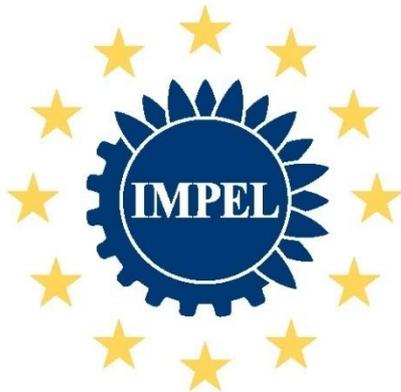


“DOING THE RIGHT THINGS” SETTING INSPECTION TARGETS AND PERFORMANCE MONITORING

A practical tool to help environmental inspection authorities achieve and show results



European Union Network for
the Implementation and Enforcement
of Environmental Law

**Final Draft
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Introduction to IMPEL

The European Union Network for the Implementation and Enforcement of Environmental Law (IMPEL) is an international non-profit association of the environmental authorities of the EU Member States, acceding and candidate countries of the European Union and EEA countries. The association is registered in Belgium and its legal seat is in Bruxelles, Belgium.

IMPEL was set up in 1992 as an informal Network of European regulators and authorities concerned with the implementation and enforcement of environmental law. The Network's objective is to create the necessary impetus in the European Community to make progress on ensuring a more effective application of environmental legislation. The core of the IMPEL activities concerns awareness raising, capacity building and exchange of information and experiences on implementation, enforcement and international enforcement collaboration as well as promoting and supporting the practicability and enforceability of European environmental legislation.

During the previous years IMPEL has developed into a considerable, widely known organisation, being mentioned in a number of EU legislative and policy documents, e.g. the 6th Environment Action Programme and the Recommendation on Minimum Criteria for Environmental Inspections.

The expertise and experience of the participants within IMPEL make the network uniquely qualified to work on both technical and regulatory aspects of EU environmental legislation.

Information on the IMPEL Network is also available through its website at: www.impel.eu

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Executive summary: The guidance given in this report focuses on setting inspection targets and performance monitoring. It has been written primarily to assist inspection authorities to set and monitor targets for inspecting regulated facilities, but it can also be used more widely.	
Disclaimer: This report is the result of a project within the IMPEL-Network. The content does not necessarily represent the view of the national administrations or the Commission.	

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PREFACE

Dear Reader,

For several years IMPEL worked on the subject of inspection planning in the project Doing the right thing (DTRT). DTRT introduced the environmental inspection cycle. Important steps in that cycle are setting priorities and defining inspection targets and related performance indicators. When authorities started implementing DTRT it became apparent that they needed further support in particular with regard to these two steps. Therefore IMPEL decided to develop some additional tools in these areas.

The guidance given in this report focuses on setting inspection targets and performance monitoring. In another project a tool was developed for setting priorities (EasyTools project). Together with DTRT they provide authorities with a comprehensive set of guidelines for planning of inspections.

This guidance document has been written primarily to assist inspection authorities to set and monitor targets for inspecting regulated facilities, but it can also be used more widely. For example, inspection authorities that also have powers to take enforcement action against illegal dumping of waste can use the methodology set-out in this guidance to set and monitor targets for dealing with these sites in a systematic way.

I hope this guidance will prove to be a useful tool for inspection authorities in their daily planning tasks and by that way improving the implementation of EU environmental directives.

Zofia Tucinska, IMPEL chair

SUMMARY

Pursuant to the Recommendation providing for minimum criteria for environmental inspections (RMCEI) all inspection activities should be planned in advance. In 2007 IMPEL developed a step-by step guidance book on inspection planning. Although the book gave already much more guidance to the practitioner how to implement the recommendation there were still some difficult areas that needed further explanation.

This guidance was produced to fill in step 1C and 4 (setting inspection targets and performance monitoring) of the Environmental Inspection Cycle,. Although the guidance focuses on mainly these issues we should not see them isolate from the other steps in the Environmental Inspection Cycle.

There are different types of targets that an organisation can set for her organisation. In this guidance we will focus on targets related to compliance outcomes: ***improving compliance leading to an improvement of the environment; and improving compliance leading to control or reduction of risks of environmental deterioration.***

An authority would go through the following steps of the Environmental Inspection Cycle: to set her inspection targets and to monitor her performance:

Describing the context (Box 1A): The authority determines its mission, goals and legislation, identifies her target groups and gathers information about their behaviour and impact.

Setting priorities (Box 1B): On the basis of a risk assessment the authority defines the high priority areas. These are the areas where the environment is affected or could be affected by poor compliance with the relevant legislation.

Defining objectives and strategies (Box 1C): The authority defines objectives for each of the high priority areas based on the mission and goals of the organisation. It establishes the baseline situation and refines these objectives into targets. Further the appropriate supervision strategy and performance indicators to monitor the progress needs to be defined.

Planning (Box 1d): The authority outlines in the inspection plan the objectives, targets, strategies, and indicators and describes the supervision actions to be carried out.

Execution and reporting (Box 3): The authority implements the inspection schedule.

Performance monitoring (Box 4) and Review (Box 1d): The authority monitors progress by assessing the collected information against the performance indicators.

1. INTRODUCTION

1.1 Purpose and context

In 2001 the European Parliament and the Council adopted the Recommendation providing for minimum criteria for environmental inspections (RMCEI). The RMCEI establishes guidelines for environmental inspections of installations, other enterprises and facilities that are subject to Community law. The guidelines include minimum criteria on establishing and evaluating plans for environmental inspections. In 2006 IMPEL carried out the **IMPEL Comparison Programme Doing the right thing (DTRT)**. One of the main aims of this project was to explore how inspection authorities set priorities when they plan their inspections. An important project recommendation was to develop a practical guide on planning of environmental inspections, that would be sufficiently flexible to accommodate the different needs of the inspection authorities in the IMPEL Member Countries and at the same time would enable them to comply with the requirements of the RMCEI. This project recommendation was implemented in a succeeding project, which ran in 2007, resulting in the **Doing the right things Step-by-step Guidance Book**¹. A subsequent project, undertaken in 2008 and 2009, aimed to facilitate, support and promote the use of the Doing the right things Guidance Book through training and workshops. As a result, many inspection authorities began using the guidance book. The key elements of DTRT were also incorporated in the new questionnaire, which is used to perform peer reviews of environmental authorities within the framework of the **IMPEL Review Initiative (IRI)** Programme.

The DTRT Guidance Book uses the concept of the Environmental Inspection Cycle, which distinguishes a number of connected steps for planning and carrying out inspections. Adopting this systematic approach should lead to greater effectiveness, efficiency, transparency and accountability of the authorities' work.

A key step in the Environmental Inspection Cycle is to set priorities based on a systematic risk appraisal. Risk is understood in DTRT in a broad sense: it can be any factor an authority wants to take into account when assigning priorities. It will normally include risks related to the environment and to the compliance or broader performance of the regulated organisation/target group, but it can also comprise social, economic or political risks, etc. An inspecting authority with a large variety of tasks may first want to carry out a general risk assessment between different task areas it is competent for (for instance between IPPC/IED, REACH, Seveso, Waste legislation, Nature Protection, etc.). The outcomes of the general risk assessment can be further refined by carrying out a specific risk assessment for a certain task area which was assigned a high priority, for instance supervising industrial installations that fall under IPPC/IED. With regard to that particular area, the IMPEL 'easyTools' project collected information on the methods that are used across Europe for assessing risks related to industrial installations. Based on this information a new rule- based methodology was developed and tested, called Integrated Risk Assessment Method (IRAM).

