

ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE

Date: Wednesday 17 January 2001
Time: 2.00 to 5.15 pm
Venue: Committee Room 3, National Assembly Building

Environment Agency WALES - PERFORMANCE REVIEW APRIL 1999 – SEPTEMBER 2000**1.0 INTRODUCTION**

This report provides an overview of the Agency's performance up to 30 September 2000. In view of the serious flood events that have occurred within recent weeks, we have also covered these within this report. Our last performance report to the Committee was produced in autumn 1999 although, in the meantime, we have published the Annual Report Wales 1999/2000, launched at our AGM in September 2000. Copies of the Annual Report have been provided. We performed well against our 1999/2000 targets; some examples are contained in Section 4.

2. SUMMARY AND FORWARD LOOK

We believe we have made good progress during the period, against corporate plan targets, customer charter targets and reacting to emergencies. We are constantly reviewing our priorities, using a risk based approach, to ensure we are making the most of our resources. Major initiatives, such as targeted waste enforcement, dealing with a licensing backlog, or reacting to major floods are always likely to impact on other areas of work. We take these decisions carefully, alerting the Assembly to particular needs or risks.

In looking forward, we believe our financial situation is sound and that our current full year outturn will be in line with budget. As far as key operational issues are concerned, we will be:

- continuing work relating to the planning inquiry and determination of the phased IPC application for a new kiln at Castle Cement Ltd's site in Padeswood;
- processing applications under IPPC relating to developments at Deeside Industrial Park;
- reviewing our procedures, resources and defences following the recent floods;
- continuing our substantial involvement in issues connected with Nant-y-Gwyddon and Abernant landfill sites, Nycomed Amersham and Cardiff Bay.

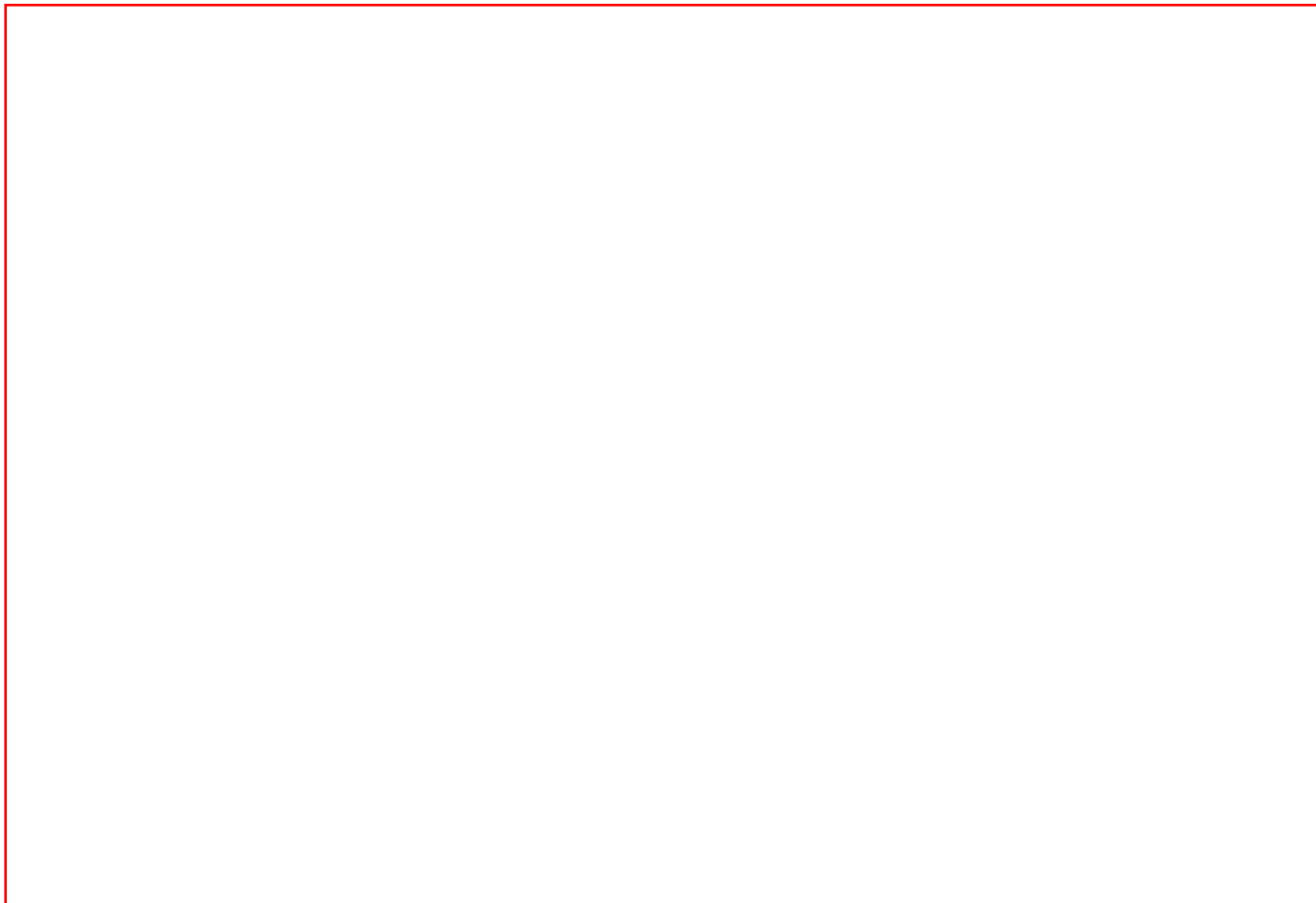
We also believe that we are making good progress against the strategic priorities for Wales that we identified in our corporate plan, although we have raised one issue outside our control, relating to Objective 1 funding, which is causing us concern.

