

Board Paper**Date**

22 January 2025

Title

Report of the Chief Executive

Report by

Natalie Prosser, Chief Executive

Paper for information and decision**Open in part****Summary**

1. The launch of our progress report in England has inevitably been the key focus for many of our teams in January. I have been particularly pleased to see further signs that our report is increasingly a fixture in the calendar, and looked to by influential stakeholders – including Parliamentarians – as a credible statement of how things are.
2. Beyond this, our portfolio of investigations has continued to be active, with the issue of decision notices in respect of our investigation into combined sewer overflows, and the opening of our investigation in respect of Good Environmental Status in the marine environment. There are a series of deadlines for information provision across our investigations, which will inform and enable next steps.

Recommendations

1. The Board is recommended to consider and comment on progress against our strategic objectives

Sustained environmental improvement

Government is held to account for delivery of environmental goals and targets, and its plans for environmental improvement.

- Our annual reports will be recognised as definitive assessments of progress by Parliament, the Assembly and others
- Environmental trends related to EIP goals and targets will improve
- The prospect of achieving EIP goals and targets will increase

Monitoring and reporting on environmental improvement in England

3. We laid our annual progress report before Parliament on 15 January and launched publicly the next day. Our press briefing, in-person launch event and online stakeholder session were each well attended. There was some good media coverage across national and regional titles, but

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limited broadcast coverage. This reflected the wider context, and the announcement of the ceasefire in Gaza that morning. The response on social media was positive, with key messages amplified by a number of influential stakeholders. The engagement of the Chair of the Environmental Audit Committee, Toby Perkins MP, was notable. He asked the first question at the in-person event and responded positively to a call for us to be heard when the revised EIP is published. He also issued a supportive and strongly-worded press statement.

4. We have since presented in relation to our report at the All-Party Parliamentary Group for the Environment, a UKELA conference, at the cross-government board for EIP delivery, and at the Defra Group environment board. We continue to develop the longer-term communications and engagement plan for the report. The core elements of this approach will be a regular programme of blogs based on report chapters, tied to topical developments where possible, as well as attending and presenting at a range of appropriate events to disseminate key messages.
5. Prior to publication, we were invited to present to members of the new Environmental Audit Committee on 14 January, at their induction event. We were asked to cover the environmental targets to which the UK Government is committed, progress towards them, and the overall accountability system of which we, and Parliament, are part. This provided a useful opportunity to build relations with the new Committee members, and signal the key messages of our report. We will appear before the Committee in a public evidence session covering our annual progress report on 26 February.

The rapid review of the EIP for England

6. We expect Government to make a statement in relation to the rapid review before the Board meets. We continue to engage with Defra officials conducting the rapid review. A recent area of their focus has been to identify cross-cutting actions, and we have provided them with our own analysis of the extent to which the ~300 actions in EIP23 align with environmental goal areas and key targets and commitments. We will meet further in early February to unpack the key messages of our progress report, and findings pertinent to the rapid review. We now understand it is likely the content and timing of the new EIP will depend on the spending review, suggesting publication in the summer, rather than the spring.

Future progress reports

7. We will discuss our longer-term approach to progress reports in the Board's workshop on 19 February. A new Principal Analyst (Dr Kenny Bodles) joined at the start of January to focus on the development and implementation of the EIP assessment programme for Northern Ireland.

Other evidence programmes

8. We made an internal appointment to the new role of Principal Analyst, *this section has been redacted as it includes personal data*, managing the OEP's long term science and evidence programme. This includes engaging with the business planning process, and developing our evidence beyond our current identified priorities. We are engaging with a range of bodies to learn lessons on scoping and delivering long term evidence programmes.
9. Nutrients Programme: Work on the Northern Ireland wastewater system, Habitats Regulations Assessments and Regulatory Divergence are continuing and are informing our business

planning for the Nutrient Programme in 2025/26. DAERA have indicated to us that the Nutrient Action Plan consultation will be delayed to Spring 2025 rather than at the end of January.

10. Our planned work for this year on Environmental Land Management schemes in England is complete and evidence reports were published alongside our annual progress report. The work will be presented internally in February and March. Work continues on the appraisal of farming policy in Northern Ireland and wider farming regulations in England and NI. These are multi-year projects and aim to inform scrutiny work next financial year.
11. We have recently appointed 2 short term posts, *this section has been redacted as it includes personal data*, to support us to develop understanding of the current state of chemical pressures as they exist in England and Northern Ireland, and to develop our evidence base and understanding to inform our future approach to UK chemical regulation.