¹ IMPEL Report 2007-11

Another important step in the Environmental Inspection Cycle is for inspection authorities to consider what outcomes they want to achieve in the areas identified as requiring high priority attention. They should set targets for these areas and then monitor their progress in achieving them. Feedback from authorities indicated that some are struggling with this step and have called for additional guidance in this area. To support those authorities and to be of wider benefit to all inspection authorities, the IMPEL General Assembly endorsed a Terms of Reference for a project to develop a practical guidance tool for setting inspection targets and related performance monitoring indicators within the framework of the DTRT concept of the Environmental Inspection Cycle. This project was carried out in 2011 and 2012 and resulted in the guidance described in chapters 2 to 4 of the present report.

1.2 Working method

The first phase of the project was carried out in 2011. The project team discussed relevant literature and information on experiences and initiatives provided by authorities in response to the project questionnaire. This helped the project team to identify key issues and select cases which could be used within the guidance. Draft guidance was developed. In May 2012 as part of the second phase of the project, a workshop was organised for experts and managers from authorities in IMPEL Member Countries who are involved in the organisation of environmental inspections. The purpose of the workshop was to discuss and apply the draft guidance to realistic situations. The workshop discussions produced constructive feedback which has been taken into consideration in producing the final version of this guidance.

1.3. Structure of the Guidance

This guidance starts with a general description of the types of targets and how they fit in the Environmental Inspection Cycle (chapter 2).

In chapter 3 we explain the targets in more detail by using a case study and show how they are linked to other entities like goals, objectives and performance indicators.

In the last chapter (4) we address some practical issues like management, communication and priorities.

In the annex we included three case studies on different topics to demonstrate how the methodology works. The guidance closes with a blank format that can be used for setting targets in your own organisation.

As a head start we already give you a few definitions.

Goal:	states in general terms a situation or state of play the authority wishes to achieve.
Objective:	specifies a goal for a certain priority area.
Target:	is linked to an objective and defines a concrete outcome in terms of an improvement of compliance

Performance indicator: is a quantitative or qualitative criterion stating a certain outcome at a certain moment, used for monitoring and demonstrating progress in achieving a target.

Strategy The mix of interventions that aim at influencing the compliance behaviour and engaging stakeholders to help achieving the target.

2. SETTING TARGETS IN THE ENVIRONMENTAL INSPECTION CYCLE

This chapter provides a general description of the types of targets and how they fit in the environmental inspection cycle.

2.1 Setting targets on inputs and outputs

Over recent years inspectorates have become increasingly interested in steering and assessing their performance. IMPEL concluded in 2012 a project on the use of qualitative and quantitative assessment tools and their associated indicators². The report of that project examines the use of various tools, targets and indicators to (i) compare inspectorates, (ii) provide assurance that inspectorates are capable of meeting certain minimum standards, and (iii) allow an inspectorate to assess its own performance in order to drive improvements (business efficiency).

At its most straightforward, an inspectorate can assess its performance against **targets on inputs and outputs**. Targets on inputs could for example relate to a certain amount of staff time to be allocated to specific supervision activities. Targets on outputs could for example relate to the number of site inspections to be carried out, or the number of emission reports to be validated within a certain time period. These indicators help to steer the timely delivery of the planned activities without exceeding the allocated resources. These targets can be periodically adjusted to increase the amount of activity for a set level of resource or to maintain the level of activity against a reduction in available resource. Managing performance against input and output targets in this way encourages an inspectorate to carry out its work in a planned and efficient way. However, that's not to say that the activities that the inspectorate has chosen to undertake and measure will necessarily be the most effective in terms of achieving Policy or environmental outcomes. Using appropriate input and output targets can be useful but inspection authorities need to recognise the risks and limitations of over-reliance on them. If used without any reference to outcomes they can simply lead to an inspectorate doing ineffective activity more efficiently.

2.2 Setting targets on outcomes

Inspection authorities need to show that they are effective, that their activities solve problems, prevent harm or lead to environmental improvement. Authorities that are unable to show how they make a positive difference may face budget cuts or even run the risk of discontinuation. For that reason authorities may want to introduce **targets describing certain desired outcomes** and assess their efforts against these targets. The challenge here is to identify outcomes that are relevant, that can be influenced by the inspection authority's activities, and that are capable of being measured.

² Exploring qualitative and quantitative assessment tools to evaluate the performance of environmental inspectorates across the EU, IMPEL Report 2011/08

To illustrate the use of the terms “objectives” and “targets on outcome” we can consider a simple situation where an inspection authority wants to see an improvement in the quality of water in local rivers; that’s the outcome and can be set-out as an objective. The objective could be expressed qualitatively – that the rivers are to be capable of supporting certain species of fish, or quantitatively – that the concentration of key pollutants does not exceed a particular level. This would be an appropriate objective if the inspection authority can influence the outcome. In this example, the outcome is realistic if we assume that the water quality is mainly influenced by discharges from regulated facilities and that if all of these facilities complied with their permit conditions the objective would be met. This suggests that an appropriate target on outcome would be for the inspection authority to ensure compliance with discharge limits from facilities it regulates.³

In the real World, some authorities are nervous about setting targets that they are not completely and exclusively in control of. They are worried that they will be criticised if targets are not met because of an unpredictable incident for example. However, it is extremely unlikely that an inspectorate will ever define outcomes that are completely in its control. What matters is that their work is targetted at achieving the desired outcome and that deviations caused by external factors are understood and can be explained. Equally important is that an authority both internally and externally communicates clearly on outcomes achieved and how and to what extent its works has contributed to these. An authority can and should claim successes when it can show that its efforts have led to concrete results.

Inspection authorities can decide to use targets on outcomes in combination with targets on inputs and outputs. Targeting and monitoring inputs can help an authority to show “the price” for achieving certain outcomes or how efficient certain inputs are in relation to the achieved outcomes. Targeting and monitoring outputs can help an authority to demonstrate the effectiveness of certain actions carried out in relation to the outcomes achieved. The main focus of this guidance is however on setting targets on outcomes.

It should be noted that in practice not all inspection time will be spent on planned activities and not all planned inspections activities will be linked to targets as defined in the guidance. It is also worthwhile mentioning that inspection authorities may experience limitations to setting inspection targets because they are obliged by law to perform certain inspection activities regardless of any targets.

It is also important to stress here that inspection authorities primarily exist to ensure compliance with environmental legislation and their interventions are geared to that aim. Compliance behaviour can be directly influenced by supervision interventions, although there are other factors that influence compliance too. Better compliance can in turn lead to

³ Note that in the IMPEL Report, mentioned in section 2.1 and footnote 2, the distinction is made between “final outcome” and “intermediate outcome”. One could argue that in the terminology of this guidance an objective describes a desired final outcome, like a certain improvement of the environment. A target (on outcome) describes a desired intermediate outcome, in terms of a certain improvement in compliance leading to the final outcome of improvement of the environment. We have chosen not to use the terms final outcome and intermediate outcome in this guidance, but to stick to the terms objectives and targets as defined in the “Doing the right things” Guidance Book.

an environmental improvement. It therefore makes sense to set targets which are directly or indirectly related to safeguarding or improving compliance.

Improving compliance becomes particularly meaningful when it leads to solving actual environmental problems or reducing actual environmental risks. When an authority decides to start steering (part of) its activities on the basis of outcome targets, it is important that it makes the right choices. It needs to make sure that it has a clear understanding of the legislation for which it is competent, its mission and tasks, and the goals towards which it wants to strive. It should also have reliable, evidence-based knowledge of the current state of the environment so that it can identify areas where environmental problems are occurring. There may be political or community pressure for the authority to take action in all of these areas without regard to their relative importance, their cause, the competence of the authority or the cost of intervening. It is therefore crucial that the authority gathers information to identify the causes of these environmental problems. In particular, it should examine the current state of compliance with relevant environmental legislation. In cases where the problem is significant and mainly the result of a lack of compliance the authority would want to intervene but will also need to consider the resources available to it and the relative importance of competing demands.

