key people and roles, and highlights any focus required on gender balance.

This, coupled with on-going commitment to the training and development of female staff, and the use of open and inclusive recruitment processes, will help to remove barriers to achieving this target.

We are continuing our involvement with the 30% club which will help to further develop the progress of female staff through their career. Our CEO has agreed to be a senior mentor.

### Ensuring that we are fit for the future

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

**Q3 2015-16**

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

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

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target (no less than)</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0%</td>
<td>33%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

*At present we are working closely with SSCL on developing the reporting of workforce data from SOP.*

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

**Actions**

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

**Owner(s):** Exec. Director, Resources & Legal Services

**Deadline(s):** Ongoing

*At present we are working closely with SSCL on developing the reporting of workforce data from SOP.*

The deeper embedding of succession planning throughout the organisation is a key factor in preparing a pipeline of high quality candidates for future Executive Manager roles. All directorates now carry out detailed succession planning which helps to identify development requirements for key people and roles, and highlights any focus required on gender balance.

This, coupled with on-going commitment to the training and development of female staff, and the use of open and inclusive recruitment processes, will help to remove barriers to achieving this target.

We are continuing our involvement with the 30% club which will help to further develop the progress of female staff through their career. Our CEO has agreed to be a senior mentor.
Ensuring that we are fit for the future

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

Q3 2015-16

Owner: Executive Director of Resources and Legal Services

**Lost time incident frequency rate**

Four Lost Time Incidents (LTIs) were reported in Q3 and our lost time frequency rate is a 12 month rolling average of 0.14 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**

<table>
<thead>
<tr>
<th>Q1 14/15</th>
<th>Q2 14/15</th>
<th>Q3 14/15</th>
<th>Q4 14/15</th>
<th>Q1 15/16</th>
<th>Q2 15/16</th>
<th>Q3 15/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>12</td>
<td>5</td>
<td>7</td>
<td>5</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper control limit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

**Actions**

- **Ensure each LTI is fully reviewed and relevant lessons widely shared**
  - **Owner(s):** Exec. Director of Operations
  - **Deadline(s):** Ongoing

- **Analyse LTI and incident data at national level to identify emerging trends**
  - **Owner(s):** Exec. Director of R&LS
  - **Deadline(s):** Ongoing
**5.c.ii We provide a safe place to work: health and safety actions implemented in target time**

Q3 2015-16

Owner: Executive Director of Resources and Legal

<table>
<thead>
<tr>
<th>Status</th>
<th>Actual</th>
<th>Target</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>RED</td>
<td>83%</td>
<td>95%</td>
<td>GREEN</td>
</tr>
</tbody>
</table>

**No. priority actions completed**

This measure is the percentage of staff who completed the Safeguard action by the target completion date.

Poor performance in Q3 can be mainly attributed to two actions. An action to recall defective equipment was issued on a Friday for completion by Monday evening, which meant that it was initially missed by 39 of the 111 who received the action. An action regarding lone working precautions was issued to 245 team members rather than managers; historically, this results in poorer performance because team members are less familiar with the system.

Whenever a colleague does not complete an action by the required deadline, this is followed up by line management with support from the HSW Business Partner to ensure the action is completed as soon as possible. The HSW service continues to review the process for issuing actions to make it as efficient and easy as possible.

If a situation is identified where there is a significant and immediate risk to our staff, we may take a combination of actions. We may issue a red action with a short deadline to prohibit an activity or to quarantine suspect equipment, and follow up with emails and telephone calls to ensure the message has been received. Additional follow up may be made by HSW Business partners, or Fleet Operations business partners for fleet items/activities.

---

**Actions**

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

- **Action(s)**: Take a strong lead in ensuring that staff comply with expectations
- **Owner(s)**: All line managers
- **Deadline(s)**: Ongoing
The Environment Agency has invested 67% of full year affordable budget in the first three quarters of 2015-16, which is closer to an even profile of spend than the investment rate achieved at the same point last year (65%), when the full year investment was achieved. The year to date position is showing an underspend against profile, primarily related to slippage in current year expenditure within our capital programme.

The capital slippage is spread across a range of projects, and has increased through Q3 as we have been responding to the flooding following Storms Desmond and Eva. We have taken measures to adapt the capital programme through Q3, with some new projects to be initiated this financial year.

