

**Date**

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**Title**

Report of the Interim CEO-designate

**Report by**

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[Paper for information](#)

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## Issue

1. Since my last report, the Interim OEP has continued to make good progress in preparations to establish the OEP as a functionally independent legal body, and with its interim environmental governance functions.
2. Since the last Board meeting we have been operating formally as the Interim OEP. This has largely run smoothly and the transition has gone well. Our working relationship with Defra officials has become more formal in nature in line with our change of status but relationships with both officials and Ministers remain very positive.
3. The biggest challenge we face in the next few months is managing the move from our interim to our permanent staffing and structure. We have the combined challenges of, in the short term, lacking key skills and capacity in a number of areas, managing the onboarding of our new staff into a changing environment and managing the rolling exit of the more experienced interim staff we have as their loans or secondments come to an end. This gives rise to issues of morale, high workloads and change fatigue in a number of areas. We do have in place a range of mechanisms to both identify and manage these issues but they do require a considerable degree of management time and attention on an ongoing basis and will continue to do so until our transition to our permanent structure is complete.

## Recommendation

4. The Board is recommended to note the issues outlined in this paper.

*This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs*

## Corporate

### Finance

5. The OEP budget for 2021/21 is £8m. As of 20 July there is a forecasted underspend of £625k. However, the underspend for payroll is a result of the operating assumptions made in relation to how we forecast staff leaving and joining dates over the next few months as we transition from temporary to the permanent OEP posts. We are confident that the final outturn of the pay budget will align to the approved budget. In August and September we will identify where pay and non-pay budget should be returned to Defra for reallocation should any underspend persist. This will not affect future budget allocations. The position is set out in table one and two, below:

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### Spending Review

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### Interim OEP resourcing

6. We are currently in a period of significant change in terms of our staffing as we transition from interim to permanent staffing. This period of change will continue until late spring next year. To help the Board have sight of the changes in the organisation we have included the current organisation chart – as Annex A. We will update this chart as we transition to our new structure and we will report at each Board on the staff changes.
7. Joiners and Leavers: since the last Board meeting Louise Jakobsson has joined as an interim Grade 6 Head of Strategy EIP Monitoring and Reporting (on loan from DCMS)

*This section has been redacted as it includes personal data*

8. We are continuing to resource in a pragmatic and dynamic way, utilising short-term appointments to secure talented and effective staff to support the OEP Establishment without creating future pressure on Defra FTEs.

### Estates

9. A dedicated work area has been secured within Worcester County Hall for the OEP to use on an interim basis until the permanent OEP office is ready for occupation. We are currently working with Defra Estates and WCH to prepare the interim space and confirm staff admin arrangements including security passes. The OEP postal address is now WCH.

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## Stakeholder relations

10. Dame Glenys and I met with Minister Pow to discuss our advice on the Environment Principles Policy Statement agreed by the Board in July.

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11. Our appearance at the joint meeting of the Environment, Food and Rural Affairs Select Committee, and the Environmental Audit Committee provided opportunity to outline progress made in the establishment of the OEP, and some key aspects of our thinking on strategy development. Questioning was pertinent, but broadly supportive of our endeavours to date, and the progress made in establishing the OEP in interim form.

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12. We held a session of our stakeholder forum which draws together a range of stakeholders across our NGO community, other Defra group delivery bodies and others last month. This meeting allowed us to update on the launch of Interim OEP, our advice on the environmental principal policy statement, and the current position on complaints received. The tenor of our stakeholder discussions remains positive, with the success of our activities in July noted.
13. We also held a first meeting of our stakeholder sub-group on our scrutiny and advice functions, including a deep dive on our developing approach to the monitoring report of the 25 year environment plan. Stakeholders were supportive of our approach and we are intending to bring this group together again before the publication of the monitoring report, as part of a broader engagement programme.
14. I have also conducted a range of bilateral meetings, including with the Local Government and Social Care Ombudsman, Natural England, and the Law Commission and concluded my series of meetings with the chief scientific advisors across the Defra group.

## Communications

15. Our first independent press release as Interim OEP was released on 1 July to accompany our interim launch. We have begun to develop the content of our website, using it to display news articles in respect of our launch, our appearance before the select committee, our advice on the environmental principles policy statement and our Board members' profiles and photos.
16. The immediate publication of our response to the environmental principles policy statement has been welcomed by the stakeholder community, who have seen it as a signal of our intent to be transparent where circumstances allow and our willingness to state plainly our view. The governance arrangements approved by the Board in July are also now published.
17. At the end of July, we secured dedicated interim communications resource to support Interim OEP until permanent recruitment completes. Our attention is turning to the broader communications strategy and approach for the coming six months.

## Programme Management

18. Our establishment work has long benefited from a detailed and structured project plan, through which we track delivery, risks, issues and dependencies. On my appointment, the planning approach to the development of our strategy, functions and our interim deliverables was less developed.
19. We have now completed a full replan of this activity, dividing our work into three programmes: Establishment; a Strategy and Functions programme and the project to deliver the 25 Year Environment Plan review report. Each of these is governed by a project board, or delivery working group that I attend, or that reports directly to the senior leadership team. A monthly cycle of reporting through to the senior leadership team has been established, and project governance and controls are in place.