Equally, when new legislation comes into force, an inspecting authority may want to focus its interventions on those provisions in the new law where a lack of compliance poses the highest environmental risks. It can then set outcome targets stating a certain level of compliance with these provisions to be achieved within a certain period of time. Or when a law has been in force for some time but a certain target group systematically does not comply with certain provisions, thereby causing a high environmental risk, an authority can set a target stating a certain improvement in compliance within a certain period of time.

2.3 Compliance outcomes

This guidance focuses on targets related to the following types of compliance outcomes:

- ***improving compliance leading to an improvement of the environment***

This is about raising compliance with certain environmental legislation across a particular target group within a defined period of time, resulting in a measurable improvement of the environment or solving a specific environmental problem.

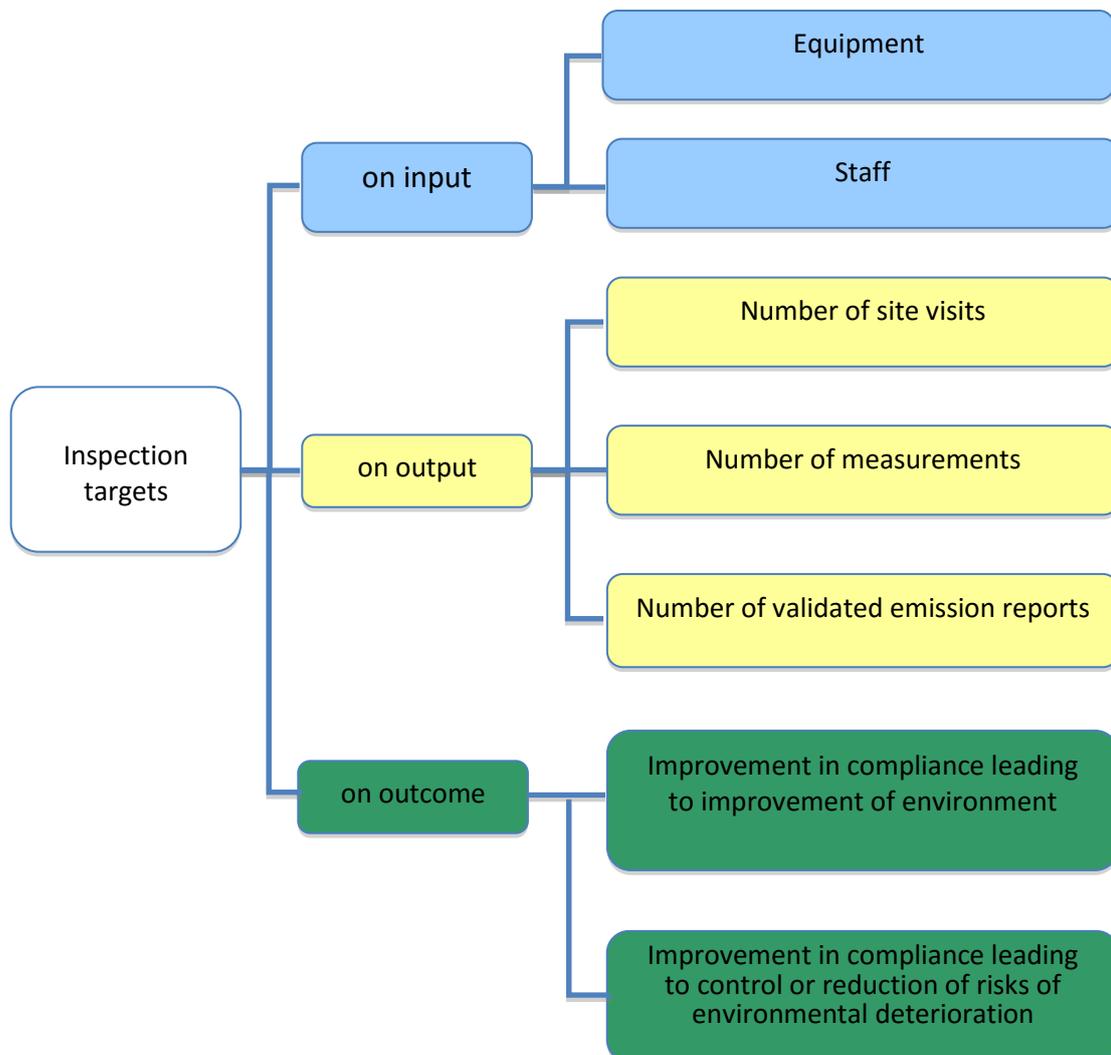
- ***improving compliance leading to control or reduction of risks of environmental deterioration***

This is about helping establish or improving compliance with certain environmental legislation in order to control or reduce the risks of environmental deterioration. Such a target may be helpful where new legislation is introduced or substantially amended and supervision efforts need to address the most urgent, high risk issues. Under legislation which has been in place for some time, there may be an urgent need to target supervision activities towards a high risk sector of industry with a documented record of sustained poor compliance. In that case a target could be to achieve gradually a higher percentage of all regulated facilities within that sector that comply with certain specific

regulatory requirements. Another target could be to reduce the recidivism rate within that sector i.e. the percentage of offenders in that sector that are found to have violated the law again during a specified observation period.

It is usually easier for an inspection authority to show how its interventions to tackle non-compliance have led to environmental improvements rather than how its work to maintain compliance have prevented harm. The community will usually recognise the cleaner air that results from a heavily polluting installation being brought into compliance with emission limits. In contrast, the authority’s work in reducing the likelihood or consequences of another installation failing is unlikely to be noticed. One of the major challenges that all regulators face – and this applies beyond environmental inspectorates - is to effectively communicate about their work aimed at preventing harm and demonstrate that this work is effective.

The following figure shows examples of targets on inputs and outputs and the main outcome targets this guidance document is focussing on.



Since there may be a number of competing areas that the authority could improve through specifically targeted actions, it will have to set priorities, based on an assessment of the severity/scale of the environmental problem/risks in the areas concerned. Targeted interventions will often require substantial resources. The authority at this stage needs to make at least a rough estimate of what the special attention given to the selected high priority areas will cost. It also will have to take into account that some resources will be not available because they need to be allocated to non routine inspections. It may come to the conclusion that it would be more efficient to use the available resources for high priority areas other than the ones selected initially.

For the selected high priority areas where the authority can predict with a sufficient degree of certainty that compliance will move to a more satisfactory level within a certain period of time due to the authority's interventions, it can set targets. These will state a certain improvement of compliance or achieving certain compliance levels. The authority will also define related performance indicators to monitor on a regular basis the progress in achieving the targets. Before it can set meaningful and realistic targets the baseline situation has to be established; where is the authority starting from? Performance monitoring is only possible when both the baseline situation and target are sufficiently clear.

In order to achieve the target, the authority will have to determine the right intervention strategy, i.e. what mix of supervision interventions (activities) it will deploy. For determining the right strategy the authority needs to analyse what factors determine the (poor) compliance. At the stage of establishing the baseline situation it is often useful to gather in parallel more detailed information on the compliance behaviour of the target group which can be used as further input for determining the intervention strategy. It should be noted that when determining an intervention strategy, obligations by law to perform certain inspection activities, may limit the room to use different types of interventions.

2.4 Targets and indicators within the Environmental Inspection Cycle

To summarise, an authority would go through the following steps of the Environmental Inspection Cycle as described in the DTRT Guidance Book:

Describing the context (Box 1A)

The authority determines its mission, goals and legislation for which it has supervision tasks. It identifies the target groups under that legislation, gathers information about their compliance behaviour and the factors that determine that behaviour. It also maps the environmental risks or actual negative impacts on the environment caused by poor compliance with that legislation.

Setting priorities (Box 1B)

On the basis of a risk assessment the authority identifies high priority areas: these are the areas where the environment is affected or could be affected by poor compliance with the relevant legislation. When identifying the high priority areas the authority will also look at the sum and nature of resources (money, expertise, knowledge, special equipment)

available. Because of limitations in resources the authority may need to reduce the number of high priority areas or consider adjusting the timing or phasing of projects to target these high priority areas.