The flooding following Storms Desmond and Eva has required the Environment Agency to carry out emergency repairs to flood defences, as well as other essential incident management work including enlisting the support of the military. Additional funding for this financial year has been provided from HM Treasury, including £25m for revenue expenditure to cover incident and recovery costs.

Executive Directors are reviewing our expected year-end outturn position on a regular basis to ensure that we make the best use of all available funding. We are confident we can invest our full year budget to maximise the benefits towards our corporate plan targets.
Health, Safety and Wellbeing monthly report – Performance in March 2016

1.0 Introduction
1.1 This report to the Board on health, safety and wellbeing performance covers March 2016.

2.0 Safety performance

2.1 We experienced 4 lost time injuries (injuries causing an employee to take time off work) and 1 safety critical incident (incidents which have the potential to cause serious harm and which present significant learning opportunities) during March. 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 Incident</td>
<td>A colleague fell over when handling woody debris during fieldwork, straining their back.</td>
</tr>
<tr>
<td>Lost Time Incident</td>
<td>Whilst working in the Chichester depot workshop, a colleague stepped on a metal box left on the floor. They turned and injured their ankle.</td>
</tr>
<tr>
<td>Lost Time Incident</td>
<td>A colleague was feeding tree branches into a woodchipper when a piece of wood kicked back and struck their knee causing bruising and strain to the knee. They were off work for two days.</td>
</tr>
<tr>
<td>Lost Time Incident</td>
<td>A colleague slipped on the wet floor in a toilet at the Bridgwater office, straining their knee. The individual was off work for one day.</td>
</tr>
<tr>
<td>Safety Critical Incident</td>
<td>On 5 March we experienced a dangerous occurrence that is reportable to the Health and Safety Executive under the reporting regulations (RIDDOR). The incident involved the failure of a temporary lifting pulley on a guillotine lock gate, causing the 3 tonne gate to fall in an uncontrolled manner. Despite one of our colleagues being nearby, and the gate being opened to allow a boat through, nobody was injured. A review into the incident is underway.</td>
</tr>
</tbody>
</table>
2.2 We measure the percentage of accountable staff that complete red and amber actions issued by our Safeguard system within a specified timeframe. We aim for 95% compliance with actions by a specified deadline. Any non-completed actions are followed up through line management.

2.3 In March, only three essential amber actions all with a direct link to incident response or recovery were required to be completed. Additionally we issued a red action to Area Operations and Waterways Managers to identify any winches similar to one that had failed (as reported in the SCI section above). This achieved 64% compliance by the closing date, but was followed up to ensure it was completed by all recipients. It enabled us to identify four further winches that we quarantined whilst awaiting the outcome of the review.

2.4 The amber actions that were completed were: a) sharing lessons from an SCI involving a pressure washer: 88% compliance; b) requiring line managers to brief their staff on personal safety standards following assaults on members of staff whilst travelling on business: 100% compliance; c) ensuring any similar equipment to that which failed when a skip fell from one of our lorries was identified and inspected: 100% compliance.

3.0 Health and Wellbeing

3.1 The Wellbeing theme for Q1 is Healthy Bodies, and will repeat and reinforce some of the resources provided last year. The aim of the programme will be for our people to have the ability to perform tasks comfortably without adversely affecting their bodies, feel empowered to access support quickly and easily, to look out for others and to feel safe to talk openly and confidently about their physical health. As in previous campaigns, we will share the resources for use across Defra.

3.2 Our annual health surveillance programme, aimed largely at our field services colleagues, to meet statutory obligations including those covering the exposure to noise, vibration and hazardous substances continues. We will advise local managers if this identifies anything of concern. We are awaiting advice from our Occupational Health physician as to whether five suspected cases of Hand Arm Vibration Syndrome (HAVS) have been confirmed, although we believe that at least two are pre-existing cases that have not been exacerbated by work. This year we have seen 83 out of 725 employees who did not attend or declined their health surveillance for HAVS. We are working with local managers to ensure that non-attendees are subsequently assessed, but if anyone fails to attend a second time we may have to consider restricting their use of certain tools.

