

# Our Annual Operating Plan

## 2026/27



Protect Improve Adapt Avoid Warn

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# Foreword



**Nicole Paterson**  
Chief Executive  
Officer

As we head into the Agency's 30-year anniversary, it is important to recognise the immense contribution made to the environment and communities of Scotland over the last three decades. We have made great progress but know there is more still to do.

Our primary purpose, to protect and improve Scotland's environment, is delivered through our vital services and the strategic priorities which focus our work - net zero, climate resilience, water environment, resource efficiency and business environmental performance.

We are now into the last year of our [Corporate Plan 2024-2027](#). In the second year of delivery, we implemented a major change in how environmental regulation is delivered through the launch of the Environmental Authorisations (Scotland) Regulations (EASR) while continuing to enhance our own leadership, our partnership working and our engagement with businesses and communities.

This year, we will move with purpose into the next phase of our ambitious transformation programme to enhance what we do for the environment of Scotland. This is not change for its own sake; it is a deliberate shift from planning to delivery, building on foundations we've laid over the last two years to ensure we are an agile, effective and forward-looking Agency.

As the nation's principal environmental regulator, flood forecasting and warning authority and strategic flood risk management authority, we recognise that Scotland's environment is rapidly changing. We are also aware that all of Scotland's public sector is under significant financial pressure. It is therefore critical we are proactive in adapting and innovating how we operate, so that we can continue to protect and improve Scotland's environment while delivering best value for the public we serve. By leaning into and shaping public service reform, we are strengthening our resilience and positioning SEPA to meet future environmental challenges with confidence.

Looking ahead, we will continue to build our capabilities, empower our people, deepen our partnerships and demonstrate our values - Purposeful, Professional and Passionate - to maintain momentum as we work together for the benefit of Scotland's environment, now and in the future.

I'm pleased to present our Annual Operating Plan for 2026/27.

# Ro-ràdh



**Nicole Paterson**  
Ceannard

Is sinn a' dol a-steach do 30mh ceann-bliadhna na Buidhne, tha e cudromach aire a thoirt air a' bhuidhne mhòr a chaidh a thoirt air àrainneachd agus coimhearsnachdan na h-Alba thar nan trì deicheadan a dh'fhalbh. Tha sinn air adhartas mòr a dhèanamh ach tha fios againn gu bheil tuilleadh ri dhèanamh fhathast.

Tha ar prìomh adhbhar, àrainneachd na h-Alba a dhìon agus a leasachadh, air a lìbhrigeadh tro na seirbheisean deatamach againn agus na prìomhachasan ro-innleachdail a chuireas fòcas air ar n-obair - cothromachadh-carboin, seasmhachd a thaobh na gnàth-shìde, àrainneachd uisge, èifeachdas ghoireasan agus coileanadh àrainneachdail gnìomhachais.

Tha sinn a-nis ann am bliadhna mu dheireadh ar [Plana Chorporra 2024-2027](#). San dàrna bliadhna lìbhrigidh, chuir sinn atharrachadh mòr an gnìomh air mar a thèid riaghladh àrainneachdail a lìbhrigeadh tro bhith a' cur air bhog Ceadan Riaghailtean Àrainneachdail (Alba) (EASR) agus sinn a' leantainn air adhart a' neartachadh ar ceannardas fhèin, ar n-obair com-pàirteachasan agus ar conaltradh còmhla ri gnìomhachasan agus coimhearsnachdan.

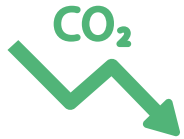
Am-bliadhna, gluaisidh sinn le adhbhar a-steach dhan ath ìre de ar prògram atharrachaidh àrd-amasach gus na tha sinn a dhèanamh airson àrainneachd na h-Alba a neartachadh. Chan e atharrachadh air a shon fhèin a tha seo; 's e gluasad a dh'aona ghnòthach a th' ann bho dhealbhadh gu lìbhrigeadh, a' togail air na bunaithean a chuir sinn sìos thar an dà bhliadhna a dh'fhalbh gus dèanamh cinnteach gur e Buidheann shùbailte, èifeachdach agus adhartach a th' annainn.

