

## Board Paper

### Date

14 April 2025

### Title

Report of the Chief Executive

### Report by

Natalie Prosser, Chief Executive

### Paper for information and decision

Open in part

## Summary

1. Since the Board last met, we have published our report on the designation and management of protected sites in Northern Ireland, communicating the findings in the media, stakeholder events and speeches and directly with the Minister. The work has been well received.
2. We have also launched our investigation into compliance issues connected to the Water Framework Directive Regulations in England, supported by a range of stakeholder engagement to ensure the context and our interest was understood.
3. Beyond our own programme, we continue to engage closely with government reviews and proposed legislation. In this period, the findings of the Corry review of regulation in England have been published, we have submitted evidence to the Water Commission and we have continued to evaluate carefully the implications of the Planning and Infrastructure Bill for environmental protection and improvement.

## Recommendations

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

## Sustained environmental improvement

### Monitoring and reporting on environmental improvement in England

5. We met with Defra to discuss its response to our January report, its own Annual Progress Report (APR) and opportunities to make the statutory cycle work better. We have agreed to meet regularly in this regard, ahead of the refreshed EIP.
6. We are expecting government's response to our January report around 12 weeks after publication, probably in May, *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*. We have been advised that the responses to our recommendations will be explicit, in terms of their acceptance, rejection or deferral.

7. Defra has also indicated that the APR will be published in July as usual. As this will be the last for the EIP23, they have proposed that we engage further on APR structure and design for EIP25 reporting.

### **Monitoring and reporting on environmental improvement in Northern Ireland**

8. We welcomed acknowledgement of the OEP's role in assessing progress of the NI EIP in DAERA's Corporate Plan 2025-2027 published in March, alongside Minister Muir's restated commitment to EIP progress reporting at the NI Environment Forum earlier in April.
9. The development of the NI EIP progress assessment is progressing as planned with the scoping process now underway. We have had constructive engagement with DAERA officials on the development of their Outcome Indicator Framework. DAERA officials have welcomed our input and we will soon meet to discuss the development of their first APR due for publication in January 2026.
10. We have some concerns if DAERA does not publish their APR in January, given the wider implications of any delay for our ability to deliver in both jurisdictions. We will continue to monitor and encourage DAERA to publish on time even if the APR is not as developed as it may wish. As our first assessment of progress will set the foundation for future assessments and necessitate drawing on a wider evidence base than the APR, we would propose seeking to publish as planned in July 2026, even if the APR is delayed.

### **Rapid review of the EIP for England**

11. *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.*
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13. We are considering how to respond to the publication of the EIP25, given the likely extensive interest in our views. We consider that we could publish an interim statement, followed by more detailed analysis in the EIP progress report. The Board's views are welcomed.
14. We have written to reaffirm our need to see delivery planning information alongside the refreshed EIP as set out below.

### **Future progress reports**

15. The Board will separately consider a development plan for EIP progress monitoring and assessment at its meeting in June.
16. Detailed planning has identified that there is not good alignment between the agreed Board meeting dates for 2025/26 and the schedule to produce the EIP progress reports for both England and Northern Ireland. Adhering to the current schedule of Board meeting dates shortens the time available to develop the reports and makes it much more challenging. We will consider proposals to address this in the EIP monitoring and assessment development plan – this may be to adjust planned meeting dates, or scheduling specific meetings. We will advise as soon as possible.

### **Other evidence**

17. Within the nature programme, we have begun two activities in the business plan, furthering our analysis in areas we highlighted in our advice on the EIP rapid review: to get nature-friendly farming right and mobilise investment at the scale needed. More information is at Annex C.
18. Within the nutrients programme we are currently reviewing contractor reports on regulatory divergence, habitats regulations assessments and Belfast Lough. These reports will inform the detailed scope of projects within our business plan on nutrients in 2025/26
19. 2024/25 saw a series of short-term staff appointments to bring in specialist expertise to enhance our evidence and analytical capability. These included two British Ecological Society fellows, a short-term secondment from Natural England, another from the NGO Fidra, and a short-term appointment of a PhD student. A new secondment from the Forestry Commission has just started. Collectively, these “OEP Fellows” are providing a successful model for flexible resourcing and accessing breadth and depth of knowledge. We expect to continue this way of working, which aligns well with potential changes to employment law, set out further below.
20. The OEP supported several applications for doctoral training centres and has seen two successful appointments of PhD students at Durham and Aberdeen. These are funded by NERC with small in-kind contributions such as expense or training costs reimbursements from the OEP and start in September 2025. We remain committed to collaborating with academic communities to enhance our access to specialist knowledge and the broader research network, while focusing on delivering impactful, large-scale, and long-term research initiatives. They support us to maintain a longer-term view on emerging issues whilst ensuring our own scientists maintain and develop their skills.