4.0 Contact with the Health and Safety Executive (HSE)

4.1 There has been no contact with the Health and Safety Executive this month. A note was issued to staff in Operations to remind them of the protocol for responding to visits from the HSE. This follows a visit by appointment by a HSE Inspector to the Osney Depot that was included in last month’s report. The visit had not been notified to line management or the HSW Service until afterwards.
5.0 Significant improvements made to our HSW management arrangements

5.1 In March:

- we trialled a new asbestos awareness training course for officers working in the field. This need was identified by an SCI review and will become part of the standard HSW training offer;
- we agreed the provision of an additional temporary post to provide additional HSW audits of our flood recovery work to provide assurance that we and our suppliers are meeting our obligations under the Construction (Design and Management) Regulations and the SHE Code of Practice;
- in cooperation with the Hydrometry and Telemetry (H&T) community, we consulted on a revised draft Operational Instruction that will enable H&T to fully comply with the construction regulations.

6.0 Forward look

6.1 In April:

- we will consult on a new quarterly dashboard report of HSW data that we intend publishing from Q1, and which will provide a significantly more detailed insight into HSW performance than currently reported;
- Internal Audit will report on the audit of compliance with the Construction (Design and Management) Regulations 2015 that was commissioned by the Board following last year’s changes to the regulations;
- we will publish a new Operational Instruction that will clarify and formalise the arrangements around HSW assurance.

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: 31
Number of Lost Time Incidents in March: 4

Lost Time Incident Totals and Frequency Rates

Safety Critical Incident Tracker

Number of Safety Critical Incidents year to date: 17
Number of Safety Critical Incidents in March: 1

Monthly totals and rolling averages
Paper by: Deputy Chief Executive

Subject: Communications update

FOR INFORMATION
Recommendations

The Board is asked to note the communications activities for January, February and March 2016.

1.0 Background and context

1.1 This paper provides an update on Environment Agency communications activity from January to March 2016.

1.2 Over the last few months, we have been working closely with the Defra Group to further align our communications activities, especially during recent flooding incidents.

1.3 At the start of the quarter, our main priorities were to manage the ongoing flooding and to focus on recovery communications. As a consequence, elements of planned communications activity were put on hold.

1.4 As part of flood recovery, we created 7 dedicated communications roles to support the business nationally and locally in Yorkshire, Cumbria and Lancashire. This has included briefings for government on a regular basis.

2.0 Review of communications from January to March 2016

2.1 We secured 16,662 items of broadcast, print and online coverage in total across local, regional and national media, with 94% of coverage being positive or neutral. Unsurprisingly, the largest volume of coverage in this period focused on flood warnings (5,895 items). The press release which led to the most coverage over this period was “Public urged to be vigilant as new storm brings flood risk” (24 January – ahead of Storm Gertrude).

2.2 There were approximately 87,800 mentions of the Environment Agency across all social media channels. 95% of mentions were either positive or neutral.

2.3 We gained 61,584 new followers across our national and regional Twitter accounts. The national @EnvAgency account alone now has over 456,000 followers. For comparison, the @DefraGovUK account has 97,400 followers and @metoffice 348,000 followers.
2.4 We sent 2,473 messages on Twitter and Facebook and had 14,314 retweets throughout this period.

2.5 We gained 1,435 Facebook fans and we now have over 23,973 fans of our national page.

2.6 We produced our first ‘Periscope’ (live video footage) featuring commentary of the Thames Barrier and 5,000 viewers tuned-in.

3.0 Further examples of the Environment Agency’s communications service include:

3.1 Corporate

- We arranged the all Executive Managers’ leadership meeting on 17 March attended by the new Executive Directors’ team and Clare Moriarty, Defra’s Permanent Secretary, to embed our new culture.
- We continued to promote James Bevan's first 100 days, highlighting his visits (leading to local media coverage), experiences and his vision for the future.
- Following the winter floods, we delivered incident-related communications including the e-newsletter, Floodbuzz.
- We continued to champion #TeamEA by highlighting examples of valuable work by staff from across the business.
- We continued to advise the Chair and Chief Executive on incident, crisis and issues management throughout our first quarter.
- We secured articles in the Times, Mail Online and the Metro on how archaeologists are using our laser mapping (LIDAR) data to discover ‘lost' Roman roads. An associated Facebook post was our most popular ever update, attracting over 6,600 likes and 2,700 shares.