2. **OPERATIONAL ACTIVITIES**

We consider our performance against our Customer Charter targets to be very important. Much of this information is contained within this section; the remainder is provided in Appendix 2.

a) Licensing

The Agency licenses activities in order to protect the environment. Chart 1 below indicates how many licences have been issued in the period 1 April - 30 September, and our performance in processing them within the target time (generally set out in our Customer Charter).





For several years we have struggled to overcome a backlog in waste licensing and we have diverted resources specifically to deal with this problem. Chart 2 below records our significant progress.

b) Enforcement (prosecutions)

	1997/98	1998/99	1999/00	2000/01 (6 months)
No. of defendants	303	323	276	150
Success rate (%)	-	-	96	92



Whilst the number of cases taken remains fairly steady, we are now taking proportionately more waste cases, following on from our targeted waste enforcement initiative (Chart 3). There have been a number of significant successes including, recently, a fine of £48,000 plus £6,000 costs for two Kidwelly men. The case resulted from covert surveillance in the Pontyates area, following an aerial surveillance flight.

Total fines per annum for waste offences have increased from £3,900 in 1997 to £135,325 in 2000. Prosecution has been recommended against a further 65 defendants.

c) Planning

The Agency has an important role to play in the Town & Country Planning system. Influencing the planning process provides the Agency with one of its best opportunities to protect the environment and to further its aims and objectives.

The service we provide	The standard we aim to meet	Half year position 2000/01
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Providing advice to local authority planning offices as a consultee on planning applications.	Advice provided on 50 per cent of applications within 14 working days of receipt; 75 per cent of applications within 21 working days; and, 95 per cent within 28 days.	52.4% within 14 days
		64.5% within 21 days
		73.6% within 28 days

We have performed below the 21 day and 28 day targets, whilst introducing a new management system for planning. We have, however, been careful to liaise with local authorities to ensure this has not impacted on them nor caused us to miss significant opportunities to protect or improve the environment.

