

Environmental Standards Scotland

# **Business Plan**

## **2021/22 – 2022/23**

January 2021

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Business Plan January 2021 – March 2023

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## Version control

Reviewed and approved

	<b>Approved</b>	<b>Next Review</b>
Board	28 January 2022	Prior to March 2023, as part of final Strategic Plan development

## 1. Introduction

Environmental Standards Scotland (ESS) has been established to help Scotland achieve the highest environmental standards.

Our role is to scrutinise public authorities' compliance with environmental law, alongside the effectiveness of environmental law and the way it is being implemented and applied. In order to deliver on these responsibilities we have published an [Interim Strategic Plan](#) setting out our overarching approach.

This Business Plan sets out our ongoing work as we continue to establish ESS as a new organisation, alongside the key priorities for the organisation through to the end of March 2023.

## 2. Background

ESS formally became a corporate body on 1 October 2021, as a new Non-Ministerial Office under the [UK Withdrawal from the European Union \(Continuity\) \(Scotland\) Act 2021 \(the Continuity Act\)](#).

This is the date that ESS vested and became a statutory body, able to exercise its full functions and powers. Prior to this ESS had been operating as a non-statutory body since the start of 2021, to ensure that there was no gap in the oversight of the delivery of environmental law. The period of non-statutory operation allowed the Board to consider key aspects of its role.

In preparation for vesting as a new body, we:

- Established [our Board](#) and agreed [Standing Orders](#) for its operation and governance;
- Set up our Audit and Risk Committee and agreed the [Terms of Reference](#) for its operation;
- Finalised a [Framework Document](#) to set out the terms of the agreement between ESS and the Scottish Ministers in relation to our governance, financing and operation;
- Put in place an initial staff team of ten, including a transitional senior management structure;
- Established relationship with key stakeholders in the public, private and voluntary sector;
- Developed and published our [Interim Strategic Plan](#), to guide our activities over the first 12 months;
- Developed key internal procedures and processes for our work in areas such as investigations, compliance activities and risk management;

- Put in place arrangements for the corporate support services needed for ESS to operate as an independent body, including: human resources; IT; financial systems; procurement; communications; legal support; and audit provisions;
- Established our communications platform through the ESS [website](#), [Twitter](#) and [LinkedIn](#) social media accounts.

### 3. Strategic Plan

The ESS [Interim Strategic Plan](#), published on the 1 October 2021, sets out our mission statement, vision and values, as well as the key principles we will adhere to as we seek to achieve this vision.

#### **Our Mission Statement:**

We ensure that Scotland’s environmental laws and standards are complied with, and their effectiveness improved – to achieve Scotland’s ambitions for the environment and climate change.

#### **Our Vision:**

Scotland’s communities benefit from a high quality environment and are protected from harm through the consistent application of effective environmental laws, which are recognised internationally as setting high standards.

#### **Our Values – that we will strive to be judged by are:**

- We are independent;
- We are transparent;
- We are trusted;
- We are effective.

#### **Our Principles – that will guide the way we work are:**

- We will target our efforts and resources where we can add most value – focusing where our contribution is needed most or will make most difference;
- We will seek to resolve issues through agreement wherever possible – having recourse to our formal powers where we judge it is necessary to deliver the outcome expected;
- We will be evidence driven – seeking a wide range of inputs and expertise to inform our work and to support our decisions and advice;

- We will be open and transparent – keeping people informed about the progress of our work and providing opportunities to input to and influence it;
- We will seek opportunities to work in partnership with others – working closely with all relevant stakeholders to ensure that our collective efforts deliver benefits for environmental protection and enhancement.

Our Interim Strategic Plan sets out how we intend to carry out our role until our final Strategic Plan is approved by the Scottish Parliament. We will shortly begin preparing our final Strategic Plan for 2022-25 and expect to consult on it in May 2022.

Our final Strategic Plan will take account of the consultation responses received and must be submitted to the Scottish Parliament by 1 October 2022. The Parliament will then have forty days to consider this new document and, if approved, the 2022-25 Strategic Plan will be published thereafter.

## 4. Governance arrangements

[Our Board](#) meets regularly and minutes of its meetings are [available on our website](#), as are [minutes of the Audit and Risk Committee](#).

ESS is accountable to the Scottish Parliament and has a legal duty to report on its activities each year. The first formal report to Parliament is required for the six month period ending March 2022.

As a corporate body, ESS operates in line with the Public Finance and Accountability (Scotland) Act 2000 and has a duty to produce annual accounts in line with the Government Financial Reporting Manual. The first set of accounts will be produced for the 18 month period October 2021 to March 2023.

The ESS Chief Executive is the Accountable Officer for ESS, responsible to the Scottish Parliament for the propriety and regularity of ESS' finances; for the economical, efficient and effective use of the resources placed at its disposal; and for signing ESS' accounts.

