



Natural Resources Wales

Board Paper – For Information

19 March 2013

Paper Title	An Environmental Management System (EMS) for Natural Resources Wales (NRW)
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Purpose of Paper:	Briefing – for information
Recommendation:	That the board note the development of a consolidated EMS for NRW and aim to attain the accreditation of NRW to the ISO14001 standard by the end of year 1.
Paper Reference:	Paper 12 (03.13)

1. Issue

- 1.1 NRW Executive Team has confirmed its commitment to an environmental policy statement, EMS objectives and targets for year 1.

2. Summary

- 2.1 This paper provides background about EMS and provides an update for the board on the direction of travel set by the Executive Team for Year 1.

3. Background

3.1 A robust EMS¹ manages risk to the environment and compliance with environmental legislation, providing the means for measuring, managing and reducing our organisation's carbon footprint. The EMS Implementation Team has negotiated a 12 month transitional period for NRW to retain ISO14001 accreditation whilst a new EMS is designed and implemented. This is subject to successful compliance audits from each of the current external legacy auditors.

3.2 The principal focus for NRW's EMS will include energy consumption, travel, water consumption, waste, sustainable design, construction and procurement.

3.3 **ISO14001:** The benefits of NRW of being accredited to ISO14001 include:

- Better management of organisational resources which reduce waste and energy usage
- Improved efficiency to reduce the running costs of our organisation
- The ability to demonstrate legal compliance to protect our reputation

¹ An outline of an EMS is provided in Annex 1.

- Confidence that NRW is meeting the legal obligations it sets others, ensuring greater stakeholder and customer trust
- Ensuring that NRW is prepared for the changing environmental landscape

3.4 Whilst NRW could operate without an accredited EMS or even a non-accredited EMS, this would have a negative impact on our environmental management and increasing NRW's reputational risks. It would also provide conflicting messages to staff and stakeholders.

3.5 The scope of ISO14001 differs for each of the legacy bodies. Combining the EMS' of the three bodies and creating a bespoke EMS for NRW within the transitional 12 months granted by the three external accreditation bodies will be challenging and is the priority for year 1 and reflected in NRW's objectives.

3.6 **Forestry Operations:** The operational activities of FCW are currently accredited under the UK Woodland Assurance Standard (UKWAS), which is an independent certification standard for verifying sustainable woodland management in the United Kingdom.

3.7 UKWAS certification is required for NRW to continue to trade its woodland products as certified by both the Forestry Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC).

3.8 Forestry operations are not currently included within the scope of FCW's current ISO14001 accreditation nor are within the transitional arrangements for NRW's ISO14001.

3.9 A gap analysis between ISO14001 and UKWAS accreditation has been commissioned from LRQA. A paper will be presented early in year 1 to the Executive Team that considers the results of this gap analysis and will assess the benefits of bringing forestry operations under the additional ISO14001 standard compared to the resource and time required to do so. UKWAS accreditation is separate to ISO14001 and will continue to be required for the sale of timber products.

4. Update Following Executive Team Steer

4.1 The first step in accrediting a new EMS for Natural Resources Wales (NRW) that is accredited to ISO14001 is a published, signed EMS Environment Policy Statement. The attached Documents 1 and 2 are the new NRW Environmental Policy Statement (English and Welsh respectively).

4.2 NRW's objectives and targets for EMS in year 1 have been agreed as:

1. Achieve ISO14001 registration by March 2014.
2. Appoint a single ISO14001 certification body by December 2013.
3. Establish and complete an internal audit programme.
4. Establish a baseline year for NRW monitoring and reporting.

4.3 **Air travel:** For the past 5-6 years the EA and CCW have received FOI requests for information on their environmental performance. These requests have previously resulted in negative press particularly around CO2 emissions from air

travel and mileage. NRW will develop its own comprehensive travel hierarchy in year 1, but unnecessary air travel must be avoided from day 1. The interim position on air travel is that all air travel requests are fully justified and cleared by at NRW Executive Team level, with a presumption that there is no flying within England and Wales.

4.4 The Executive Team have committed to EMS as leadership and culture are fundamental to its success in any business. They will lead their teams by example and review performance on an ongoing basis. Kevin Ingram, Executive Director - Finance and Corporate Services will act as the EMS Lead. Key EMS staff (involved in EMS in all 3 organisations) attended an EMS workshop (6 March). This was very well received, with engaged feedback received, and as EMS delivery forms part of many roles, it prepares NRW well for Day 1.

5. Finance

5.1 Audit contracts will be arranged prior to Day 1. Total cost is estimated to be £17k for NRW (from existing budgets for Year 1).

5.2 To ensure that the NRW EMS and activities meet ISO14001 standard, internal auditors and internal EMS advisors are needed. These will be resourced through existing legacy body teams for Year 1.

5.3 The teams managing EMS in the three legacy bodies have been planning for the formation of NRW. They have ensured that all 2013/14 improvements have been identified and have been funded prior to year 1.

5.4 **Environmental Accounting:** NRW is required to produce a sustainability report in accordance with the Government Financial Reporting Manual (FReM) and is part of the Annual Accounts. HM Treasury guidance state requirements for minimum reporting. The required information is collected from the legacy finance systems and environmental management systems.

6. Additional points to note:

6.1 NRW will regulate the Carbon Reduction Commitment Energy Efficiency Scheme (CRC) from day 1. No decision has been made as to NRW's participation but we will be establishing the baseline in Year 1 for potential entry.

Jacqui Murray

Annex 1: Environmental Management Systems (EMS) and ISO14001

What is an EMS?

An Environmental Management System (EMS) is a structured framework for managing an organisation's significant environmental impacts. EMSs are based around the methodology known as Plan-Do-Check-Act (the Deming cycle)

ISO14001 is one of the most recognised standards for Environmental Management Systems (others include EMAS and Green Dragon)

Key documents within an EMS include:

- an environmental policy statement
- an assessment of the significant aspects and impacts of the organisation
- a legal register (of legislation applicable to the organisations activities)
- an internal audit programme
- policies, processes and targets to manage the organisation's impact

ISO14001 standard requires that *"Top management ... define the organisation's environmental policy and ensure that, within the defined scope of its EMS, it*

- a) is appropriate to the nature, scale and environmental impacts of its activities, products and services*
- b) includes a commitment to continual improvement and prevention of pollution*
- c) includes a commitment to comply with applicable legal requirements and with other requirements to which the organisation subscribes which relate to its environmental aspects.*
- d) provides the framework for setting and reviewing environmental objectives and targets*
- e) is documented, implemented and maintained*
- f) is communicated to all persons working for or on behalf of the organisation, and*
- g) is available to the public"*

Main tasks:

- Planning the objectives and processes to deliver results (in line with the environmental policy) – i.e. establishing baselines and targets
- Implementing the processes to deliver the intended results – i.e. action plan
- Undertake a planned programme of internal audits of legal and policy requirements
- Ensure that actions to improve from internal and external audits are undertaken as required
- Regular senior management review, of both performance targets in relation to the EMS, and of the EMS itself

In short, an EMS helps the organisation identify, prioritise and manage its environmental risks as part of its operational practices and its routine business activities.