Between 1 April - 30 September 2000, we objected to 67 planning applications in flood risk areas. We have since received Decision Notices on 50 of these, which show that 25 (50%) have been granted, contrary to our advice but in line with the planning officer's recommendation. All but three are in North Wales, and many are in coastal floodplains.

d) Managing Environmental Emergencies

Pollution incidents : there have been 4 major substantiated water pollution incidents recorded during the period. The most significant incident occurred on 29 July 2000 when an estimated 100,000 fish, mostly coarse fish, were killed in the River Dee near Shocklach Green. Despite water quality sampling, biological surveys and intensive investigations, the pollutant could not be identified. This incident has cost us at least £35,000 (largely staff time) which we have had to absorb because we are unable to recharge to the polluter. A release of blast furnace gas from Corus, Port Talbot, also in late July, was regarded as an air pollution incident of sufficient magnitude that it may have to be reported to the EU under the Seveso II Directive. There have been no major pollution incidents involving land.

The service we provide	The standard we aim to meet	Half year position
		2000/01
Responding to pollution emergencies.	Attendance within two hours during normal working hours and within four hours at other times.	78%

Floods : the Meteorological Office has indicated that the rainfall recorded during October 2000 across England and Wales was the highest in over 200 years. Flood warnings were issued effectively and efficiently providing the public with timely advance notice of rising river levels. Our dissemination systems proved to be robust and effective, as did our defences. The event stretched our resources to the limit; for example, in North Wales, our incident room was manned on a shift basis, 24 hours per day, from 26 October to 12 November. During the period, we handled 203 media enquiries, 137 press enquiries and gave 87 radio / TV interviews. We have produced an interim report for the Assembly, held public meetings and we are taking action to review our procedures, resourcing and defences. Nevertheless, 1500 properties were flooded – mostly in areas not yet subjected in recent times to serious flooding.

Flood defence and related capital investment: progress in improving flood defences during the first six months is set out below.

- The Aberystwyth Tidal Defence (North Bank) scheme has now been completed and performed well in the severe storms and heavy rain experienced in Oct/Nov 2000;
- Replenishment of rock armour to the Porthmadog Cob sea defence has been undertaken;
- Construction work on tidal defences at Connah's Quay in North Wales is substantially complete;
- Work has commenced on site on the Chepstow Flood Alleviation scheme, previously delayed by planning difficulties;
- Substantial improvements to the hydrometric network have been ongoing; these will result in significant improvements to the flood warning service.

e) Educating and Influencing

We see this as an important, and increasing part of our work. Our millennium festivals, run jointly with partners, were very successful: St.Fagans, Cardiff (19/20 May); Wrexham (10 June) and Swansea (12/13 August). We also sponsored a major tour of Welsh schools by the theatre group *CragRats* , performing around the theme of reducing, reusing and recycling waste. The group also provided a short performance at our AGM, held on 6 September in Swansea. This successful event marked the launch of a range of documents including our Annual Report 1999/2000 and our Corporate Plan 2001/02. These and our 17 LEAP Action Plans, published in mid-summer, have been placed on our website; statistics indicate that the cumulative total for those people accessing the AGM documents was 870 by mid-December. In addition to these events, we also attended the Royal Welsh Show and the National Eisteddfod.

Other significant achievements include the launch of the new flood warning codes, and the organisation of the Assembly's conference "Challenging Waste". The Flood Action week, in early September, was the first television campaign the Agency has undertaken; advertisements were shown on HTV, satellite and in Welsh on S4C. Another success was recorded in September when we learnt that the "*Enfys*" consortium, headed by Wales Council for Voluntary Action and involving the Agency, had been appointed by the New Opportunities Fund to manage its "*Green Spaces and Sustainable Communities*" programme in Wales. The consortium will be allocating £7.5 million to community projects over the next two years, for spending over the next five years. This provides a potential source of funding for appropriate

LEAP projects and will also allow us greater insight into community initiatives.