Mar phrìomh riaghlaidhe àrainneachdail na dùthcha, ùghdarras ro-innse is rabhaidh tuiltean agus ùghdarras ro-innleachdail riaghlaidh cunnart tuiltean, tha sinn a' tuigsinn gu bheil àrainneachd na h-Alba ag atharrachadh gu luath. Tha sinn cuideachd mothachail gu bheil cuideam ionmhasail mhòr air roinn phoblach na h-Alba air fad. Tha e mar sin riatanach gu bheil sinn ro-ghnìomhach ann a bhith ag atharrachadh agus ag ùrachadh mar a tha sinn ag obair gus am faod sinn leantainn oirnn àrainneachd na h-Alba a dhìon agus a leasachadh fad 's a tha sinn a' lìbhrigeadh an luach as fhèarr dhan phoball. Le bhith a' gabhail pàirt ann an agus a' cumadh ath-leasachadh seirbheis phoblaich, tha sinn a' neartachadh ar seasmhachd agus a' suidheachadh SEPA gus coinneachadh ri dùbhlain àrainneachdail san àm ri teachd le misneachd.

A' coimhead air adhart, cumaidh sinn oirnn a' togail air ar comasan, a' cumhachdachadh ar daoine, a' neartachadh ar com-pàirteachasan agus a' nochdadh ar luachan – le Adhbhar, Proifeasanta agus Dìoghrasach – gus an spionnadh a chumail suas fhad 's a bhios sinn ag obair còmhla airson buannachd àrainneachd na h-Alba, an-dràsta agus san àm ri teachd.

Tha mi toilichte ar Plana Obrachaidh Bliadhnail airson 2026/27 a thaisbeanadh.

# Our delivery 2025/26



3.85% decrease in greenhouse gas emissions from regulated sites – equivalent to 210,000 petrol cars taken off the road for a year.



76 monetary penalty notices issued – increase of 39 from 2024-25.



Three river restoration projects completed, with over £2.4m invested, through the Water Environment Fund.



15 high risk illegal sites closed – an increase of 12 from 2024-25.



National Flood Risk Assessment published providing the most detailed picture yet of future risks and why urgent action is vital.



100% of water scarcity alerts issued to identified authorisation holders on time – over 11,000 total communications sent.



98% new developments approved in accordance with SEPA's planning advice on flood risk.



8.6% reduction of waste landfilled – lowest amount since this record began in 2005.



Integrated Authorisation Framework successfully extended on time to include the regulation of waste, water and industrial activities.



Strategic approach to wellbeing launched and improved offer of mental health and wellbeing support to colleagues.

# For the future of our environment

Scotland's natural environment is central to who we are. It shapes our national identity. Our health, our well-being and our economic prosperity as a nation are all dependent on this unique and invaluable resource. We know our environment is undergoing rapid changes, driven by increasing climate change which is in turn driving pressures on flooding, water scarcity and resilience, as well as the interconnected crises of biodiversity loss and pollution. Together they threaten our quality of life.

As guardians of Scotland's environment, we are committed to its protection and improvement, ensuring it remains resilient and thriving for our future generations. We recognise this in our statutory purpose, **'To protect and improve the environment in ways that, as far as possible, also create health and wellbeing benefits and sustainable economic growth'**. Our [Corporate Plan](#) sets out five priorities to focus our work between 2024-2027 that will help us do this: net zero, climate resilience, water environment, resource efficiency and business environmental performance.

Our core delivery covers a wide and diverse range of duties and activities. As Scotland's principal environmental regulator, we set conditions for good environmental performance, check compliance and intervene where necessary. We expect all regulated operators to understand their impact on the environment and to comply with their obligations in legislation and conditions set out in authorisations.

As Scotland's flood forecasting and warning authority and strategic flood risk management authority, we help partners, places and people avoid, adapt and act against flooding. We prepare long term flood risk management plans and provide planning advice on flood risk and drought when consulted on new developments. We help communities and businesses prepare for flooding by issuing forecasts and warnings and by advising on the response to events when they occur.

Using our strong science and evidence base, we monitor and assess our environment to provide a clear understanding of its current state and how it is changing. We use this evidence to inform decisions, provide advice and promote best practice. Our skills, expertise, science, data, and regulatory approaches help to inform and shape policy and Government decisions and illustrates our influence, professionalism and trust.