Defining objectives and strategies (Box 1C)

The authority defines objectives for each of the high priority areas based on the mission and goals of the organisation. It then refines these objectives into targets for those high priority areas where this is feasible. To properly set a target the authority has to establish the baseline situation. Next it must identify the appropriate supervision strategy outlining the mix of interventions/actions needed to improve compliance and thereby achieve the target. The authority defines performance indicators to monitor the progress in achieving the target.

Planning (Box 1d)

The authority outlines in the inspection plan the (multi-annual) objectives, (multi-annual) targets, strategies, and indicators and describes in the inspection schedule the supervision actions to be carried out.

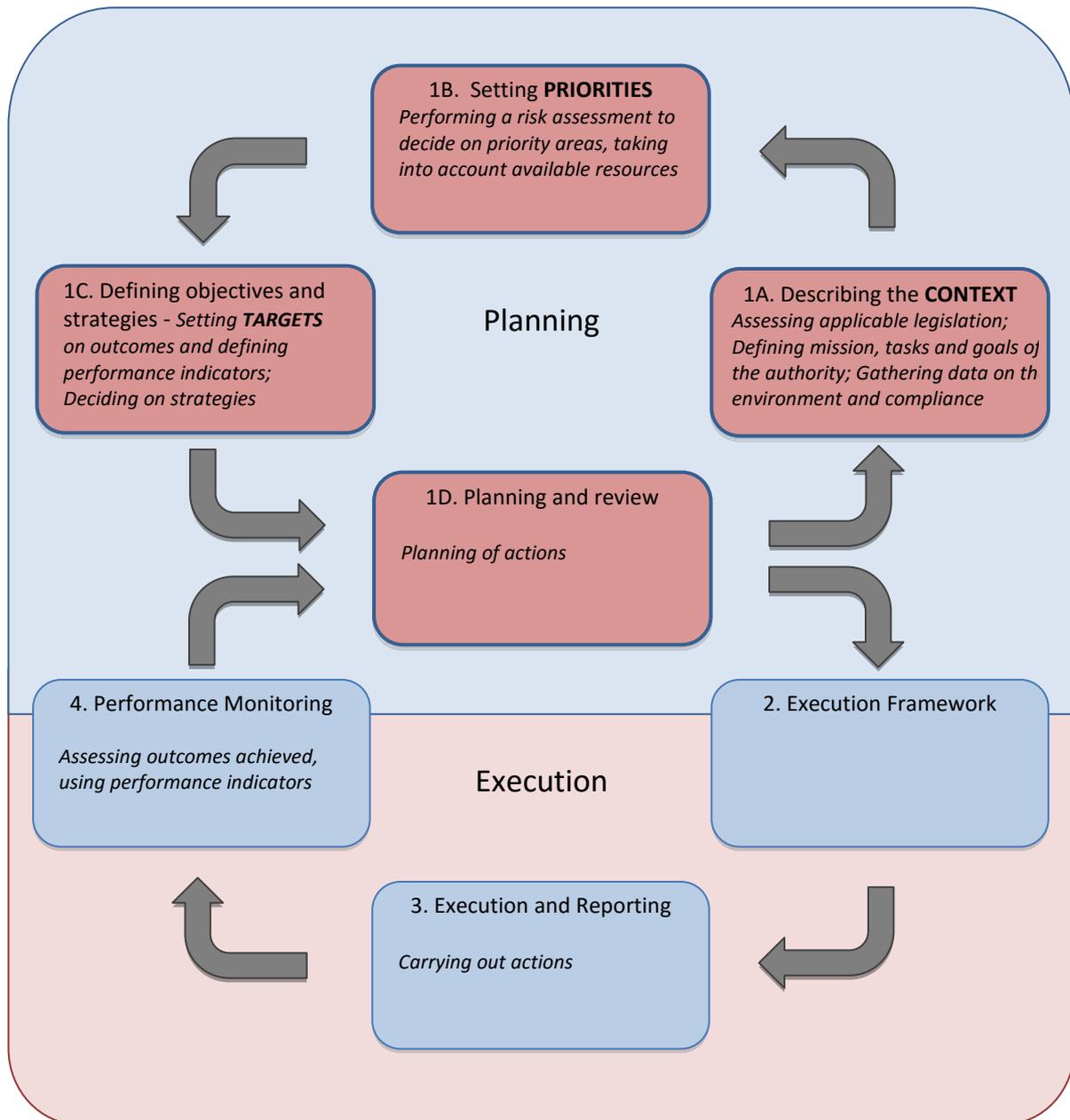
Execution and reporting (Box 3).

The authority implements the inspection schedule, carries out the supervision actions and collects information on resources used, actions/outputs realised and outcomes achieved.

Performance monitoring (Box 4) and Review (Box 1d)

The authority monitors progress by assessing the collected information against the performance indicators. The findings of the monitoring, changes in the level of resources available and the relative importance of competing priorities will be assessed and may lead to review of the targets, strategies or planned actions. Given that many significant environmental problems will not be resolved in one year but require sustained intervention over a number of years, several reviews may be necessary over the life of a project.

The steps are also shown in the following figure of the Environmental Inspection Cycle.



3. SETTING TARGETS ON OUTCOMES FURTHER EXPLAINED

In this chapter we explain in more detail how an authority can organise its supervision activities by setting targets and monitoring its performance against these targets. We will use a case to illustrate the different steps the authority takes in the Environmental Inspection Cycle as outlined in chapter 2.

3.1 Introduction of the case

The case – described in the blue boxes - is about bringing illegal waste management sites into compliance. This case illustrates that the general methodology set-out in this guidance can be used by inspection authorities across the full range of its competencies, not just the inspection of permitted sites.

The inspectorate has worked for a number of years to bring illegal waste sites into compliance or close them down in order to reduce the risks they pose to the environment, communities and legitimate businesses. Last year, over 1,000 illegal sites were closed down which demonstrates the inspectorate's commitment to tackling this problem. However, the net reduction in illegal sites has been modest because each year new illegal sites emerge. The inspectorate decides that a more targeted approach is required to achieve a significant and lasting reduction in the scale of illegal waste activities.

Targeting supervision activities will often start with the acknowledgement that a certain urgent and often persistent environmental problem occurs which is caused by a lack of compliance. Often such a situation can only be remediated through targeted action by the inspecting authority. In our case, the authority has already made considerable efforts to remedy the issue of illegal waste sites, but these efforts have not had the desired impact on the degree of compliance or the reduction of harm. A sustainable solution can only be reached by a more focused, targeted approach.

3.2 Describing the context

Step 1A: Assessing applicable legislation; Defining mission, tasks and goals of the authority; Gathering data on the environment and compliance

In the region concerned there are many legitimate waste management companies who operate several thousand waste storage, transfer, treatment and disposal sites. These operators hold the necessary permits, comply with the relevant waste management legislation and incur the necessary compliance costs. However, they face unfair competition from operators of illegal waste management sites. These sites are often relatively small and particularly associated with the dismantling of end-of-life vehicles, processing of scrap metal and burning and disposing of waste from skip hire businesses. These activities cause local air pollution and soil and water contamination. Illegal waste sites close to residential areas also cause noise and odor nuisance. The Inspectorate is competent for enforcing the legislation concerning waste management and disposal. The mission of the Inspectorate in this situation is to protect the environment by enforcing compliance with the provisions of the Waste legislation.

In our case the environmental problem is pollution and nuisance caused by waste sites that are deliberately being operated in breach of the relevant legislation. The inspectorate is competent to enforce the relevant Waste legislation. One of the goals of the Inspectorate is

to help create a situation in which the operators of these sites either bring their sites into compliance with the legislation or stop operating (either at the original sites or elsewhere). This goal is based on the overall mission of the Inspectorate to protect the environment by ensuring compliance with environmental legislation.