4.0 KEY PERFORMANCE TRENDS 1997 - 2000

Performance measure	1997-98	1998-99	1999-2000	
	achieved	achieved	target	achieved
Prosecutions: no. of defendants	303	323	-	276
Flood warning:				
No. of properties in flood risk areas ¹	N/a	N/a	-	30,000
No. of recipients who receive direct warnings	N/a	N/a	-	5850
Fisheries: bankside habitat improvements	13km	13km	13km	13km
Bathing Waters Compliance (%): ³				
Mandatory standard	94	94	95	98
Guideline standard	48	38	45	55
River quality (% classified length):				
Good (GQA classes A and B)	94	94	94	94
Fair (GQA classes C and D)	5	5	5	5
Poor/Bad (GQA classes E and F)	1	1	1	1
Waste permitting ² :				
No. of applications received	79	56	-	58
No. of determinations made	43	56	-	81

Footnotes:

¹ No. of properties in flood risk areas = no. of properties in flood risk areas where we provide a flood warning service.

² Includes grant of licence, modifications, transfers and surrenders.

³ Monitored 1 May – 30 September

The 2000 bathing water compliance assessment (i.e. 2000-01) for Wales reported a record 98.7% compliance achieved under the "Imperative" standards. Seventy-four out of the 75 beaches tested by the Agency met the mandatory bacterial standards as set out in the EC Bathing Water Directive. However, the number of bathing waters meeting the higher guideline standard fell considerably to 42.6% compliance.

5.0 INTERNAL ENVIRONMENTAL MANAGEMENT

Full details of our performance against targets for 1999/00 are set out in our Environmental Report, which has been placed on our website. Progress in the first 6 months of 2000/01 has been variable. We have met our targets for energy and mileage. However, we are working hard to improve performance in relation to water use, waste and alternative fuels. Further details are set out in Appendix 3.

6.0 FINANCIAL STATEMENT

For 1999/2000, actual expenditure was £54,834k, as reported in the Corporate Plan 2001/02, compared to the budget of £54,988k. Please refer to the Annual Report Wales for 1999/00 for the financial extracts which were prepared on a resource accounting basis.

Income for the first 6 months of 2000/01 amounted, in total, to £24.3m which is £1.5m lower than budget. We anticipate, however, that our current full year outturn will be in line with budget. A full statement is provided in Appendix 4.

7.0 STRATEGIC PRIORITIES FOR WALES

In the run-up to devolution, we identified eight priorities for Wales that we considered would benefit from the Assembly's strategic overview. We continue to put resources into these important areas of work, in collaboration with the Assembly where appropriate, and in partnership with other organisations in Wales. One key point concerns European funding. We

believe that there is a real risk that the environmental opportunities will not be grasped by the partnerships or project sponsors. We are particularly anxious to ensure that projects deliver balanced and sustainable packages of schemes. A brief indication of our progress against each priority is set out in Appendix 1.

ROGER THOMAS

Director Wales

APPENDIX 1 - STRATEGIC PRIORITIES FOR WALES

- **Produce an environmental framework for European funding** : we jointly developed with CCW the Environmental Strategy and Strategic Environmental Appraisals for the Objective 1, 2 and 3 Programmes. The Agency also contributed to the development of the Single Programming Documents (SPDs) so as to maximise the potential for synergies between the environment and economic and social development. We have supported the development of the Objective 1 Appraisal Criteria and the individual Local and Regional Partnerships and Plans.

The current issue we are tackling is the risk of the environmental opportunities in the SPD not being grasped by the partnerships or project sponsors – a realistic possibility at the moment. We are particularly anxious to ensure that project developers use the environmental opportunities now contained in the approved SPDs so as to deliver balanced and sustainable packages of schemes. To this end, we are jointly sponsoring with WDA and CCW the production of a practical and user friendly guide for project applicants and Programme managers entitled "Maximising the Environmental Sustainability of the West Wales and Valleys Objective 1 Programme". We are also discussing with WEFO the need for environmental skills to be included within the processes for guiding, approving and monitoring projects.