3.2 Flood and coastal risk management, including the winter floods and recovery

- Work continued apace in January on the emergency response to the December 2015 floods. Communications staff from across the country worked around the clock to warn and inform people in flood affected areas. Ministers and the Executive Director of Government’s Communication Service (GCS) expressed their thanks to all involved and praised the way our teams worked seamlessly with their Defra counterparts to maintain public confidence and provide the best incident communications response.
- During the flooding and throughout recovery, we maintained public trust and promoted our flood prevention and recovery work. We received positive feedback from Ministers and Senior Civil Servants, with Minister Rory Stewart MP describing the Environment Agency’s recovery response as “a fantastic performance”.
- Following the winter floods, we supported the work with affected communities, local flood action groups and partners to ensure that communities had the information they required to improve their resilience for the future. We have also promoted our recovery work and the completion of new flood schemes across the country. For example, the Salmons Brook flood alleviation scheme in North London.
• We have been improving our online flood services - transferring live flood warnings, river and sea levels systems over to gov.uk. In May, we will be improving how people can check online if a property or location is at flood risk.

• We are using the evaluation of November’s Flood Action campaign to inform 2016 campaign planning. As a result of the 2015 campaign, 25,000 people visited the key information on gov.uk and 16,000 people checked their flood risk. There were also 1,934 additional flood warning sign-ups and over 800 flood plan downloads.

• We worked closely with BBC Countryfile on a flood ‘investigates’ piece. The episode which featured Alison Baptiste in Cockermouth was viewed by 9.6m people – a Countryfile record. It focused on how our defences performed during the winter floods.

3.3 Water, land and biodiversity

• We worked in partnership with colleagues across the Defra Group to prepare briefings and communications to support the launch of the River Basin Management Plans in February.

• We commenced activity relating to this year’s Rod Licence campaign in February. The new licence designs gained considerable national and trade media coverage and we ran a successful social media teaser campaign, using the hashtag #gofishing. The early evaluation of the outcomes is impressive. We will continue to use the current tools and we will trial new behavioural insights techniques, so as to ensure we continue to improve on the campaign’s effectiveness and return on investment.

• Building on the successful Environment Agency communications-led partnership, we supported a multi-partner campaign advising the public to #binit4beaches (discouraging the pouring of oils and fats down the sink) to improve local bathing waters. An infographic and tweets were shared by partners, including water companies, coast guards and environmental charities.

• We pitched a story on the record-breaking numbers of coarse fish being released into England’s rivers in 2015. This led to national, trade and regional coverage, including an interview with BBC Online and a Daily Express article.

3.4 Regulated industry

• We worked with Sky News and the BBC One Show on briefings regarding the Great Heck abandoned waste site in North Yorkshire.

• ‘Operation Rooster’, our intensive crackdown on illegal waste sites, continued and led to media coverage and social media engagement using the hashtag #OpRooster.

• We continued to highlight our role as a regulator and to encourage anonymous reporting to crimestoppers.

• We continued also to raise awareness of our enforcement action against illegal operators and waste offenders. Press releases regarding prosecutions led to significant local coverage across the country.
4.0 Recommendation

4.1 The Board is asked to note the communications activities for January, February and March 2016.

David Rooke
Deputy Chief Executive

May 2016
Open Board meeting  
Meeting date: 17 May 2016  
Information item no. 1

Paper by: Acting Chairman

Subject: Acting Chairman’s Update Report

FOR REPORT

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

The Board is asked to note the report.