Better environmental law, better implemented

The environment is protected and improved, and people are protected from the effects of human activity on the natural environment, through better design and implementation of environmental laws.

- There will be improvements to the design of environmental law as a result of our scrutiny and advice
- Public authorities will act to improve the implementation of environmental law, when we identify weaknesses or opportunities to do so
- Significant risks to environmental protection and improvement identified in our work will be recognised by Parliament and the Assembly when making the law

Environmental law reports and related activities

12. *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence.*

Subject to resolving the issues at hand, we aim to bring the final report for Northern Ireland and the draft report for England to the next Board meeting.

13. Following the Board's approval of our report into the implementation of the environmental principles policy statement, we are on track to publish in February.
14. We continue to seek opportunities to reinforce messages and leverage our findings in relation to our reports on bathing waters and the Water Framework Directive Regulations (WFD) in each of England and Northern Ireland. We submitted our response to Defra's consultation on review of the Bathing Water Regulations in December (Annex A). This reiterated the importance of the link with and the need to properly implement the WFD.

Interventions

15. The Secretary of State's appeal in *Pickering Fishery Association v Secretary of State for Environment, Food and Rural Affairs and the Environment Agency* was heard in the Court of Appeal on 14 and 15 January. We intervened by way of written submissions based on our WFD report, highlighting the implications of the judgment for all water bodies and the river basin management planning process more broadly. Our report was also referred to in positive

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terms by counsel for both the Secretary of State and Pickering Fishery Association. We now await the judgment, which was promised 'as soon as practicable'.

16. On 10 January, we filed our skeleton argument in the Court of Appeal case *Rights Community Action v the Secretary of State for Housing, Communities and Local Government* relating to the correct interpretation on the Environmental Principles Policy Statement duty. A hearing date is anticipated later this year.
17. We are waiting to hear from the Supreme Court whether we will be granted permission to intervene in the appeal *CG Fry & Son Ltd v Secretary of State for Levelling Up, Housing and Communities & Somerset Council*.

Government commissioned independent reviews of environmental governance, law and the water sector

18. We met with the independent panel for the [review of environmental governance in Northern Ireland](#) announced by DAERA. The panel is currently developing their call for evidence, and we expect to make a submission, in due course.
19. We are developing the OEP's position on what makes for good environmental regulation following the workshop with members of the Board and College of Experts on 5 December. As a contribution to his review of regulation for Defra, the Chair wrote to Dan Corry on 6 January to provide a summary of the main conclusions from the workshop (Annex B).
20. The Chair and Chief Regulatory Officer met with Sir Jon Cunliffe, the Commissioner for Defra's independent water review, on 17 December, after engagement with officials in the secretariat. The Chair wrote to Sir Jon on 24 December (Annex C) elaborating on issues discussed and offering further support. We understand that the review is planning a call for evidence soon.

Consultations and related activities

21. We provided a high-level response (Annex D) to Defra's consultation on the latest Fisheries Management Plans (FMPs) which built on our previous response to the "frontrunner" FMPs. We acknowledged improvement in several areas, but reinforced the need for a stronger emphasis on how the goals will be achieved.
22. Government has announced new policy in relation to taking account of nature in the planning process. We are considering how best to engage with Government's plans having met with Defra and MHCLG. We understand that Ministers are likely to seek our views. The Chairs of the Environment Agency and Natural England are joining the Board for discussion in relation to these plans, during this meeting.

EU / UK Trade and Cooperation Agreement

23. In its environmental provisions, the Trade and Cooperation Agreement includes regular meetings between the European Commission and the UK's 'supervisory bodies'. These are intended to support cooperation on the effective monitoring and enforcement of environment and climate laws. The term 'supervisory bodies' is not defined and is being interpreted to include the UK and Devolved Governments, the OEP and equivalent bodies in Scotland and

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Wales as ‘core members’, and other authorities such as the Environment Agency who will attend as the agenda requires.

24. The Chief Executive and Chief Regulatory Officer will attend the first such meeting on 10 February. We have discussed the agenda with Defra, the Devolved Governments and our Scottish and Welsh counterparts, to try to make the meetings as useful as possible. We have emphasised the need to maintain our independence within the context of a UK group of bodies under this agreement with the EU.