- **Produce a Waste Strategy for Wales** : the Agency has made a significant contribution to the development of the Wales Waste Strategy by providing support for the Assembly's Waste Policy Support Unit, which is managed by the Agency. We have also provided essential statistics on waste production and management in Wales in the Strategic Waste Management for Wales, which was published by the Agency in November 2000. The Agency is also making a contribution to the development of the Strategy through its representation at the Wales Waste Forum and associated sub-groups.
- **Improve flood warning systems and flood defences** : new flood warning codes were released in September, and tested "in anger" within a week of their release. Local flood warning plans, incident procedures and automatic voice messages have been updated and recorded as necessary, and desktop exercises were undertaken to ensure smooth operational performance of the new system during an event. This also coincided with the Agency's second National Flood Action Week 12 September 2000. The focus was on self-help and behavioural change. The aim was to alert people to flooding so that they can make necessary preparations; it also made the

public more aware of the new code system. The Flood Action week is the first television campaign the Agency has undertaken, advertisements were shown on HTV, satellite and in Welsh on S4C; they encouraged viewers to call the Floodline on 0845 988 1188 for more information.

- **Tackle contaminated land** : as part of continued close cooperation with the Local Authorities (WLGA Contaminated Land Working Group) we identified a number of potential contaminated land special sites where we plan to carry out site investigations. Funding for this work has been provided by the Assembly. It is likely to be an activity the Agency will be required to continue as part of the new Contaminated Land Regime. Site investigations are due to commence in December at; Llwynenion Tar Pits near Wrexham, Bonymaen Quarry near Swansea and Brofiskin Quarry near Llantrisant. Local Authority representatives are part of the project team at each site.
- **Develop a Sustainable Development Scheme** : in April, we responded to the Assembly's consultation document "*A Sustainable Wales – Learning to Live Differently*". Along with a number of organisations, we continued to provide advice to the Assembly's Sustainable Development Unit in the preparation of the parallel consultation on indicators "*A Sustainable Wales – Measuring the Difference*", which was launched in August. We also started to work with the "*Sustainable Wales*" organisation, helping to organise the "*Finding Our Voices 2*" conference that was subsequently held in November.
- **Promote more sustainable land use** : we have contributed to the work of the Land Use Planning Forum, particularly in the context of proposals for revised planning policy on: sustainable development, flood plain protection, waste planning, and the reduction of environmental risk within development design and construction. We are keen to support and assist with the development of a broadly based approach to land use and spatial planning in Wales that takes account of the environmental constraints and opportunities.
- **Produce an integrated transport policy** . Environment Agency Wales is a member of the Welsh Transport Forum and makes contributions to the transport debate in Wales whenever an opportunity presents itself. Contributions have included; commenting on Local Transport Plans, responding to the Welsh Affairs Committee on the effect of the Transport Bill in Wales and making presentations to Assembly committees on transport sustainability matters.
- **Produce a sustainable energy strategy** : we have and are contributing to the debate on renewable energy. We are members of the National Assembly Sustainable Energy Group and we worked closely with SEL while they were preparing their strategy report on sustainable energy for the Assembly. Environment Agency Wales has also contributed to the Environment Agency's response to DTI's consultation paper on the renewables obligation policy which, in general, we support. We have made modifications to our planning consultation procedure so that global benefits of renewables can be taken into account. The Agency will be requiring reduction of energy wastage via implementation of the IPPC Directive, which is now in force in the UK.
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APPENDIX 2 – CUSTOMER CHARTER

The service we provide		The standard we aim to meet	Half year position
			2000/2001
1. Answering telephone calls.		An answer 95% within 15 seconds.	84% [176134/210119]
● Responding to general enquiries by telephone and letter.		An immediate response by telephone where possible. A written response within 10 working days of receipt of letter.	98% [9924/10100]
3. Responding to complaints.		An immediate response where possible. A written response within five working days of receipt of complaint.	77% within 5 days 90% within 10 days [34/44]
4. Responding to requests for information made under the Code of Practice on Open Government.		A response within 20 working days.	100% [10/10]
5. Responding to requests for information made under the Environmental Information Regulations.		A response within two months of receipt.	100%

6. Making the results of water sample analyses available on the public register.

Results on register within 60 days.