1.0 Emma Howard Boyd engagements to 30 April 2016

<table>
<thead>
<tr>
<th>Date</th>
<th>Meeting</th>
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<tbody>
<tr>
<td>26 January</td>
<td>Attended a business breakfast meeting with Sir James Bevan (SJB), Harvey Bradshaw, Gill Weeks and Chief Executives from waste operators</td>
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<tr>
<td>27 January</td>
<td>Visited areas affected by flooding in Cumbria. Met with staff at incident room</td>
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<tr>
<td>28 January</td>
<td>Visit with the PM to Croston, a flood hit area</td>
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<tr>
<td>1 February</td>
<td>Visited staff at Horizon House to celebrate LGBT network 10&lt;sup&gt;th&lt;/sup&gt; anniversary</td>
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<td>04 February</td>
<td>Visited staff at our West Thames area and met with partners to discuss the Oxford Flood Alleviation Scheme</td>
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<tr>
<td>09 February</td>
<td>Hosted a Board Session with the SoS</td>
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<td>10 February</td>
<td>Met with Andrew Sells, Chair, Natural England</td>
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<tr>
<td>12 February</td>
<td>Hosted SoS visit to Horizon House with Miranda Kavanagh</td>
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<tr>
<td>15 February</td>
<td>Met with Sonia Phippard to discuss the 25 year plan</td>
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<tr>
<td>16 February</td>
<td>Visited Somerset Levels</td>
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<tr>
<td>18 February</td>
<td>Tony Grayling and I met with Shirley Trundle &amp; Nick Barter - 25 Year Plan</td>
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<tr>
<td>18 February</td>
<td>Introductory meeting - Sir Harry Studholme, Chair of the Forestry Commission</td>
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<tr>
<td>19 February</td>
<td>Visited Moors for the Future with SJB. Met with staff and partners</td>
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<tr>
<td>22 February</td>
<td>Delivered a speech at our Flood and Coastal Risk Management conference</td>
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<tr>
<td>23 February</td>
<td>Attended the National Farmers Union annual conference and dinner</td>
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<td>29 February</td>
<td>Joined Area Managers Group and National Services meeting in Birmingham</td>
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<td>07 March</td>
<td>Speaker at Women’s Network International Woman’s Day event at Horizon House</td>
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<tr>
<td>10 March</td>
<td>SJB and I met with Ross Murray and Helen Woolley, President and Director General of the Country Land and Business Association</td>
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<tr>
<td>10 March</td>
<td>Met with Claire Moriarty, Permanent Secretary at Defra to discuss priorities of the department and the Environment Agency</td>
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<tr>
<td>11 March</td>
<td>Met with Toby Nation, Defra Comms</td>
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</tbody>
</table>
14 March  Chairied EA Informal Board and visit to Manchester
17 March  I visited staff from our Cumbria and Lancashire office team and met with residents in the Calder Valley to discuss recovery post Budget announcement
21 March  Attended DEFRA Board
22 March  Chair and Chief Executive meeting with Canal and Rivers Trust
22 March  Discussed flood and coastal management work with Graham Stuart MP
22 March  SJB and I met with Neil Parish MP
30 March  Met with Liv Garfield, Chief Executive of Severn Trent Water to discuss the working relationship with the Environment Agency
01 April  Jonathan Day and I met with Rob Wesseling, Executive Vice President of the Co-operators to discuss insurance provision.
04 April  Betsy Bassis, Defra Director General, Chief Operating Officer to discuss Corporate Service Functions.
05 April  SJB and I joined Oliver Letwin MP on a visit to the Pickering flood alleviation scheme and Sheffield.
06 April  Met with Simon Smits, Dutch Ambassador to the United Kingdom, to discuss joint working with the Government of the Netherlands.
07 April  Met with Professor Dieter Helm, Chair of the Natural Capital Committee to discuss the work of the Environment Agency.
08 April  Sir Brian Bender, Chair of Water UK, to discuss the current relationships between water companies and the Environment Agency.
13 April  I met with Sir Ian Cheshire, Government Lead Non-Executive to discuss the role of Non-Executives across Government.
13 April  Met with staff in our Kent and South London area and visited regulated waste sites around the Greenwich Peninsular.
13 April  Visited staff from our London based team and visited the Thames Tideway Tunnel site at Blackfriars.
18 April  Met with staff from our Hertfordshire and North London office and visited the Ram Brewery to discuss flood protection.
19 April  Roundtable with Alison Baptiste chaired by Peter Bonfield on Property Level Resilience (and 09th February)
20 April  Delivered a speech at the annual general meeting of the Suffolk Coast Against Retreat group at Stratford St Andrew.
20 April  Met with Michael Wade from the Cabinet Office to discuss insurance
21 April  SJB and I attended workshop with landowners hosted by the Country Land and Business Association to discuss integrated catchment water management.
28 April  Tony Grayling and I met with Emily Miles and Sonia Phippard for an update on the 25 year plan
28 April  Met with Betsy Bassis to discuss Governance

* I am happy to give a verbal update for any of the other meetings if colleagues wish.

Emma Howard Boyd  
Acting Chairman  

May 2016