Improved compliance with environmental law

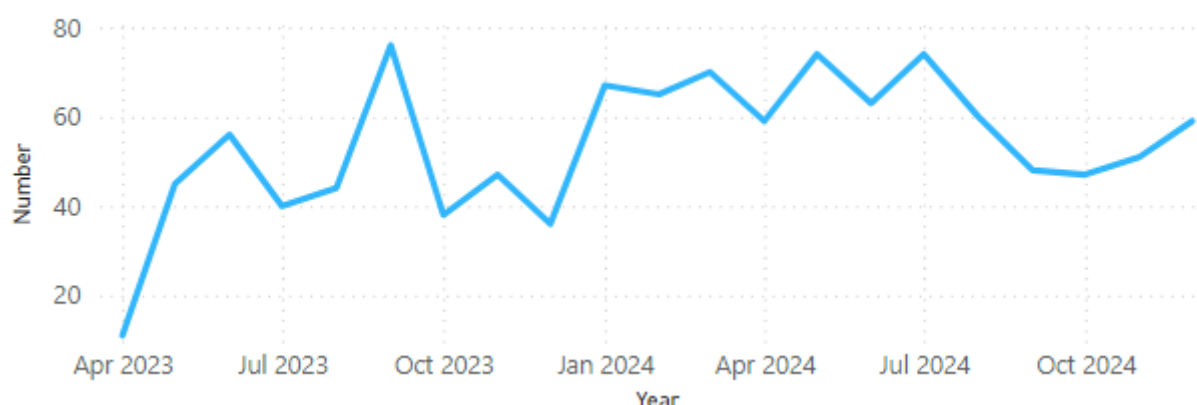
Government and other public authorities abide by environmental law so it can protect people and protect and improve the environment as intended.

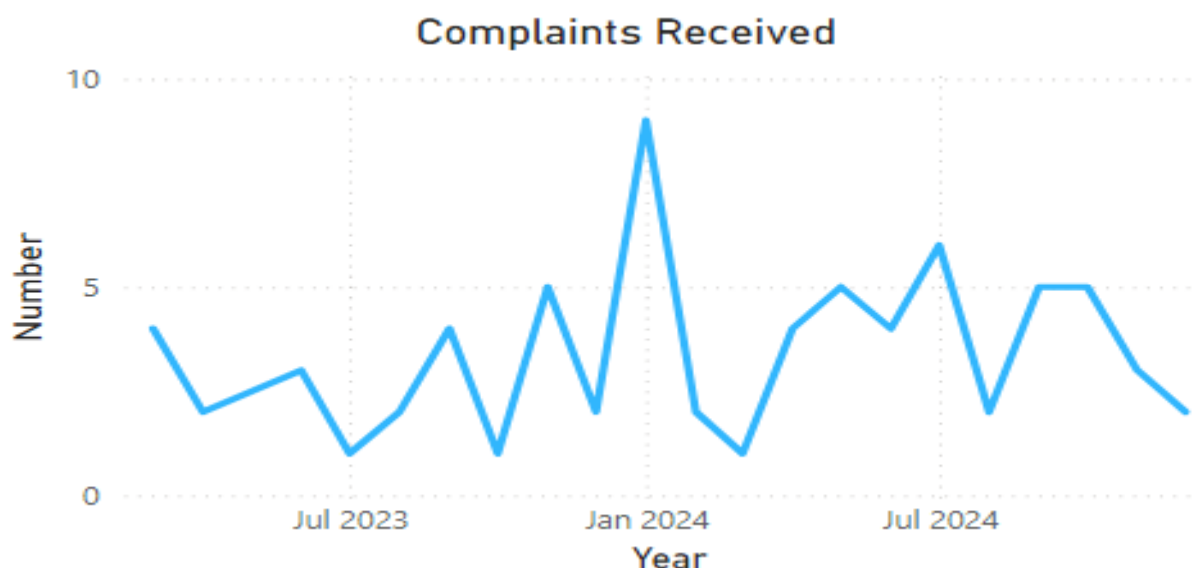
- Public authorities’ compliance with environmental law overall will improve as we undertake our role
- Where we identify failures to comply with environmental law, public authorities will take the necessary steps to remedy them
- Stakeholders will have confidence in our enforcement function as an effective route to secure compliance with environmental law

Complaints and enquiries

25. As with previous years, we have observed a lower number of contacts from the public over the Christmas period, with 2 new complaints and 59 enquiries received since the start of January 2025. We currently have 9 complaints open at the assessment stage.