We protect Scotland's water environment from deterioration through our regulatory activities, while also supporting the delivery of environmental improvements and associated societal benefits through our role in river basin management planning and deployment of Scotland's Water Environment Fund. Using a whole systems approach, river basin management planning supports the delivery of [Our Approach to Regulation](#) and Scotland's wider efforts to tackle the climate emergency and biodiversity crisis.

In a period of significant regulatory and policy change, we are committed to ensuring we are in the best position to deliver for the environment and the people of Scotland. We work with the Scottish Government and other partners, to contribute to the Environment Strategy for Scotland and Scotland's National Strategy for Economic Transformation, alongside other strategies including the National Flood Resilience Strategy, Scottish National Adaptation Plan, Circular Economy Strategy for Scotland and Circular Economy and Waste Route Map, Cleaner Air for Scotland 2, National Digital Strategy and the National Litter and Flytipping Strategy. Our work aligns with Scotland's national priorities on net zero, climate resilience, nature recovery and pollution reduction. We also work to develop regulatory frameworks and policies in areas such as deposit return, fish farming, a common framework for environmental authorisations and digital waste.

Under challenging public sector constraints, we must ensure we have the right capabilities, capacity, data, digital systems and resources to deliver on our statutory functions while enhancing customer experience and maintaining high environmental performance. Accelerating SEPA's transformation ambitions and a future focused regulatory approach are critical components, while we also continue to provide strategic leadership and resources to progress public service reform in the wider environment sector through the estates, digital and people workstreams.

We are committed to demonstrating good corporate governance, ensuring our organisation is well-run and resilient, open and transparent and delivering best value. We invest in our people, ways of working, organisational culture and customer engagement to ensure that we have the right skills and expertise, that our workspaces enable service delivery and that we listen to internal and external feedback to shape work for the future.

We recognise the importance of partnership working and ensuring our stakeholders, operators, the public and communities are actively involved and engaged in what we do. We are committed to building on and forging new relationships, bringing together a wider range of powers, duties, tools and specialist expertise that will maximise value and benefit to Scotland's environment. We know that our environment is not isolated from the impact of global changes, and we continue to keep abreast of developments through our networks and partnership working.

All our work comes together in What We Do – Protect, Improve, Adapt, Avoid and Warn – delivering for Scotland:

- We **protect** Scotland's environment and communities from harm.
- We **improve** Scotland's environment for future generations.
- Our information and advice help Scotland to **adapt** to the impacts of our changing climate.
- We help to **avoid** environmental harm and increased future risks from flooding.
- We **warn** communities and businesses about potential harm and risk of flooding.

This plan sets out our key areas of focus for 2026-2027.

# Our plan on a page

## Our purpose

To protect and improve the environment in ways that, as far as possible, also create health and well-being benefits and sustainable economic growth.

## Our values



**Purposeful**



**Professional**



**Passionate**

## Our priorities

Net zero

Climate resilience

Water environment

Resource efficiency

Business environmental performance

Organisation & transformation

## Our objectives 2026/27

- Our workspaces and fleet are transformed, minimising emissions and enabling efficient, needs-based operational service delivery nationally.
- Expand our approach to future ready water resilience and strengthen flood forecasting and warning and water scarcity capabilities.
- Engage stakeholders and communities to improve adaptation and resilience to flooding and prepare for future flood risk.
- Initiate an assessment programme for water bodies that may qualify as controlled reservoirs, and complete planned preparations ahead of a review of risk designations of regulated reservoirs due in 2027/28.
- Ensure effective action to protect and improve the water environment and prepare for future river basin management planning.
- Complete planned preparations to regulate Deposit Return Scheme (DRS) for launch in 2027.
- Strengthen regulatory effectiveness through enhanced digital systems, regulatory guidance and stakeholder engagement.
- Deliver a risk-based compliance verification programme to identify, prioritise and tackle non-compliance.
- Tackle environmental crime through intelligence-led interventions.
- Trusted data, standards and shared tooling is in place to support key regulatory activities and decisions.
- Embed a clear, actionable Customer Experience Strategy aligned to customer segments to improve service delivery and digital engagement.
- Build on the work of our People Strategy to ensure a safe, supportive and inclusive work environment which empowers our people.