## **Better environmental law, better implemented**

### **Designation and management of protected sites**

21. We published and laid our report in the Assembly on 3 April supported by a comprehensive communications and engagement plan, reaching the Minister and DAERA officials, NGOs and figures from agriculture. The Chief Insights Officer was interviewed on BBC television news, Dame Glenys on BBC Radio Ulster. Coverage was accurate and captured our messages.
22. Initial feedback on the report has been positive. Minister Muir issued a statement which welcomed the report and committed to proper consideration of the recommendations.

### **Review of the implementation of the EPPS duty**

23. Following publication of our report on 27 February we have continued to engage with stakeholders to explain our key messages and recommendations. We have met the various government departments referenced in our report and look forward to receiving government's response to our report before 27 May.
24. *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.*

### **Interventions**

25. Judgment in 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 handed down on 2 April by the Court of Appeal. The court dismissed the appeal and confirmed that in order to comply with the WFD Regulations a programme of measures must identify a scheme of actions for each water body in order to achieve the environmental objectives for that water

body. Therefore, the approach taken by Defra and the Environment Agency to the third round of River Basin Management Plans is unlawful. The court found the OEP's submissions "essentially correct" and applied many of our points to reach its conclusions. We [welcomed](#) the decision and we are now analysing the judgment in detail to understand its implications for our water programme, including our investigations relating to English RBMPs and achievement of 'good environmental status' in UK marine waters.

26. We are preparing for the hearing of the Court of Appeal case *Rights Community Action v the Secretary of State for Housing, Communities and Local Government* on 24 and 25 June 2025 where we will be making oral submissions for the first time.

### **Good environmental regulation, and Defra's review of environmental regulation**

27. The report of the Corry review of Defra regulations and regulators was published on 2 April. While 'not calling for major institutional change or for a bonfire of regulations', the report presents a critical review of England's current environmental regulation system, finding it 'outdated, inconsistent, and highly complex'. The review emphasises the need for a 'radical repositioning and repurposing of environmental regulation' to better serve nature and economic growth. It makes 29 recommendations under five themes, with one recommendation in particular calling on government to consider how the OEP's work can increase the focus on environmental outcomes. We provide further information on the report and its recommendations at Annex A.
28. Separately, we have continued to develop our internal position on the attributes of effective environmental regulation. This is to inform our own future work in monitoring the implementation of environmental law and providing advice on proposed changes to current law. Board members received a first draft for comment which was also circulated for review by individuals from the College of Experts and other selected bodies such as the National Audit Office. We are now finalising a second draft to send to Defra, its arm's length bodies and selected other stakeholders for comment, on the basis of which we plan to bring the document back to the Board in due course.