3.3 Setting priorities

Step 1B: performing a risk assessment to decide on priority areas, taking account of available resources

The Inspectorate is faced with a number of competing demands for its attention and must decide how to allocate its limited resources in order to reduce risk to the environment or tackle actual environmental harm. The Inspectorate decides therefore to perform a risk assessment to determine the issues to prioritise. In the risk assessment, illegal waste management sites score high in terms of environmental damage and the economic harm done to legitimate operators and investment in high quality waste management infrastructure. The inspectorate's assessment is that resource spent on tackling the illegal waste sites will deliver a greater environmental impact than spending more resource on, for example, additional inspections at permitted facilities.

Prior to establishing the project, the Inspectorate performs an initial scoping exercise to determine the size of the task, resources required, the governance arrangements, phasing and duration of the project.

The Inspectorate considers that it can make sufficient resources available for tackling the problem of illegal waste sites – this will involve recruiting additional staff with specialist intelligence gathering and analysis skills, initially on a temporary basis. This is made possible because of efficiency savings elsewhere in the organisation, and the Inspectorate's policy of maximising the share of its resources directed to 'frontline' activities that deliver environmental outcomes.

The inspectorate therefore has labelled illegal waste management sites as a high priority area.

At this stage illegal waste sites are assessed by the Inspectorate to be a high risk issue and consequently identified as high priority. When it comes to assessing risks of different types of installations, the Integrated Risk Assessment Method (IRAM), developed by IMPEL under the 'easyTools' project, can be useful. The tool works with a set of rules and a number of steering mechanisms. Inspecting authorities can use this tool for free; it is available online through the IMPEL website.

The inspectorate in our case makes an estimation of the resources needed for targeting illegal waste sites. The available resources of an inspecting authority may already at this stage constitute a compelling reason for the Inspectorate to adjust its priorities. Note that in our case the Inspectorate has both the will and the possibility to allocate sufficient resources for targeting the problem area.

3.4 Defining Objectives

Step 1C

Given the high priority assigned to illegal waste sites, the Inspectorate sets an objective to bring illegal waste management sites into compliance or close them down in order to reduce the risks they pose to the environment, communities and legitimate businesses.

The Inspectorate has set as objective to significantly reduce the number and impact of illegal waste management sites. This is consistent with the more general goal of the organisation to ensure compliance with the waste legislation.

3.5 Establishing the baseline situations

Step 1C

Following discussion with central Government and legitimate operators, the inspectorate decides to establish a task force focusing solely on illegal waste sites. A project structure is put in place involving a project manager, the inspectorate's national enforcement service, local enforcement teams and oversight from senior managers. The first activity of the task force is to develop the intelligence picture, including confirming the number, type, and risk profile of the illegal waste sites.

Before targets can be set, it is important to establish the baseline situation. It is about determining the baseline from which the target can be defined – in our case the number of existing illegal waste sites at the start of the project. It may also include, as in our case, further clarifying the characteristics of the prioritized area: detailed classification of the illegal waste sites, corresponding risk profiles, etc.

3.6 Setting targets on outcomes and defining performance indicators

Step 1C

The Inspectorate sets a target that the number of known illegal waste sites is reduced by 50% between 2011 and 2013, based on the number of known illegal waste sites in 2011. The target is very challenging and not only takes account of illegal waste sites known about at the beginning of the project but also any new sites that emerge during the life of the project. So for example, if there were 600 known illegal waste sites, the aspirational target would be to close 300 sites during the project. However, if between 2011 and 2013, another 500 illegal sites open or identified, the aspirational target would be to close 850 sites.

To monitor what progress is made in achieving the target the following performance indicators are chosen:

- *Reduction in the number of known illegal sites (linked to 2011 baseline);*
- *Number of sites which have been closed or brought into compliance;*
- *Positive feedback from legal operators and communities (i.e. that they think the situation has significantly improved; fewer reports of illegal sites);*
- *Feedback from field officers;*
- *Increase in the permitted capacity or throughput at permitted sites.*

The target in our case is based on the objective to reduce illegal waste sites. The longer term target is to be achieved in 2013 and is, a reduction of illegal waste sites by fifty percent, compared to the baseline of 2011. A number of quantitative and qualitative performance indicators have been selected to help assess progress in achieving the target. Note that the Inspectorate could also have set targets and performance indicators on inputs and outputs.

3.7 Defining Strategies

Step 1C

The inspectorate after a thorough analysis of the problem, the sector and its compliance behavior decides to apply systematically and consistently the following interventions:

- To develop the national and local intelligence picture on illegal waste sites to understand both the symptoms and the causes of the problem. This intelligence will be used to inform both end of pipe enforcement activity and up-stream disruption activities;*
- To speed up the closure of sites. As part of doing this, the inspectorate will ensure that the criminal activity is stopped and not displaced to a new site; To engage with the inspectorate's partners and stakeholders. This will include working with partner organisations to improve effectiveness in dealing with the problem. The inspectorate will also work with industry so that they understand their role in helping to tackle the problem;*
- To use innovative interventions and approaches to tackling illegal waste sites. Through this work the inspectorate will understand which are the most effective, leaving a legacy of a more informed toolbox for dealing with the problem;*
- To use the project resource to help intelligence-led enforcement gain greater momentum across the organisation. Where appropriate, facilitate the transfer of knowledge and skills from the project to the wider inspectorate helping to ensure long-lasting benefits. This will include careful planning and management of the project closure;*
- To ensure environmental outcomes are sought, clearing the sites of waste where possible.*

The strategy outlines the combination and/or succession of interventions applied. In our case a range of interventions is used: prevention, providing information, transfer of knowledge, disruption, enforcement, communicate progress, spread best practice, engage stakeholders, etc. The selected interventions will often have a different timing and duration, and will require different resources. Together they form a mix, a combination that is expected to help achieve the target.

3.8 Planning**Step 1D**

The Inspectorate decides that the project will run in three distinct phases:

Phase I (November 2011 to March 12) - developing the intelligence picture, including confirming the number, type, and risk profile of the illegal waste sites.

Phase II (April 12 to March 13) - acting on the intelligence – prevention, disruption and enforcement activities guided by the inspectorate's intelligence picture as well as further intelligence development.

Phase III (April 13 to September 13) – embedding new approaches developed during phase II and closing the project in an orderly transition.

A workshop will take place in March 2012 to review the intelligence held by the inspectorate and select the prevention, intelligence and enforcement activities that will be undertaken in Phase II.

This planning will be incorporated in the yearly inspection plans and schedules for 2011, 2012 and 2013. These documents contain special sections dedicated to this particular project.

Often the necessary interventions and actions are interrelated and reinforce each other. Almost always they have to be implemented over a period of more than one year to be

really effective. Therefore, a target will usually be set for a longer time horizon than one year, as in our case. To manage the project properly it is important to break down the process into several phases and incorporate these in the yearly inspection plans and schedules. Based on the chosen strategy, interventions are outlined and concrete actions are described (indicating numbers, timing and duration of actions, allocated staff, equipment and other resources, etc.) in the successive inspection plans and inspection schedules. The inspection plan will also describe the targets and indicators which have been set.