Audit Scotland provide the external audit function for ESS and Scottish Government Internal Audit provides an audit advisory service to the Accountable Officer and Audit and Risk Committee.

## 5. Our work

The sections below set out our key priorities and outputs to be delivered across 2021-22 and 2022-23.

## Taking action to ensure compliance and effectiveness

### Strategic Outcome:

We have taken effective action to ensure public authorities' compliance with environmental law and to improve effectiveness of the law.

### Our Interim Strategic Plan sets out our intention to:

- Always seek to resolve matters informally at all stages of our processes;
- Use the statutory powers available to us to prevent further harm, or reduce the risks to the environment or public health, and to ensure the necessary remedial action is taken to put matters right;
- Develop and consult on a framework for determining whether a failure to comply, or the harm caused/likely to be caused as a result, is “serious”;
- Where we have taken action to secure compliance or to improve effectiveness, we will continue to monitor the issue to ensure that the agreed action(s) has been taken and that this has led to improvement.

### Key pieces of work 2021- 2023:

- Where, through our investigations, we identify failures to comply with environmental law we will pursue these issues with the relevant public authorities and take the action needed to improve compliance;
- We will seek to resolve matters by agreement with the relevant public authorities where possible within a reasonable timescale;
- Where needed, we will use ESS' statutory powers to secure changes and remedial actions to address poor compliance and address environmental risks;
- Where our investigations identify patterns of compliance failure, or areas where the law is ineffective in protecting the environment or public health, we will pursue this directly with the relevant parts of the Scottish Government;
- Where possible, we will seek to resolve matters and secure the necessary changes and improvements by agreement with the Scottish Government;
- Where this isn't possible within a reasonable timescale, we will use ESS' statutory powers and take formal action by preparing and issuing improvement reports to the Scottish Parliament.

## Investigating the most important environmental concerns

### Strategic Outcome

We have prioritised and investigated the most important matters of concern and identified the action needed to rectify problems and improve compliance and effectiveness

#### Our Interim Strategic Plan sets out our intention to:

- Regularly prioritise the matters of concern to ensure that we are focusing on the most important ones;
- Make our programme of work publicly available so that interested parties are aware of the issues we propose to investigate;
- Seek advice from specialists or experts in particular fields.

### Key pieces of work 2021-2023:

- Build and develop the capability of the investigation team;
- Actively support parties submitting representations, particularly where they are unfamiliar with ESS processes, to ensure their concerns are accurately captured;
- Carefully review and assess all representations to identify candidates for investigation and advise on alternative routes for cases not suitable for investigation;
- Develop, publish and regularly review our forward work programme, so that we are investigating the most important environmental concerns;
- Develop and regularly update our publicly available [register of investigations](#) and carry out these investigations;
- Develop and implement our approach to keeping those who have made representations informed about our consideration and investigation of their matter of concern;
- Develop our approach and publish reports about the issues we have investigated and the actions that have been taken;
- Continuously assess our systems and processes to ensure the effectiveness of our investigations;
- Publish our Customer Service Standards for dealing with representations.

## Monitoring and evaluating environmental performance and change in Scotland

### Strategic Outcome:

We have engaged in building knowledge on environmental performance, are well informed about developments in EU and international standards and practice, and have formed effective partnerships with bodies collecting, collating and scrutinising environmental data.

### Our Interim Strategic Plan sets out our intention to:

- Examine published data and a range of other evidence to identify areas where the law may not be being complied with, or is ineffective, and where further scrutiny or a more formal investigation is required;
- Take a proactive approach to accessing and interrogating this information;
- Where our work identifies a significant gap in the evidence base, we will work with other organisations to try to secure further data or research to address these.

### Key pieces of work 2021-2023:

- Fully establish ESS' analysis and monitoring function including recruiting eight new roles;
- Develop and regularly publish a forward programme of priority environmental issues for ESS to monitor and evaluate Scotland's progress on;
- Review and analyse the available data and evidence on performance around an initial suite of priority issues, collaborating with and seeking input from others, to identify potential areas of non-compliance or ineffective law;
- Develop effective working relationships with a range of organisations involved in collating, analysing and publishing data and evidence on environmental performance in Scotland;
- Develop effective systems for monitoring Scotland's comparative environmental performance and for identifying relevant developments in European and international law and regulation.



## Engaging and Communicating Effectively About Our Role and How to Raise Concerns

### Strategic Outcome:

Our role is widely understood and we are regularly engaged in work to improve compliance and the effectiveness of environmental law and how it is applied.

### Our Interim Strategic Plan sets out our intention to:

- Seek to engage widely and openly to promote awareness and understanding of our role;
- Ensure that we are well informed about concerns about compliance and the effectiveness of environmental law, and the changes and reform that are underway;
- Continue to build a wide range of good working relationships with a wide range of bodies;
- Ensure that people are directed to the most appropriate source of advice and support to address their concern;
- Engage and consult widely on the development of our proposed Strategic Plan.