Monthly Enquiries Received





Progress of investigations

This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence.

26. Following the Board's decisions in December, we issued decision notices to the three public authorities subject to our investigation into the regulation of combined sewer overflows in England, making a public statement on 16 December. Once we have received responses in February 2025, we will consider the appropriate next steps.
27. Similarly, we have now implemented the Board's decision to investigate the measures taken to achieve or maintain good environmental status of UK marine waters by 31 December 2020, making a public statement on 9 January. We had discussions with key Defra stakeholders and interested parties including DAERA, ESS and IEPAW in advance.
28. *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence. It also relates to information recorded for the purposes of OEP's functions relating to investigations and enforcement.*
29. We are now in the final stages of completing the assessment of the potential non-compliances identified in our WFD report, recommendations for which will be brought to Board in March 2025.

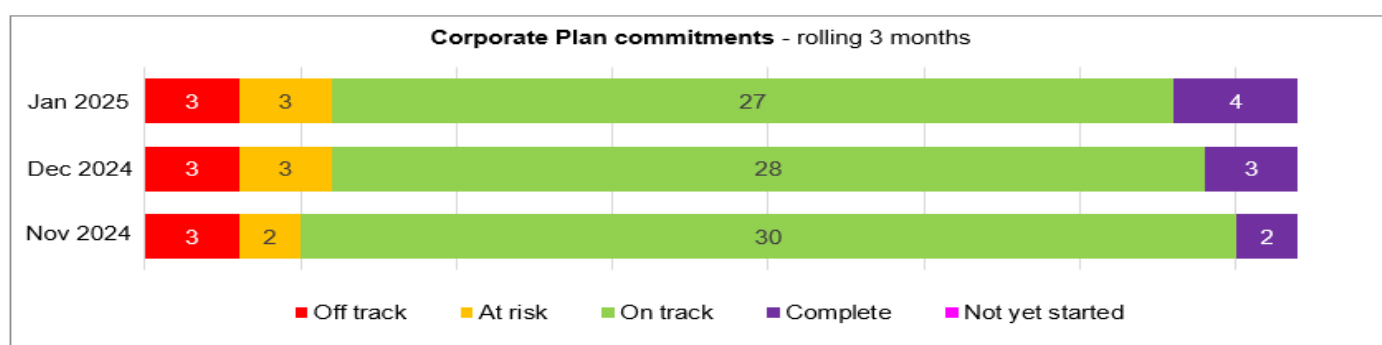
Organisational excellence and influence

We are effective and efficient, with the authority, relationships, expertise and voice to play our full part in national environmental governance

- Those who work for environmental protect and improvement will respect and value the role we play in each of England and Northern Ireland
- When we speak, those we are speaking to will hear, understand and act on what we say
- Our staff will be engaged and motivated to deliver our mission

Financial and performance reports

30. The Board will separately consider our financial performance report to the end of P9 at 31 December 2024, including the steps taken to address the emerging underspend risk reported to the Board at its December meeting. The report also includes updates on the progress of the 2025-26 budget setting and business planning, where Board is advised to grant permission to commit resources for Q1 delivery, ahead of considering the full budget and plan in March.
31. Annex E sets reports on the delivery of our corporate and business plan for 2024/25 at 31 December. The picture is broadly stable, with three of the 37 public commitments in our corporate plan off track and three at risk.



32. Where off track, we expect to publish reports on the implementation of law for the designation and management of sites protected for nature in England and in Northern Ireland (commitment 2.3 at annex E) and publish a report on the implementation of inspection regimes required under environmental laws (commitment 2.5) in the first quarter of 2025/26. We will not review the coherence between the Northern Ireland Environment Strategy and Climate Action Plan (commitment 1.3) this year, as documents are not yet published. We have changed the project scope with contractors to enable partial progress
33. At risk are our commitments to pilot improved ways to monitor the implementation of a wider range of environmental laws (commitment 2.9) after we were not able to procure as expected the related pilot activity, our commitment to publish and implement a framework when agreed (commitment 4.10) and scrutinise proposals to reduce the impact of nutrients on the environment in Northern Ireland, including the required Nutrient Action Programme (commitment 1.3) where we await publication of the NAP early in 2025
34. Annex F provides the third quarter of performance reporting data collated under the balanced scorecard the Board agreed in May 2024. Whilst it remains early days, it is notable that we will deliver more outputs this year than last, and the emerging picture of the net sentiment of media and Parliamentary citations.