## Our transformation

- Future of Regulation
- Water Resilience
- Data as an Asset
- Customer Experience
- Future Focused Digital Services
- Organisation Services Review
- Engaged and Empowered People

**For the future of our environment**

# Our focus for 2026/27

## Net zero

Our nation has set an ambitious target to transition to net zero emissions from all greenhouse gases by 2045. Our ambition is to **fully play our part in helping Scotland to become a net zero country and reduce our own emissions.**

Innovation and collaboration are critical as we progress the just transition to net zero. We will actively contribute to the delivery of the [Grangemouth Industrial Just Transition Plan](#). Through the [Grangemouth Regulatory Hub](#), and continuing to take forward an outcome-based, collaborative regulatory approach, we can support a fairer, greener future for the workers, the community and industry of Grangemouth.

We deploy our regulatory tools to ensure that the local environment is protected and improved. We use our expertise, evidence and partnerships to help businesses innovate and explore new techniques. We will use our learning from engaging with energy-intensive pilot sites to explore the full potential for energy efficiency improvements and reduced carbon emissions through existing regulatory duties and powers. We will ensure this in line with Scottish Government and UK Government policy direction.

We are the regulator for the UK Emissions Trading Scheme (UK ETS) in Scotland. In 2026/27, our responsibility will expand to include maritime operators registered or residing in Scotland. We will use consultation feedback to submit final scheme amendments to Scottish Ministers by 1 July 2026.

We will mainstream our approach to reducing greenhouse gas emissions to net zero, acting sustainably, adapting to forthcoming climate changes and delivering our climate change duties in everything we do and all our decisions.

We will improve our understanding of business needs for our fleet and workspaces. We will use this to progress our ambition to have a zero emissions fleet by 2030. We will also work to install fit for the future core and specialist capabilities at our workspaces. This aims to enable improved service delivery and a reduced carbon footprint.

## Our 2026/27 objectives

- Our workspaces and fleet are transformed, minimising emissions and enabling efficient, operational service delivery nationally.

## Our 2026/27 roadmap

Q1	Q2	Q3	Q4
	Final UK Emissions Trading Scheme amendments submitted to Scottish Ministers.	Fleet telematics data fully analysed.  Core and specialist capabilities implemented in Perth and Edinburgh operational workspaces.	Recommendations delivered on optimal zero-emission vehicle types and fleet locations for SEPA's operational needs.

# Climate resilience

Scotland's climate is changing. There is increasing likelihood of more extreme weather – floods, water scarcity, rising temperatures and storms. This poses a significant risk to our environment, our communities and our economy.

Our ambition is **to reduce the damaging impacts of floods and droughts. We want to help Scotland prepare for, and become more resilient to, the impacts of a changing climate.**

This year, we will develop our Water Resilience Strategy. This will set the direction for what long term success looks like and inform our transformation ambitions. We will prioritise targeted engagement with communities and partners to inform our understanding of future customer needs.

We will begin the first phase of our water resilience transformation. This will cover our flooding services initially and expand in time to our water scarcity forecasting and warning services.

Through water resilience transformation, we will explore a multi-year enhancement programme that will deliver scientifically robust, digitally enabled flood hazard maps across fluvial, coastal, surface water, and reservoir domains. This programme supports planning, emergency response, infrastructure design, and community resilience and adaptation to climate change. We will scope the benefits of increased self-service to empower people and communities to make informed decisions.

We will explore the benefits of increased automation across our flood and water scarcity forecasting and warning services. Building on the approach taken last year, we will increase resilience in our operational water scarcity warning system and processes.

Following the publication of the revised [national flood risk assessment](#) last year, we will consult on the third cycle of Scotland's Flood Risk Management Plans (FRMP) – a key milestone in the delivery of our corporate plan. We will continue to deliver on the current FRMP actions.

We will begin developing a water availability risk map for current and future climate. This will inform our work across sustainable water management and the next cycle of river basin management planning, helping improve awareness and understanding of water availability to support effective decision making. We will also publish coastal maps for the Southeast, an essential asset to understand flooding risk.