### Key pieces of work 2021-2023:

- Develop and consult on our Strategic Plan for 2022-25 for submission to the Scottish Parliament by 1 October 2022.
- Consult on and finalise a set of indicators through which we will monitor our own performance and the impact we are having;
- Actively promote an understanding of our role and how people can make representations to us about matters of concern.
- Formalise our relationships by agreeing memoranda of understanding with key environmental scrutiny and advisory bodies;
- Finalise our Communications Strategy to inform this work.

## An Effective and Efficient Organisation

### Strategic Outcome:

We are an effective and efficient organisation.

#### Our Interim Strategic Plan sets out our intention to:

- Establish ESS as a well-managed organisation with secure finances and corporate functions and a clear approach to how we allocate and prioritise our spending;
- Secure efficient and cost effective arrangements for our corporate services;
- Attract and retain highly skilled and motivated staff;
- Establish an organisational culture where all our staff live and breathe our values and principles;
- Embed equality and social responsibility in our organisation;
- Minimise our carbon footprint and our impact on the environment.

#### Key pieces of work 2021-2023:

- Recruit towards our full agreed staffing complement to ensure we are suitably resourced to perform our role;
- Prepare, submit and publish our first annual report to the Scottish Parliament in April 2022;
- Building on our SEAS finance system, develop and implement our approach to finance monitoring, reporting, budget setting, including Board and Audit and Risk Committee scrutiny, to ensure efficient and effective use of resources;
- Prioritise the development of our new team by implementing our Learning and Development programme, pulse surveys and events, to build our organisational culture with a focus on equalities and wellbeing;
- Review initial ESS set-up and corporate services arrangements to ensure their effectiveness, taking into account all feedback and audit recommendations;
- Establish our processes and policies for monitoring and minimising ESS' impact on the environment.

## 6. Performance monitoring

Our general performance and progress towards our strategic aims will be monitored through a suite of Key Performance Indicators, developed and agreed as part of the consultation on our 2022-25 Strategic Plan and monitored annually via reporting to Scottish Parliament.

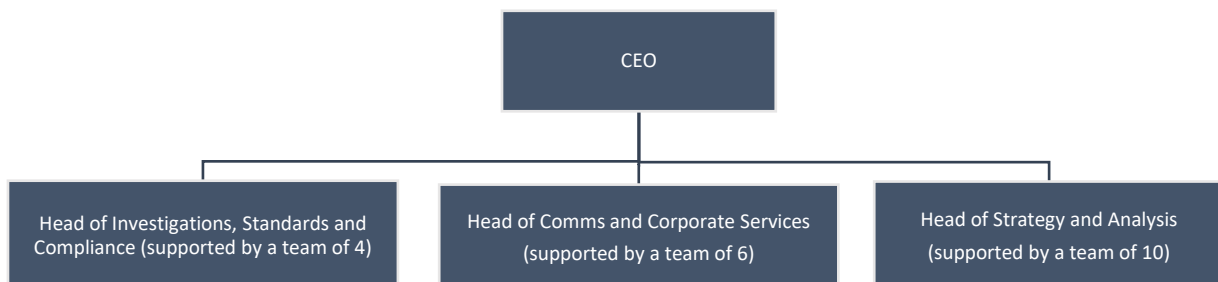
## 7. Finances and staffing

### Finances

A summary breakdown of ESS' finances for financial years 21/22 and 22/23 is set out in Table 1 below.

### Staffing

ESS 2021/22 was established in October 2021 and the full operational capacity and staffing compliment will be reached by Summer 2022. As indicated below, due to the nature of ESS' work, staffing costs account for the majority of the ESS budget. The ESS staff structure includes a Chief Executive and three senior heads of functions, each covering one of the three main areas of ESS' operation. The staff structure showing the senior roles and the number of staff under each function is set out below:



**Table 1:** Indicative budget allocations for first two years of operation

	<b>2021/22 Budget</b> (£000) * Note 1.	<b>2022/23 projected</b> (£000)* Note 2
<b>Income (£000)</b>		
Funding	£1,308	£2,192
<b>Expenditure (£000)</b>		
Board	£60	£61
Staffing	£683	£1,587
Corporate and shared services	£257	£286
Communications and events	£40	£70
External advice and support	£92	£164
Set-up costs	£176	£24
<b>Total</b>	<b>£1,308</b>	<b>£2,192</b>

**Note 1:** The 2021/22 budget includes both pre-vesting set-up costs funded directly by Scottish Government and post-vesting expenditure allocated to ESS. Areas of ESS' set-up are still in development, therefore budget totals may change across the 2021/22 financial year.

**Note 2:** The 2022/24 budget shown is based on the draft Scottish Government Budget Bill 2022/23, and subject to approval by the Scottish Parliament. Areas of ESS' set-up are still in development, therefore budget totals may change across the 2022/23 financial year.

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# **ENVIRONMENTAL** Standards Scotland

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