71%

Footnote: other measures are contained elsewhere in this report (e.g. licensing, planning, pollution incidents). A full table for performance against Customer Charter for 1999/2000 can be found in our Annual Report, page 54.

APPENDIX 3 - INTERNAL ENVIRONMENTAL MANAGEMENT

Full details of our performance against targets for 1999/00 are set out in our Environmental Report, which has been placed on our website.

TARGET	PROGRESS TO 30 SEPTEMBER 2000
Water Use (site target) – Reduce water use in offices and depots by 30% below accepted norm or 1996/97 consumption	Failed 6-month target. However, monitoring has highlighted major leak, allowing us to take corrective action.
Energy (site target) - reduce energy in Agency buildings by 20% compared to 1991/1992 levels	On course to meet overall target for the EAW offices. Energy use was reduced to 20% below baseline in 99/00, and this year we are aiming to maintain that position.
Waste (site target) – Reduce residual waste by 15% on 1997/98 levels	Information being collected on current production to compare with baselines; unsure if we will meet target. Waste monitoring now written into our cleaning contracts helping spread the environmental message into the supply chain.
Mileage – To hold business mileage at the present level of 7% below the 1996/97 baseline despite increasing workloads	In 99/00, mileage fell from 7200 miles/FTE (96/97) to 6300 miles/FTE, although total mileage did not change. We are currently on target to meet the holistic 7% reduction (ie, 7% reduction over 96/97 levels regardless of staff and workload increases).

Green transport plans (site target) – Implementation of Green Transport Plans at all key agency sites	All key sites have Green Transport Plans and implementation is underway.
Alternative Fuels - To have 3% of the badged fleet (approximately 56 vehicles) using alternative fuels by the end March 2001	Unsure whether we will meet the 3% target due to budget constraints (alt. fuel vehicles cost more). Several LPG 4-wheel drive vehicles in use and hybrid-fuel car trialled.
Recycled Aggregates – Ensure that at least 20% of construction aggregates are recycled or secondary	On course to meet target.
DIY Checklists (site target) – Ensure full compliance of Agency sites by continuing the self-inspection process	DIY checklists at all sites are still carried out. We are also developing an Environmental Management System to ISO14001 standard at 5 of our sites.

APPENDIX 4 - FINANCIAL STATEMENTS

1. INTRODUCTION

The financial statement represents the costs, which reflect the Agency's activities in and for the benefit of Wales, and the resources applied to meet the costs of those activities.

The amounts shown are extracted from the accounts of the Agency as a whole. Separate accounts are not prepared for Wales but the amounts have been calculated in order to represent a fair and reasonable assessment of the costs and resources required to carry out all the Agency's activities that benefit Wales.

Where income relates to catchment based charges an equal level of income from chargepayers in England has been included to match the expenditure incurred in Wales. Where income is raised from customers in England, but the expenditure, which gives rise to that income is incurred in Wales, a matching of income to that expenditure has been made.

2. FINANCIAL YEAR 1999-2000

Please refer to Annual Report Wales for 1999-2000 for the financial extracts which were prepared on a resource accounting basis. Actual expenditure was £54,834k, as reported in the Corporate Plan 2001-2002, compared to the budget of £54,988k. £34,214k and £20,620k was expended on the Water Management and Environmental Protection functions respectively, both showing minor variations to budget. The grant in aid 'draw-down' was in line with the budgetary allocation.

3. FINANCIAL YEAR 2000-2001 (6 months to 30 September 2000)

3.1 *Income*

Income in total amounted to £24.3m which is £1.5m lower than budget. The main variations are within the Water Resources (£0.7m) and Flood Defence (£0.4m) services of the Water Management function.