3.9 Execution and reporting, Performance Monitoring and Review

Step 3, 4 and 1D

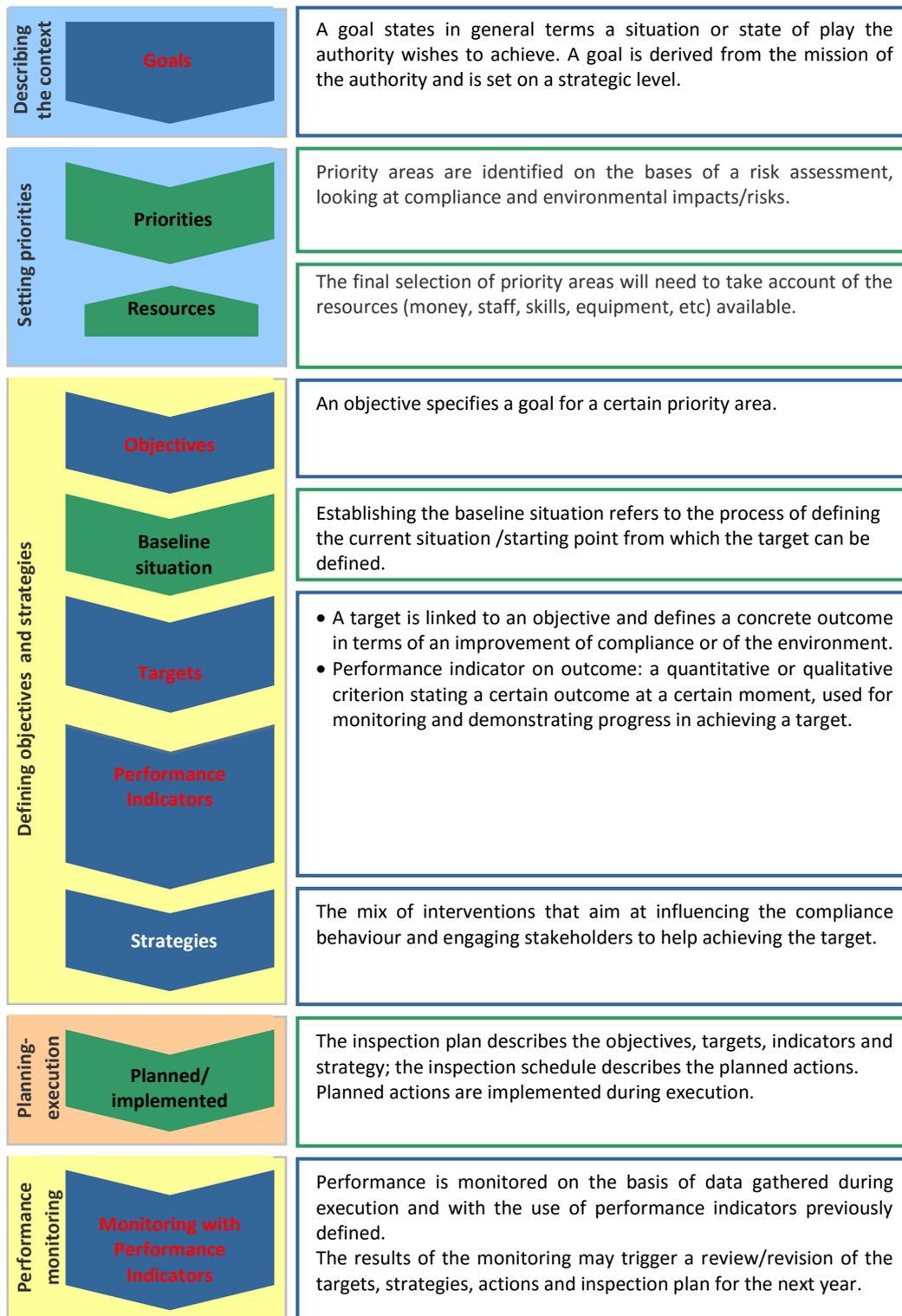
The Special Task force on illegal Waste Sites of the Inspectorate is in charge of implementing the section in the inspection plan and schedule dealing with this particular project. The Taskforce is well connected with the inspectors on the ground. The Taskforce checks regularly whether all planned actions are carried out according to the plan and the necessary data coming out of these actions are properly recorded. It takes care of a periodic review of the intelligence gathered, the latest assessment on the number and type of illegal waste sites and resource requirement.

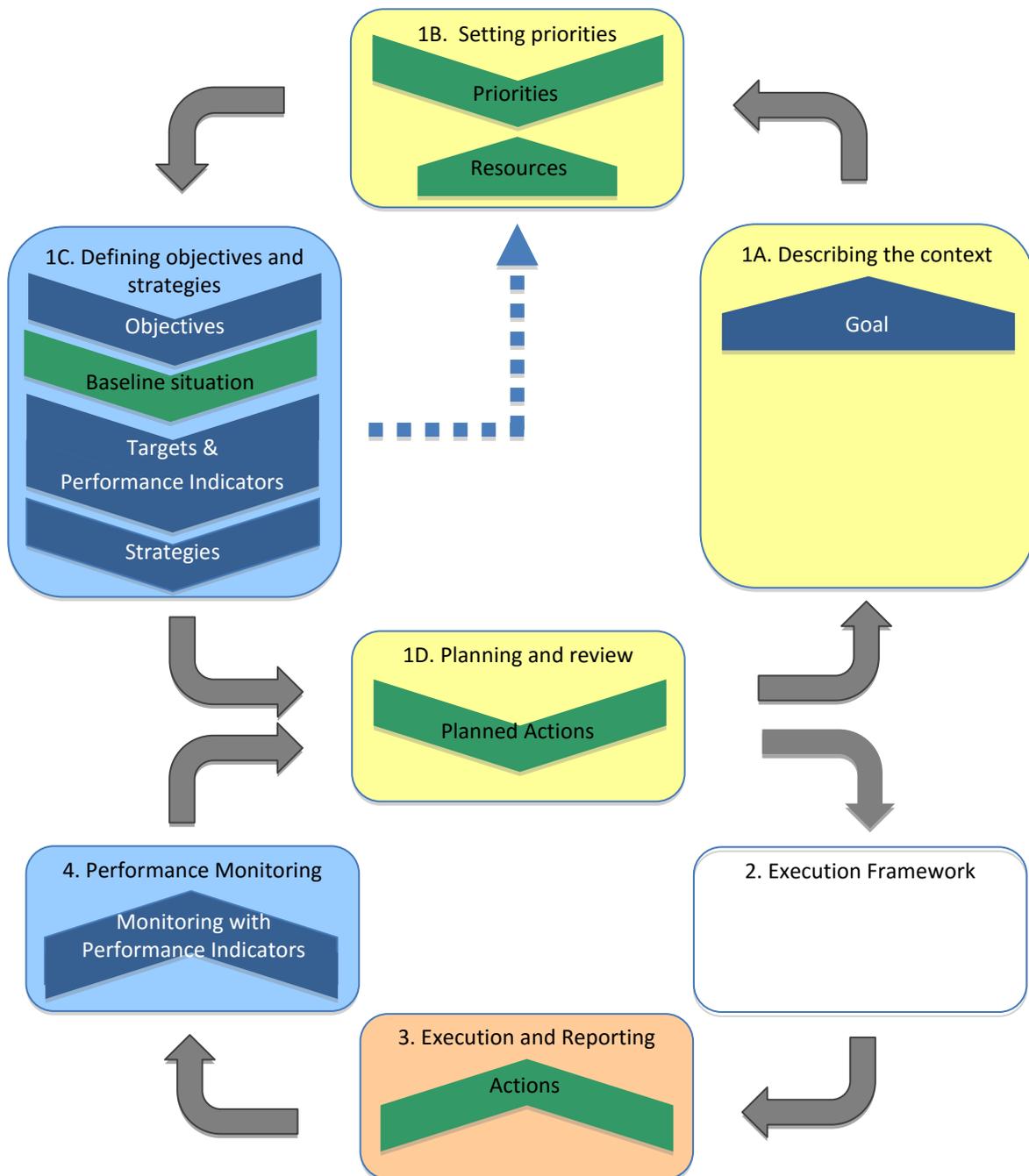
Progress is periodically monitored using the performance indicators defined earlier and reported to senior management and stakeholders. Unexpected problems quickly are escalated by the Taskforce for resolution. Thorough project review is foreseen at the end of each year. This may lead to adjustment of the target, the strategies and the actions for the next year.