### **Other activities**

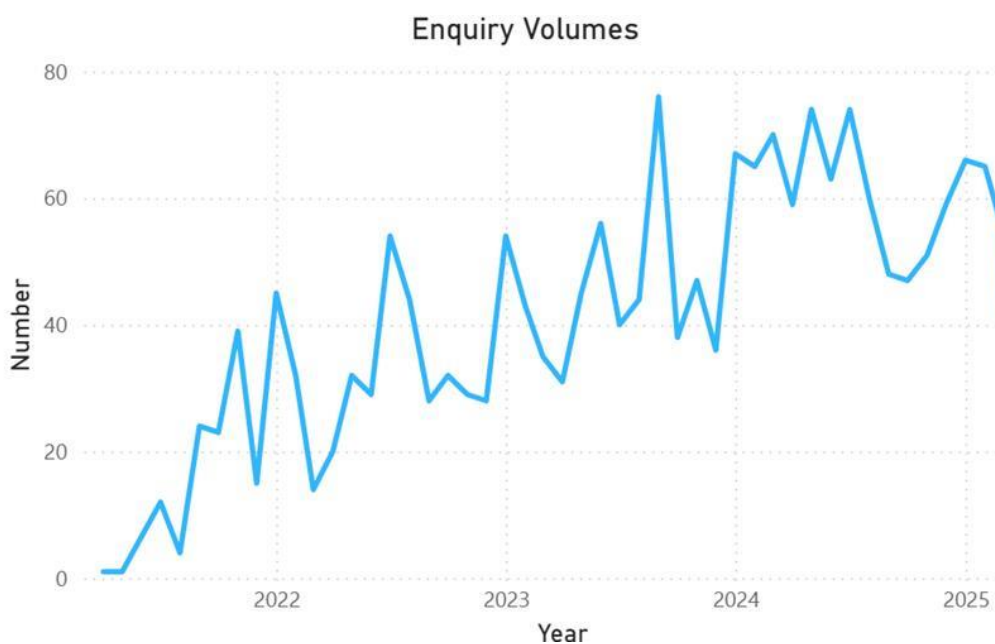
29. The Board will separately consider the Planning and Infrastructure Bill, which will be subject to scrutiny in Committee stage from 24 April.
30. We are in the process of finalising our review of the role of LNRS in contributing to national nature recovery commitments. We will present our final report to Board at an extraordinary meeting on 14 May.
31. A proposal to develop an environmental law report on the Northern Ireland Nutrient Action Programme Regulations, is being prepared for presentation to the Board in May, in line with the draft business plan the Board agreed in March.
32. We have finalised our response to Government's land-use consultation building on our key messages from the EIP rapid review advice, EIP progress report deep dive on nature friendly farming, the emerging findings from our work on Local Nature Recovery Strategies and scrutiny of the Planning and Infrastructure Bill. The consultation response will be submitted on or before the consultation deadline of 25 April 2025. The response is provided for information at Annex B.
33. We have made a submission to the call for evidence of the Water Commission, at Annex C.

34. As agreed previously by the Board, we have been trialling different approaches to obtain information on the implementation of environmental law. IEEP reviewed published materials, we sent out questionnaires to selected stakeholders, and carried out interviews with selected members of the College of Experts. We will now analyse this information to determine whether we should further consider any of the issues raised in the implementation of environmental law. We will also develop a BAU approach to this wider monitoring.

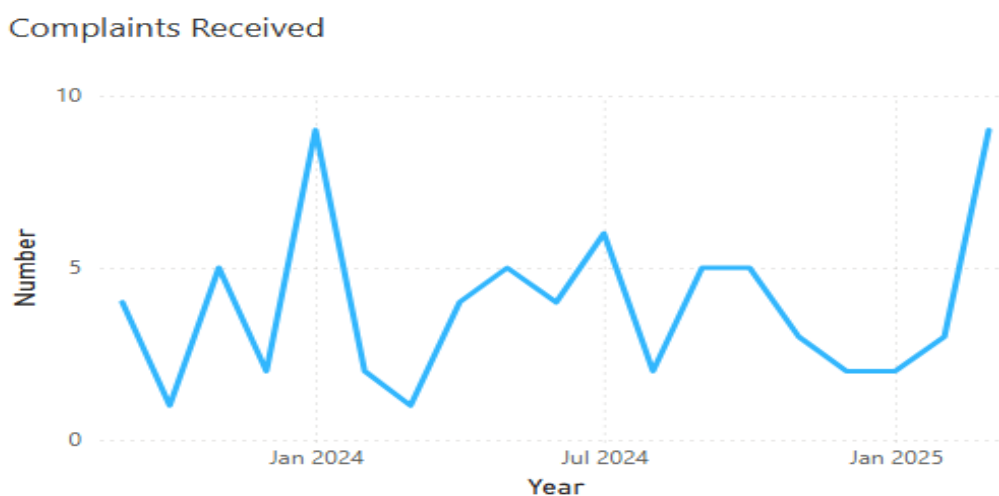
## Improved compliance with environmental law

### Complaints and enquiries

35. We have received nine new complaints, and 81 new enquiries since my last report. We currently have 10 complaints open at the assessment stage and have closed one complaint with no further action in that time.



36.