We anticipate, however, that our current full year outturn will be in line with budget. An explanation of progress on expenditure follows.

3.2. *Environment Protection Expenditure*

Expenditure in the first six months amounted to £9.4m, £0.2m less than the budget to date. The full year forecast is in line with budget.

We have recently received additional GIA of £0.6m to meet the lost income arising from the Government's decision to suspend and refund charges in respect of Groundwater Charges. This is not reflected in the six monthly figures but will appear in the second half figure.

3.3 *Water Management Expenditure*

3.3.1 Flood Defence expenditure in the first half of the year was £5.7m, £0.4m lower than budget to date. This is owing mainly to

the scheduling of the capital programme. The full year projection currently stands at £16.5m against a budget of £15.9m. This is based on revised budgets for revenue and capital expenditure presented to recent Local Flood Defence Committee meetings.

It must be noted however that the figures shown reflect a derivation for Wales. The situation in each of the seven Flood Defence Committees operating in Wales is regularly monitored and reported to the relevant Committee. The process includes reprioritising work programmes to reflect engineering and financial constraints. It should also be noted that many of the Flood Defence Committees in Wales face significant funding increases for 2001/02. The round of LFDC meetings is currently underway and thus it remains to be seen the actual level of funding that will be secured. The increases would be applied to fund the emergency work following the recent flooding and other priorities, which have been identified as a result.

3.3.2 Water Resources revenue expenditure for the first six months is £0.7m lower than budget to date. The reason for this is that several projects have been delayed until 2001/02. This has been reflected in a proposed lower required Standard Unit Charge for 2001/02.

The capital programme remains on target.

3.3.3 The remaining Water Management Functions are each slightly behind budget to date at the half year with actual expenditure of £2.0m compared with a budget to date of £2.2m. We anticipate that an acceleration of expenditure during the second half of the year will result in full year budget being achieved.

4. Please see attached Statement of Income and Expenditure for the first 6 months of 2000/01.

Statement of Income and Expenditure for the six months to September 2000

£000s

Service	Operational Income	Grant in Aid	Capital Grant	Total Income	Operational Expenditure
Processing Industries Regulation	766	214	0	980	1030
Radioactive Substances Regulation	214	91	0	305	255
Waste Management	1698	878	0	2576	2576
Water Quality	2924	2161	0	5085	5085
Integrated Pollution, Prevention and Control	83	94	0	177	177
Land Quality	0	267	0	267	267
Total Environmental Protection	5685	3705	0	9390	9390
Budget	5861	3749	0	9610	9610
Flood Defence	5635	0	78	5713	5713
Water Resources	7133	0	0	7133	7133
Fisheries	449	1277	0	1726	1726
Conservation	0	177	0	177	177
Navigation	0	63	0	63	63
Recreation	0	58	0	58	58
Total Water Management	13217	1575	78	14870	14870
Budget	14521	1579	114	16214	16214
Total All Services	18902	5280	78	24260	24260
Budget	20382	5328	114	25824	25824

Statement of Expenditure for the six months to September 2000

£000s

Service	Revenue	Capital	Total
Processing Industries Regulation	1030	0	1030
Radioactive Substances Regulation	255	0	255
Waste Management	2576	0	2576
Water Quality	5085	0	5085
Integrated Pollution, Prevention and Control	177	0	177
	267	0	267
Land Quality	9390	0	9390
Total Environmental Protection	9610	0	9610
Budget	5256	457	5713
Flood Defence	6930	203	7133
Water Resources	1726	0	1726
Fisheries	177	0	177
Conservation	63	0	63
Navigation	58	0	58
Recreation	14210	660	14870
Total Water Management	15114	1100	16214
Budget	23600	660	24260

Total All Services	24724	1100	25824
Budget			

Note: Budget profiles based on those featured in Corporate Plan Wales 2001/2002