We will support the Scottish Government, in collaboration with key stakeholders, to explore development of a National Flood Advisory Service. In line with public service reform, we will continue to support a place-based approach in the Angus South Esk catchment alongside key environmental partners.

## Our 2026/27 objectives

- Expand our approach to future ready water resilience and strengthen flood forecasting and warning and water scarcity capabilities.
- Engage stakeholders and communities to improve adaptation and resilience to flooding and prepare for future flood risk.

## Our 2026/27 roadmap



# Water environment

As a fundamental part of our identity as a nation, we are renowned for the quality of our rivers, lochs, groundwaters, wetlands and seas. Scotland's water environment is one of our nation's greatest natural assets. It contributes to our health and quality of life, supports a rich diversity of wildlife and plays a critical part of our economy. We also know it is experiencing accelerating pressure from climate change as well as continued and evolving threats from pollution, loss of habitat and invasive species.

Our ambition is twofold - **for the water environment to be protected so that there is no deterioration of condition, and that our water environment is improved where required.**

In preparation for the fourth cycle of River Basin Management Planning for Scotland (called RBMP4), we will collaborate with our network of national and regional partners and use evidence-based assessments of the pressures and impacts on the water environment to identify draft objectives and improvement actions.

We will strengthen our approach to sustainable water resources management and improve links with Flood Risk Management Plans, as well as the final Scottish Biodiversity Strategy to 2045 and Scotland's Climate Change Plan, to ensure RBMP4 plays a central role in helping Scotland tackle the twin crises of climate change and biodiversity loss. We will consult with key stakeholders on the draft RBMP4 as part of these preparations.

We will continue to deliver River Basin Management Plans improvement objectives through regulation and through deployment of the Water Environment Fund to restore rivers and remove barriers to migratory fish.

Bringing historically contaminated land back into beneficial use can help deliver improved water quality, enhanced flood resilience, and economic and social benefits. To underpin future progress in this area, we will work with Scottish Government and local authority partners to develop an updated State of Contaminated Land in Scotland Report. This is scheduled for publication in March 2027, subject to Ministerial approval.

We will develop the underlying evidence base and systems to inform the statutory six-year review to update and publish the risk classification of regulated reservoirs in 2027/28. We will also commence a risk-based programme to identify, assess and progress water bodies that may qualify as unregistered reservoirs through the regulatory pipeline. Both areas will help to reduce public risk and build the foundations for long-term statutory compliance.