In our case a project and taskforce are established to manage the process of organising and carrying out targeted supervision activities. The project is given special, separate attention in the overall yearly inspection plans and schedules of the Inspectorate. The senior management of the Inspectorate and relevant stakeholders are involved and play their role in keeping the project on the right track. The commitment and expertise of the inspectors are sought from the start of the project. A successful outcome is also dependent on the robust implementation of planned project activities, carefully monitoring by the taskforce, well organised collection of data on actions carried out, regular monitoring against the performance indicators and procedure for review/ revision of the project target, strategy and actions.

3.10 Summary

The two following schemes present the terms used and steps described above in a systematic order.





4. PRACTICAL AND ORGANISATIONAL ASPECTS

In this closing chapter we draw attention to some organisational and practical issues an inspecting authority should take into consideration when engaging in the process of setting targets and performance monitoring.

4.1 Organising the process

Targets raise expectations both externally and internally, expectations that need to be satisfied. Targets as a steering instrument will require from the authority long-term commitment, discipline and in many cases a change of working processes and culture. In short: introducing targets can have a profound impact on the organisation and how it is perceived. Setting targets is therefore a serious matter and cannot be a stand-alone exercise, separate from the other steps in the process of planning and executing supervision activities. If a target is set in isolation there is a serious risk that it will be ill founded and will prove to be not relevant and/or not achievable.

The authority will also need to consider what organisational format is going to be the most appropriate for managing its work. Can these actions best be managed through a specific project, programme or (thematic) campaign or as an integrated part of routine inspection activities? Using a specific organisational format like a project helps in keeping sufficient focus but at the same time bears the risk of being perceived as not part of the core business of the authority and therefore management may be more easily tempted to terminate it prematurely.

All important decisions in the process should have the explicit backing of senior management; their continuing support is required to retain commitment from across the inspectorate and to safeguard the necessary resources. Early involvement of staff and key stakeholders is also essential for getting the necessary support for the target-based project and ensuring that it is realistic and understood.

For an authority it is key to properly manage its own and others' ambitions and expectations: it is better to start small, to learn by doing, to engage only in matters you can influence and to be conscious of possible constraints or risks of failure.

When setting up a project for targeted action in a certain area it is advisable to consider the following issues:

- Identify the areas the targeted actions can contribute to solve environmental problems or reduce risks
- Identify and describe the relevant legislation and in particular key requirements and any draft legislation which is likely to come into force shortly;
- Assess what information is available on the target group, their compliance record and behaviour and the connected environmental impact/risks;

- Assess what information is still missing and how that information should be collected; consider performing additional fact finding inspections, taking additional samples, making further measurements or carrying out more detailed surveys to collect the necessary information; consider asking inspectors for their expert judgments as an additional source of information;
- Assess any necessary involvement of other authorities;
- Assess the possible supporting or obstructing role stakeholders (trade unions, consumer and industry associations) can/might play
- Assess if there will be sufficient expertise and skills available for carrying out the project;
- Assess how management and staff can be properly informed and trained;
- Assess how inspectors can be actively involved in the process, including asking feedback from the inspectors at the different stages of the project (on the workload, issues related to data collection etc);
- Consider establishing a communication plan and appointing a spokesman for the project;
- Assess the information needs of the different internal and external audiences who have an interest in the project at the different stages of the project.

4.2 Communication

During each of the different stages (i.e. when identifying the area concerned as high priority, defining the objectives and targets, establishing the baseline situation, choosing the right strategy, carrying out the actions, monitoring performance and assessing achievements) good internal and external communication is important. Effective communication is about developing a dialogue that encourages the sharing of information. It involves seeking opinions and feed back, providing information (facts and figures) and explaining decisions and actions. Proper internal communication will encourage everyone within the authority to adopt the same line and create support and commitment throughout the organisation. Clear and timely external communication, for instance by using social media, will make the authority transparent and enables it to explain what it is doing. It can also be used to get the cooperation from relevant stakeholders, other competent authorities and the target groups concerned.

4.3 Priorities

The priorities can be set by using a risk assessment. Different methods for assessing risks related to industrial installations exist in Europe. This information, including the new developed methodology IRAM, can be found in the final report of the IMPEL project easyTools. The authority should also decide which criteria (for impact and probability) are going to be used to assess the priority areas. Although the criteria are likely to remain more or less the same throughout the years within an authority, the weighting factors of the different criteria might change as the environmental problems change.

4.4 Targets

Targets should be set in such a way that progress in achieving the targets can be monitored. The following aspects should be considered:

- Define the targets as SMART (Specific, Measurable, Achievable, Realistic, Timely) as possible, taking into account the baseline situation;
 - Select the key regulatory requirements that should be complied with;
 - Select the targeted population – in many cases a certain segment of the regulated community;
 - Select the proper timeframe – in many cases it's more suitable to use multi annual target;
 - Make sure the targets are realistic in the sense that they can be achieved when applying the chosen intervention strategy (compliance promotion, compliance checking, enforcement);
 - When targets are related to risk categories of inspection objects one should previously identify if a high classification is related to a situation an inspection authority has a certain degree of influence on (like compliance behaviour);
 - Make sure the targets are realistic in the sense that they can be achieved given the available resources.
- Consider setting different targets for different moments in time. Consider distinguishing different phases/steps

4.5 Performance monitoring

An inspection authority will want to know how it is performing in view of the objectives and targets it has set. Especially in the situation of multi annual objectives an inspection authority might find it necessary to monitor its performance against certain performance indicators. Performance indicators need to be meaningful (*i.e. linked to the targets*), clear and easy to measure. Ideally the monitoring system will make maximum use of systems and data that are already in use in order to avoid disproportionate administrative burdens. The authority will need to consider whether data needs to be externally verified, how it will be collected, and how often it will be reviewed. It is important to recognise that monitoring performance won't just rely of numerical information. Qualitative feedback from the public, operators and field staff can be a valuable tool in assessing performance (and how the performance is being perceived). In assessing the progress made towards the desired outcome, the authority needs to understand the contribution its activities have made. If outcome targets are missed, does this suggest the authority has not been effective or have targets been missed because of one or more external factors beyond the authority's control or competence? What are these factors, can their impact be quantified and is it possible to revise the authority's work plan to counteract their impact?

In cases where multi annual objectives have been defined an inspecting authority might find it necessary to also review on a regular basis if the targets that have been set, are still valid, taking into account changes to resources, risk or population size.

Performance monitoring is a process to measure whether you are achieving your targets and objectives. Here are the main steps in the process:

1. Decide which areas you need to measure;
2. Collect relevant and reliable data;
3. Analyse the data and turn it into useful information;
4. Understand your performance and assess the need for corrective action.

The following aspects should be considered when establishing performance indicators:

- Comparison – a single number is not a performance indicator. It needs to be set in context by comparing with past performance or a future target;
- Objective – the data used must be unbiased and complete;
- Evidence – the data you are going to assess to identify performance;
- Degree – indicators will be more powerful when they can identify smaller changes in performance. For example, measuring customer satisfaction on a scale of 1-10; provides more information than measuring customer satisfaction as a simple yes / no;
- Performance result – measure what you should, can and will do something about;
- Over time – measuring performance over time and plotting it on a graph, allow you to identify trends and predict future events.