## Interim Functions

### Complaints

20. In addition to the complaints received by the IEGS, the Interim OEP has received one complaint in July.

*This section has been redacted as it relates to information recorded for the purposes of OEP's functions relating to investigations and enforcement*

21. We are also updating our internal complaints procedure in line with our current remit and finalising content for the website detailing the role and remit of public authorities likely to be complained about.
22. The IEGS published its second and final report on complaints in early July. We will continue to publish reports quarterly and report monthly to the Senior Leadership Team. To give the Board further detail on the complaints that we have received to date and their status, we have included at Annex B the monthly internal report from the complaints team.

### Advice

23. Our advice on the environmental principles policy statement was well received by both government and stakeholders

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24. Minister Pow also asked for our input as Defra begins to develop the guidance that will accompany the policy statement and consider how the principles will be effectively disseminated and embedded across government. We were pleased to accept this invitation and members of the team met with the Defra policy team on 27 July. They have not yet started this work and so we agreed to meet again in September. We will then determine how and where our input will be most effective.

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25. The consultation on the civil procedure rules' changes needed to create the rules governing environmental reviews opened on 26 July and there is a separate Board paper setting out our suggested response to this.

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26. As agreed at the last Board meeting, we have evaluated a number of live and upcoming consultations against the 'decision tool'. This has identified two live consultations where it is recommended we do not respond – consultations on highly protected marine area pilots and marine protected area compensation guidance. It has also identified an upcoming consultation where it is recommended that we should respond – biodiversity net gain – regulations and implementation. This consultation is currently delayed with a new date publicly stated to be late summer. Further details are provided in Annex C.

## Establishing the OEP

### Recruitment

27. Across two recruitment waves we have run campaigns for 29 roles, with 10 individuals having completed pre-employment checks. They will join between August and September.
28. All Wave Two roles have now been advertised. Three are at provisional offer stage whilst the remaining are at sift or interview stage.
29. Detailed Diversity and Inclusion data will not be available until campaigns have closed, however early data for Wave One, (which comprised 12 roles and attracted a total of 293 applicants), across the campaign has shown:
  - a. between 4% and 10% of applicants declared a disability
  - b. between 6% and 28% of applicants were from a non-white background (an average of 17% across the roles advertised).
  - c. Overall a higher proportion of women have applied. And overall, there is an approximate 50:50 split for appointments.
  - d. Of offers made, 67% have been to people already located in Worcestershire, the West Midlands or the South West.
30. Executive Recruitment: The Interim OEP have engaged GatenbySanderson to manage our executive recruitment campaign for the four Executive Director roles. This launched on Monday 26 July and will run until 22 August. A microsite is live with details of these roles which can be viewed here - [Home \(oepexecutiverecruitment.com\)](https://www.oepexecutiverecruitment.com).
31. GatenbySanderson were selected following a competitive tender run by Crown Commercial and the Government Recruitment Service.

## Website and Digital Service

*This section has been redacted as it relates to legally privileged advice*

32. SLT was also invited to review identified technical and security risks following the launch of the new website, which are being reviewed by DDTS (Defra Digital and Technology Services) and the website supplier with the aim of mitigating as many as possible to a point where SLT can either accept or tolerate any residual risks. This is subject to a follow-up in late August.
33. Traffic on the website has been steady and analytics data is being collected and will be provided to the Chief of Staff each month. Analytical data is subject to users agreeing to analytics cookies, and as expected figures are currently in the hundreds, not the thousands. The most popular page is the home page by a large margin; however, the publications and news pages are nearly equally popular and the second-most popular overall. The busiest day for user traffic was the day of launch (1 July),. Nearly the same number of users access the website via twitter as they do via google. However most seem to access the website directly (either from a bookmark or from typing in the URL).

## Northern Ireland

34. The Northern Ireland (NI) Department of Agriculture, Environment and Rural Affairs (DAERA) are leading the process to identify an appoint a Board member-designate for NI. At the time of writing, they are producing the candidate information pack, role profile and shortlisting criteria.

*This section has been redacted as its publication would be prejudicial to relations within the UK.*

## Constitution and Governance

35. The Environment Bill completed its House of Lords' Committee Stage in July. Peers raised a number of strong concerns about the constitution of the OEP, its independence (including funding) and its enforcement powers.

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36. We have had several discussions with the Defra team leading on environmental elements of the UK/EU Trade and Cooperation Agreement (TCA).

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37. We have begun initial discussions with Defra on the substance and content of our Framework Agreement, setting out the nature of our relationship with the department. The precedent document drawn by the Treasury is not designed for an organisation of the OEP's nature or functions, and negotiation is required. We aim to complete negotiations in time for vesting.

## **Developing the Strategy and Functions of the OEP**

38. We are presenting separate papers in the Board meeting on the approach to developing the OEP's strategy, and the concepts of 'serious failure', 'serious damage', 'urgency' and 'prioritisation' that attach to the development of our enforcement policy.

### **Finance and Resource**

39. This organisation's finance position is set out above.

## **Impact Assessments**

### **Risk Assessment**

40. The main risks relate to staffing resource and the risks related to transition from interim to permanent staffing.

### **Equality Analysis**

41. Equality related matters arise largely in relation to recruitment. We have strategies in place to secure that we recruit and retain as diverse as staff as possible and that we remain an inclusive employer.

## **ANNEXES LIST**

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