## **Progress of investigations**

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

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## **Organisational excellence and influence**

### **Financial Management and future resourcing**

38. The Board was updated on the forecast position as at P11 (end of February 2025) verbally in March. We forecasted an underspend of £204k (or 1.9%) at the end of February, this represented an increase of £100k in the underspend projection despite the proactive steps taken to optimise our resources.
39. Work is well underway to close the 2024/25 financial year, and the draft year-end financial position should be available for ARAC and the Board in May 2025. The end of year external audit planning meeting was held on 4 April 2025 with the NAO scheduled to present its plan to ARAC in May. A verbal update on the indicative year-end outturn will be provided.
40. On 1 April 2025, Defra confirmed their contribution to our resources in 2025/26. As anticipated, this is a flat cash settlement of £8.809m in line with our current year funding and our planning assumptions, but significantly below the level of resources we had bid for in Summer 2024. It is, however, a reasonable outcome given financial challenges in the wider public sector.
41. The OEP is no longer subject to a headcount cap in England, but our planned 85 FTE was included in our 2025/26 letter of delegation from Defra, in relation to our funding in England. Changes to this projection need to be agreed formally as part of workforce control from Core Defra. We will continue to work with Defra to ensure, to the best of our ability, that this does not become de facto a new headcount cap. 85 FTE is our total forecast headcount in England and Northern Ireland.
42. We have assumed a flat cash offer of £1.9m from DAERA, but are yet to receive funding confirmation for 2025/26. To ensure business continuity, I provided interim delegations to Executive Directors to spend up to 75% of their 2024/25 final budget allocations on essential expenditure. This interim arrangement will end when the 2025/26 budget is approved.
43. As these interim delegations have been made ahead of confirmation from DAERA, we have written to both Defra and DAERA to confirm the approach taken, and informed Defra of our intention to spend Defra resources on NI activities during the interim period.

### **Mobilising the business plan**

44. We are actively mobilising our plan for the year ahead. As the Board is aware from its March decisions, 76% of our resources for the year ahead are applied to business as usual activities or projects already begun.



45. I have agreed project initiation documents relating to a range of projects for the coming year, in line with the draft business plan the Board agreed in March. A schedule of these for the year ahead is included at Annex D. We are improving our scrutiny of how we are mobilising new projects this year, to give greater assurance on delivery of our future plans, and associated expenditure.
46. As the Board is aware, the draft budget and business plan it agreed both assumed an average FTE of 85 over 2025/26. This compares to an opening headcount of c84FTE, of which c74FTE is currently permanent and the remainder staff employed through temporary contracts expiring from June onwards. The Executive and I have agreed how to allocate FTE between directorates and teams to resource the business plan for the year ahead.
47. This will see an increase of three additional permanent posts created in those areas the Board agreed as our priority capability needs in December, and March – the capability to monitor and report on progress against the EIP in Northern Ireland, and in stakeholder engagement – and to retain specific temporary staff. Our peak permanent headcount is expected to be no more than 78 FTE.
48. We are introducing enhanced vacancy control processes, to mitigate against the long-term financial pressures the Board discussed in March. Each permanent vacancy that arises in future will be considered against financial, resourcing and delivery risks – including the merits of permanent or temporary appointments. In this way, we will have opportunity to maintain flexibility on our FTE and headcount as circumstances change.
49. The Employment Rights Bill passing through Parliament would, if enacted, change the employment rights of temporary staff, bringing forward a number of employment rights to day one. We have carefully assessed the implications, and are introducing new controls to mitigate against potential new risks in making temporary appointments. This is likely to lead to a greater use of secondments, or appointments to very clearly defined temporary posts linked to specific projects or other work, such as in the “OEP Fellows” model highlighted above.

### **People Survey & people strategy project**

50. Our 2025 staff survey concluded in March and the survey results explained to staff. 94% of staff participated. The Board will consider the findings separately on its agenda.
51. We have commissioned the Workforce Development Trust to review and refresh our people strategy. This includes the development of a workforce planning tool to facilitate future workforce management, a critical factor in sustaining our long-term influence and impact. The project also serves as an enabler to multi-year budgeting and planning. Full details are shared with the Board separately.

### **Corporate and enabling services**

52. **HR:** The Performance Management End of Year process for SCS staff has commenced, with final Board ratification anticipated in July.
53. We have refreshed our Bullying, Harassment and Discrimination policy in response to legislative changes and the People Survey. This sets out clearly the organisational intent and the secure mechanisms for raising cases.