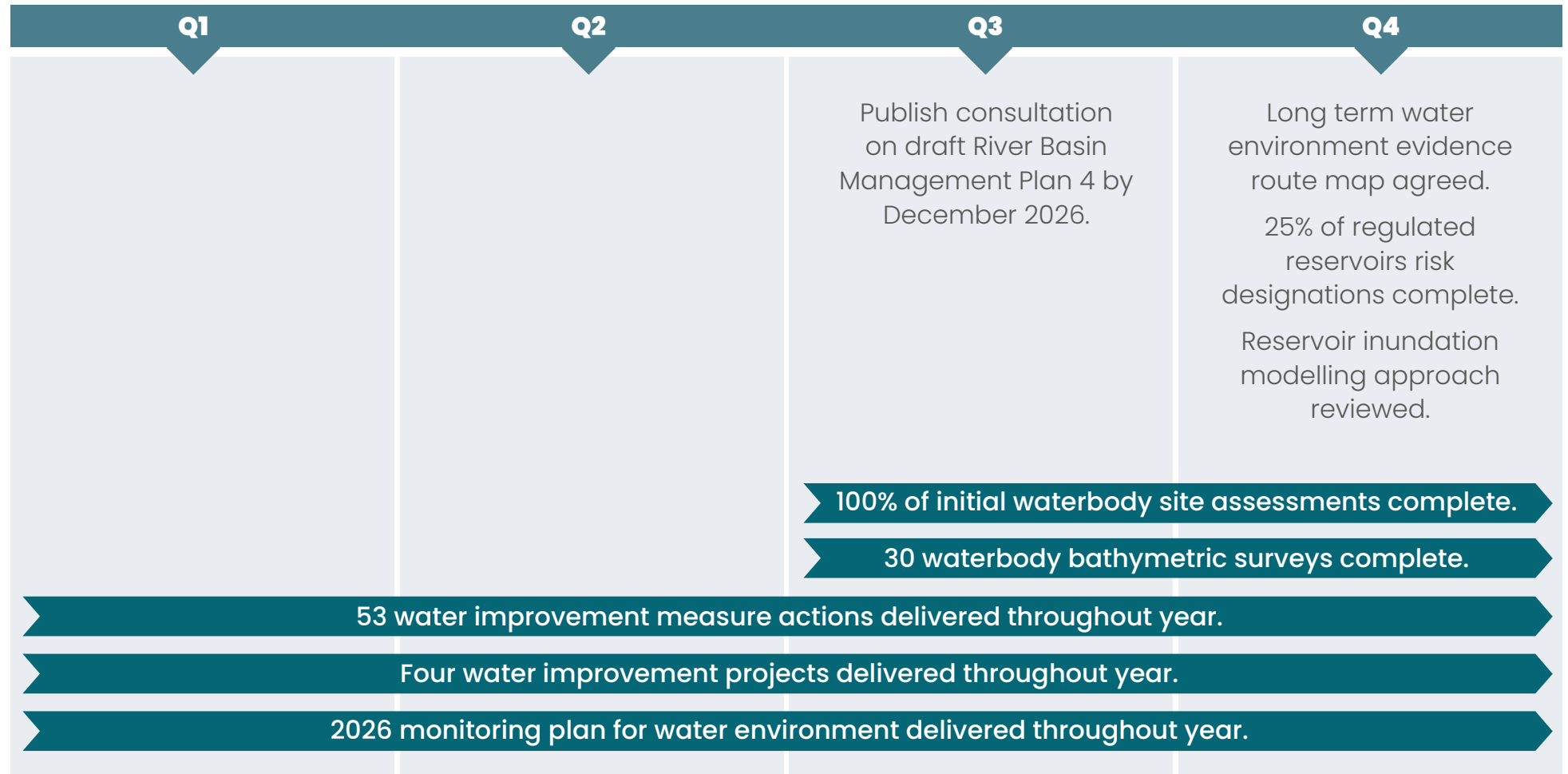
We will deliver the monitoring plan for 2026, informed by strategic priorities and wider business need. We will progress the development of a long-term environment monitoring and evidence strategy by producing a route map for delivering what and how we monitor. This will enable us to make better informed decisions on current and future approaches to evidence gathering and enhance the efficiency and effectiveness of our monitoring.

We will continue to lead collaboration across partners to maximise the potential uses of environmental DNA and other biomolecules to efficiently monitor, and better understand, Scotland's environment.

### **Our 2026/27 objectives**

- Ensure effective action to protect and improve the water environment and prepare for future river basin management planning.
- Initiate an assessment programme for water bodies that may qualify as controlled reservoirs, and complete planned preparations ahead of a review of risk designations of regulated reservoirs due in 2027/28.

## Our 2026/27 roadmap



# Resource efficiency

How we use our material resources in Scotland remains a significant issue in the current climate crisis. As a nation, we have set out an ambitious plan that will help us maximise progress towards a circular economy.

Our ambition is again two-fold. **We want to fully play our part in helping Scotland to transition to a circular economy. We want to ensure that the management of waste does not harm our environment or our communities.**

We will continue to work in partnership with operators to encourage innovation that minimises waste and improves efficiency of resources. This supports sustainable growth, wider societal benefits and long-term economic prosperity.

We will continue to work with Scottish Government to support emerging resource efficiency policy, including the new Circular Economy Strategy for Scotland and Scotland's Circular Economy and Waste Route Map to 2030.

Working collaboratively with the UK and Scottish Governments, the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland and the appointed scheme administrator, we will complete planned preparations to be ready to regulate the Deposit Return Scheme ahead of the rollout across the three nations in October 2027.

The scheme is expected to significantly reduce littering and increase recycling rates of single use plastic and metal drinks containers. It will also increase the quality of recycled material to encourage closed loop recycling, ensuring materials remain in use for as long as possible.