Annex 1. Case studies

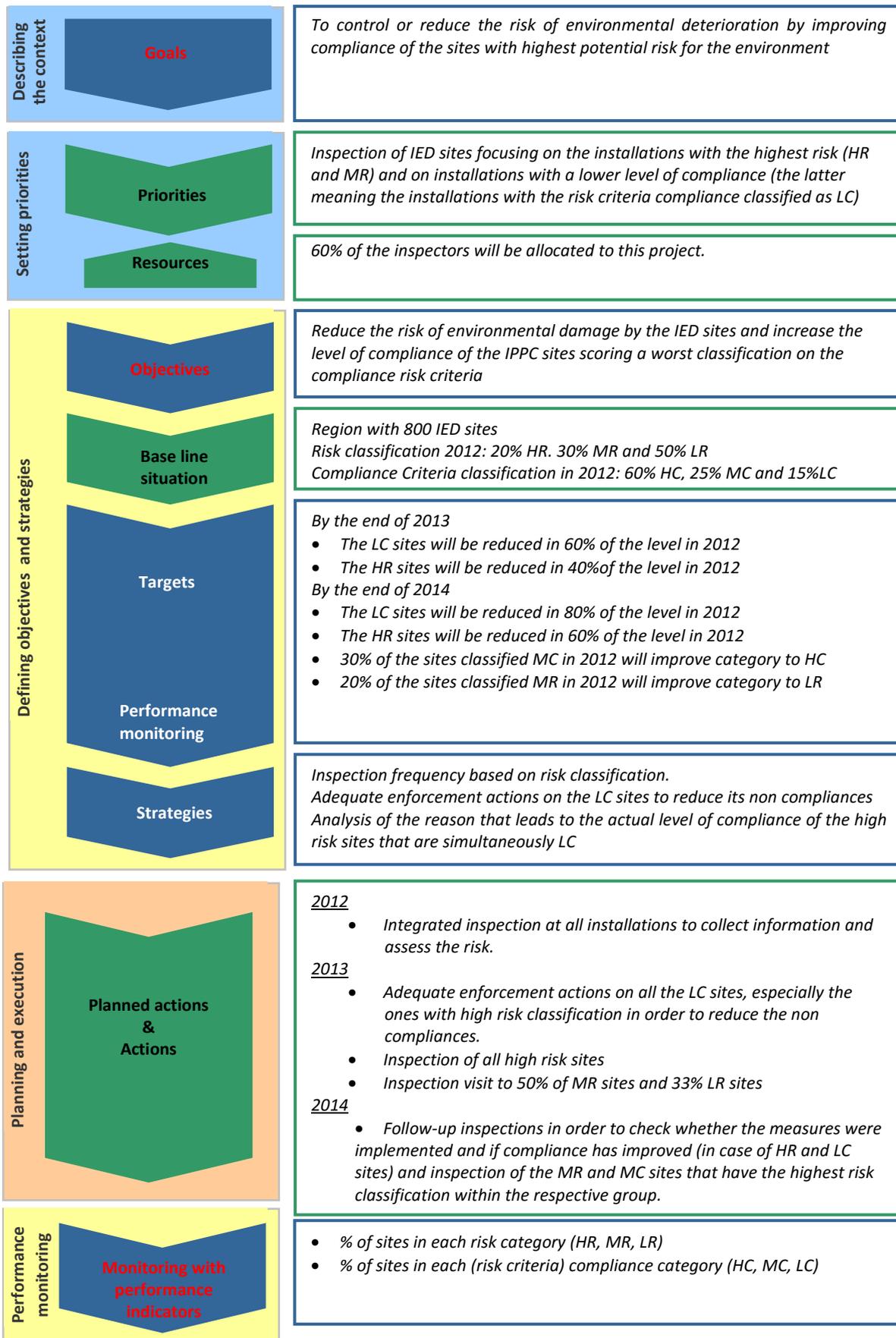
The following three cases can further illustrate how in practise inspection targets are used.

Case 1 : EID

In Region A, there are 800 IED installations. To implement article 23 of the Industrial Emission Directive (IED), the Environmental Inspectorate has chosen to work with the Integrated Risk Assessment Method (IRAM) developed by IMPEL under the “Easytools” project. To establish a baseline situation, the inspectorate undertook integrated inspections of the 800 installations following the criteria set in article 23 of the IED. The information collected allowed the inspectorate to place each installation into one of three risk categories (High risk, Medium risk and Low risk).

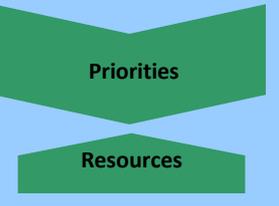
The Inspectorate wants to focus on compliance as a mean to reduce the overall environmental risks of the installations. Therefore the criteria “compliance”, (as part of the operator performance in IRAM) was given a higher weighting factor. The results of the risk assessment were 20% high risk (HR), 30% medium risk (MR) and 50% low risk (LR).

The compliance classification scheme allows the classification of sites into 3 categories: high compliance (HC), medium compliance (MC) and low compliance (LC). The first visit gave the following classification in compliance: HC 60%, MC 25% and LC 15%.



Case 2: Odour nuisance

In Region B, a severe odour nuisance resulted in the inspecting authority receiving many complaints. The Inspecting authority performed a general risk assessment (on the level of legislation/tasks) in which the odour problem was scored as “high risk”. The source(s) of the odour problem was not known. A project was set up as part of the inspection plan to solve this problem over a period of 3 years.

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Describing the context</p> 	<p>The goal of the Regional Authority is to contribute to a healthy and clean environment by improving ambient air, water and soil, preventing the production of waste and promoting the recycling of waste and securing compliance with environmental law by the operators.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Setting priorities</p> 	<p>By running a general risk assessment the different tasks and responsibilities of the authority have been reviewed. Odour nuisance in the region was identified as one of the highest priority areas.</p> <p>Number of hours needed for this campaign is estimated on 600 hours for 2012 and 400 hours for 2013 and 400 hours for 2014.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Defining objectives and strategies</p> 	<p>To reduce odour nuisance in region A by mid 2014</p> <p>The baseline situation will be established by conducting an ambient odour study and characterise the episodes of odour nuisance to define the number of odour units and verified odour nuisance complaints..</p> <ul style="list-style-type: none"> Target 1: All installations and activities that are identified as the main source of the odour nuisance comply with legislation or permit conditions by 1-7-2014; Target 2: The number of odour units does not exceed two on any day in the first half of 2014; Target 3: The average monthly number of verified odour nuisance complaints in the period 1-1-2014 till 1-7-2014 is reduced by 50% compared to the average monthly number of verified odour nuisance complaints in the period 1-1-2012 till 1-7-2012. Performance indicators: number of verified odour complaints, number of odour units per day, number of non compliances to legislation or permit conditions by installations identified as the main source of the odour nuisance. <ul style="list-style-type: none"> Gathering information Building relations and communicating with authorities, companies and local community, Inspection and enforcement
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Planning and execution</p> 	<p><u>2012</u></p> <ul style="list-style-type: none"> Setting the baseline situation and identify main sources <p><u>2013</u></p> <ul style="list-style-type: none"> Inspection of sites and activities Impose measures on companies Inspect if measures have been implemented <p><u>2012 -2013 -2014</u></p> <ul style="list-style-type: none"> Registration of complaints Working together in a project team of representatives of the Inspecting authority, local administration and companies Informing the local community about the project
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Performance monitoring</p> 	<p>Yearly monitoring on</p> <ul style="list-style-type: none"> Number of verified odour complaints Number of odour units per day Number of non compliances to legislation or permit conditions by installations identified as the main source of the odour nuisance.

Case 3: High level of PM10

In Region C, the air quality was poor because of a concentration of PM10 in the ambient air that exceeded the air quality norm by 50%. In the general risk assessment (on the level of legislation/tasks) the high concentration of PM10 got a high score and was therefore considered to be a high priority issue. Focussing on industrial sources, the inspecting authority performed a specific risk assessment on the level of industrial installations, applying an increased weighting factor for fine dust. Ten installations that had substantial fine dust emissions were labelled high risk installations. Estimations showed that full compliance by this specific group of installations with the requirements concerned would result in a significant overall reduction of fine dust emissions and lead to an exceedance of the air quality norm by only 10%. A special campaign was set up to bring these installations into full compliance.

This action is taken as part of a larger programme to improve the air quality in Region C according to EU legislation.