Future funding and headcount cap

35. We have received strong indication that we will receive a flat cash financial settlement in England for 2025/26, but that the headcount cap will no longer apply. This financial outturn is in line with our base case planning assumption. The removal of the headcount cap would be a welcome change, allowing us more flexibility in designing work programmes to maximise value for money and efficiency, to undertake longer term workforce planning and recruitment and to

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reduce the financial risks that inevitably arise through an annually planned recruitment approach. We have no further information in relation to DAERA's budget allocation process, or in relation to government's multi-year spending review for 2026/27 and 2027/28.

Research into stakeholder perceptions of the OEP

36. As part of the approach to measuring our success the Board agreed, we have appointed YouGov to undertake a review of stakeholder perceptions of the OEP. This work will lead to the first of a longitudinal survey of key dimensions of our impact, to be repeated every two years, along with the outcome of qualitative interviews with key stakeholders similar to those we conducted in 2022. We expect the interviews to be conducted in February and March.

Corporate and enabling services

37. The transition of staff records system from iTrent to Staffology was successfully completed at the end of December 2024. December payroll was successfully processed by the new provider, with some refinement work scheduled for completion in the new year. We implemented the 2024-25 Pay Award in December.

38. The majority of line managers will undertake a line management foundations course from February to June 2025, in line with the action plan from our people survey. A proposal for an executive coaching programme is under consideration. Work is underway to commission our third people survey in Q4. This will seek to elicit reflections from an enlarged organisation as well as test views on progress against the action plan.

39. Our pilot testing the use of Copilot across our functions will end in January 2025. The trial findings, along with a draft Artificial Intelligence policy and recommendations for rollout will be developed in the first quarter, and will form part of our OEP Improvement programme we are developing through our business planning.

40. A revised procurement policy has been approved by the Chief of Staff to align with new procurement regulations taking effect next month. Parallel work to update processes and guidance is ongoing.

41. We aim to award a contract to support our work on benchmarking shortly. The outcomes will form a foundation for our work on efficiency, in future years.

Cooperation with Defra and DAERA

42. *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence.*

43. In parallel, we are reviewing our operational procedures to plan, forecast and seek information and cooperation from Defra, DAERA and other public authorities. We expect to roll out a simplified and single process across all public authorities in the coming months.

Board and other recruitment

44. *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence.*

45. David Lambert, our Board Apprentice, joins us at this meeting. This will be the first of several meetings that he joins through 2025, with the aim of supporting him to develop the skills and experience needed to become a successful non-executive board member in the public or voluntary sectors. He is being supported by Julie Hill and Richard Greenhous. A Memorandum of Understanding and confidentiality agreement are in place, and David will declare any relevant interests in relation to the Board business he observes.

46. Outside of those mentioned above, we have welcomed three further staff members since Christmas. *REDACTED* has joined us as Complaints Officer (backfill following staff exit); *REDACTED* as Principal Intelligence Officer (maternity cover); and *REDACTED* on a part-time secondment from his practice at Francis Taylor Building barristers chambers.

Impact Assessments

Risk Assessment

This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs and it contains information provided in confidence.

Equality Analysis

47. No material equality implications have been identified in this paper.

Environmental Analysis

48. This report gives an overview of strategic organisational developments which support the OEP's principal objective. Consideration has been given in each case to how the activity contributes towards environmental protection and enhancement, and to ensuring the OEP meets relevant duties in environmental law. No specific proposal in this paper has a direct bearing on those duties.

Paper to be published	In part
Publication date (if relevant)	With meeting minutes
If it is proposed not to publish the paper or to not publish in full, please outline the reasons why with reference to the exemptions available under the Freedom of Information Act (FOIA) or Environmental Information Regulations (EIR).	FOIA/EIR exemptions for which we propose not to publish this paper in full are: <ul style="list-style-type: none"> • publication would harm relations between UK and NI governments (s.28) • publication would harm the effective conduct of public affairs, including the Board's ability to receive candid advice and engage in free and frank discussion (s.36) • publication would reveal information subject to legal professional privilege (s.42) • publication would harm the OEP's commercial interests (s.43)

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ANNEXES LIST

REDACTED

Annex B – [Letter to Dan Corry](#)

Annex C – [Letter to Sir Jon Cunliffe](#)

Annex D – [Response to Defra's Fisheries Management Plan consultations](#)

Annex E – Delivery report

REDACTED