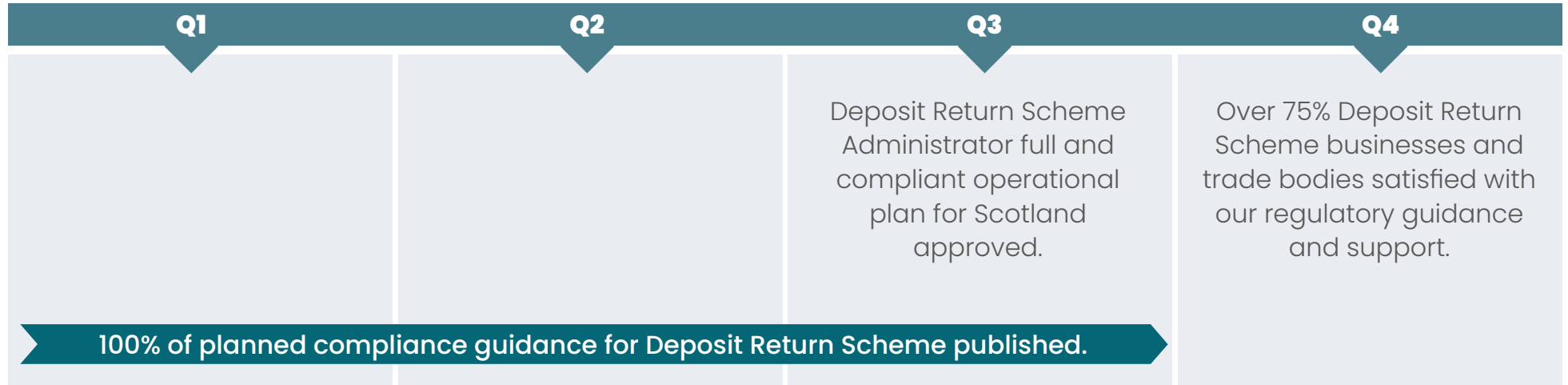
We will continue to work with the UK and Scottish Governments, and the other UK environmental regulators, as we prepare for the launch of the new UK digital waste tracking service led by the Department for Environment, Food & Rural Affairs (DEFRA).

The service aims to provide near real time tracking of waste movement throughout the UK economy. This in turn makes it much harder for rogue operators. It also provides valuable insights into waste flows to help us to better target our regulatory activity. We will take a supportive approach to regulated businesses, continuing to provide advice and guidance ahead of the first phase of implementation going live in January 2027.

## Our 2026/27 objective

- Complete planned preparations to regulate Deposit Return Scheme (DRS) for launch in 2027.

## Our 2026/27 roadmap



# Business environmental performance

Scotland has many businesses that have operations impacting the environment. Our ambition is **to secure high environmental performance from those businesses that we regulate, reducing pollution, protecting communities and supporting businesses to prosper from their investment in a green economy.**

We want to be more responsive to the needs of people and businesses across Scotland in our regulatory delivery. Through our regulatory transformation, we will respond to emerging strategic evidence and embrace new learnings, data and digital technology to deliver faster, more effective decisions.

In 2026/27, we will continue to expand and improve services under the Integrated Authorisation Framework, to ensure SEPA and regulated businesses benefit from the opportunities already delivered in 2025/26. This includes a new digital authorisation service for waste transporters and brokers, completing preparations to regulate new industrial activities related to the capture of carbon dioxide by 1 April 2027, and developing new and updated guidance to help people understand changes under the Environmental Authorisations (Scotland) Regulations 2018 (EASR).

We will continue preparations for other new industrial activities which come into force under EASR in 2028 and 2029. These new regulated activities include non-waste anaerobic digestion and burning fuel in a combustion plant which also generates electricity. We will engage with non-waste anaerobic digestion operators to design and publish clear permit and registration templates and guidance. This phased approach provides early visibility, supports operators to prepare for and invest in required improvements, and ensures a smooth transition into the new regulatory framework.

We will implement our new major non-compliance criteria and events framework. This is aligned to the environmental performance assessment scheme (EPAS). We will deliver a risk-based, authorised site compliance verification programme to ensure business environmental performance is maintained and improved.

We will assist the Scottish Government in development of their new long-term air quality policy framework. We will create a national approach to support local authority air quality monitoring and reporting.