54. We will shortly commission refreshed Conflict of Interest declarations from all staff with enhanced guidance and some additional scrutiny of declarations for Grade 6s. The Board will also be asked to refresh its declarations shortly. We have brought this exercise forward, and enhanced it, in light of some media interest in perceived conflicts in the senior staff of the Climate Change Committee. We expect to bring the outcome of the exercise to ARAC, for assurance.
55. **IT:** We have finished trialling Copilot, Microsoft's AI assistant and following the report on our findings – which show the tool has significant potential to increase efficiency across a range of every day work tasks – we have decided to rollout across the OEP. This is consistent with other Government bodies. Before we rollout, we are finalising the policy for its use. We anticipate ExCo will review the policy in late April. We will then begin the training and familiarisation process in May.
56. Good progress has been made on new business apps to improve the efficiency and effectiveness of our work. The second phase of development of the Intelligence Management System (IMS) has completed. We are now working on the new Complaints Management System (CMS) which like the IMS will utilise Microsoft's app building technology solution.
57. At the end of April, we will be starting a discovery project to determine the future solution for how we manage the data for the indicators that underpin our EIP report. We see potential to both make the management and production of the indicators less manually intensive as well as present them in formats that will make them more usable across a wider proportion of our work. Like the IMS and CMS, it is likely the eventual solution will make use of the same technology. This is a deliberate strategy to bring our core business applications under one service management umbrella to make management of it more effective and efficient and to benefit from the highly secure IT environment we operate with.
58. **Procurement:** We have established our own cleaning contract for the Wildwood office, bringing an end to the informal cleaning arrangement with Worcestershire County Council (our landlord). From 1 April 2025 our new cleaning contractor commenced bringing a notable improvement in cleanliness. *This section has been redacted as it contains legally privileged advice.*

## Cooperation with Defra

59. *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.*

## Communication and stakeholder engagement

60. Our survey into stakeholder perceptions of the OEP has concluded, and will shortly be considered by the Executive, and by the Board in its meeting on 4 June. It will provide a baseline assessment of stakeholder perceptions of the OEP against dimensions such as our independence, whether we are evidence-led, and our credibility, influence and value to environmental protection and improvement.
61. Since the Board last met, the Chair and I have met with the National Farmers' Union (NFU) President and Deputy President. We both also appeared before the Lords Environment and Climate Change Committee as part of its Nitrogen Inquiry. I also met with the CEO of Enact



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Equality, who is leading a national campaign against racial injustice and air pollution. Dame Glenys also attended an event to launch Natural England's new strategy. I and other OEP staff were prominent at the Institute of Regulation Annual Conference.

62. A number of OEP staff attended the NI Environment Forum. Dame Glenys provided a keynote speech, following the Minister, which summarised our work and findings in Northern Ireland and looked ahead to our focus on nutrients. Dame Glenys also met with Minister Muir to discuss our work and Dame Glenys and I will meet shortly with Minister Zeichner in England, to discuss our EIP recommendations to get nature friendly farming right.
63. Work is on-going on a new approach to managing our information requests to public bodies. This has been the most significant cause of concern and complaint amongst this group of stakeholders. The aim is to be more co-ordinated and consistent in how we brief the bodies and make requests, including clarity about the purpose of that request. A centralised IT solution has been developed and a timeline is now in place to roll that out across the organisation, including training materials and workshops.

### Board and other recruitment

64. Interviews for potential Board members in England will have concluded by the time the Board meets. We have three new staff joiners and five leavers since the Board last met:

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

## Impact Assessments

### Risk Assessment

65. *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

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

### Environmental Analysis

67. 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	FOIA/EIR exemptions for which we propose not to publish this paper in full are: <ul style="list-style-type: none"><li>publication would harm relations between UK and NI governments (s.28)</li></ul>

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Information Act (FOIA) or Environmental Information Regulations (EIR).	<ul style="list-style-type: none"><li>• 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)</li><li>• publication would reveal information subject to legal professional privilege (s.42)</li><li>• publication would harm the OEP's commercial interests (s.43)</li></ul>
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## ANNEXES LIST

Annex A – Summary of Corry Review (separate document)

Annex B – Evidence to the Water Commission (separate document)

Annex C – Summary of projects initiated (below)

### Annex C

Project initiation documents agreed (for information only)

Programme	Project
Nature	Local scale advice for nature friendly farming
Nature	Mobilising green finance (including BNG)
Improving the OEP	People Strategy
Improving the OEP	Improving OEP project management