We will continue to support the Scottish Government on the review of the Scottish Higher Activity Radioactive Waste Policy and Strategy. We will continue to regulate and monitor releases of radiation to the environment to ensure Scotland is meeting the international standard for radiation protection.

We will detect, deter and disrupt operators who carry out illegal activities. By continuing to strengthen our intelligence, enforcement capability, and partnership working, we will help protect communities affected by environmental crime.

We will continue to ensure we use robust and accurate data to inform our delivery in this area. We will continue to progress our online public register to make information about activities we regulate available to the public. We will increase the type of documents we make available online so there is easier access to regulatory information.

### **Our 2026/27 objectives**

- Strengthen regulatory effectiveness through enhanced digital systems, regulatory guidance and stakeholder engagement.
- Tackle environmental crime through intelligence-led interventions.
- Deliver a risk-based compliance verification programme to identify, prioritise and tackle non-compliance.

## Our 2026/27 roadmap

Q1	Q2	Q3	Q4
		<p>Targeted engagement with industry stakeholders and guidance published for industrial activity related to the carbon dioxide capture.</p>	<p>Digital system build timeline confirmed for publication of EPAS ratings in 2027/28.</p> <p>Two thematic intervention campaigns delivered.</p> <p>Digital authorisation service expanded to accept EASR variations, transfers and surrenders.</p> <p>Integration Radioactive Substances regime guidance and application.</p>
<p>20% reduction in overall environmental risk score of high-risk sites.</p>			
<p>20% reduction in overall environmental risk score of identified illegal activities delivered.</p>			
<p>Consultation complete with regulated businesses on six key areas and guidance developed.</p>			
<p>Major non-compliance criteria published for seven regulatory regimes.</p>			
<p>Major non-compliance criteria and events framework applied to 100% of sites.</p>			

# Our organisation and transformation

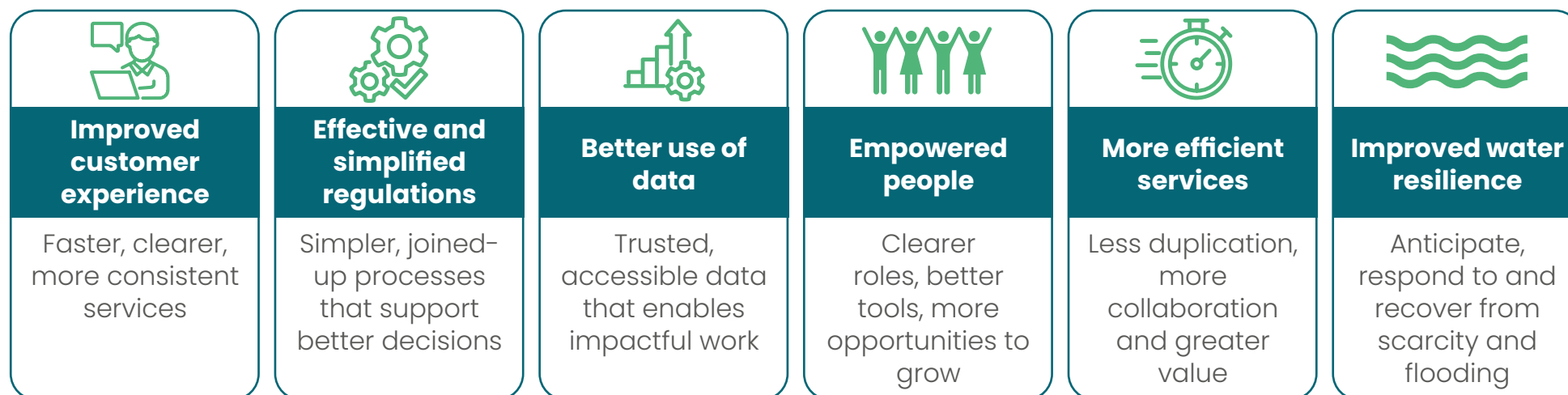
We are actively supporting public sector and service reform by focusing on how we deliver better outcomes under challenging public sector constraints and rapidly changing environment needs of the population and economy.

By accelerating our transformation ambitions and working collaboratively with partners, we aim to reduce duplication and improve how services are designed around people, businesses and communities. We are making greater use of digital and data enabled solutions to deliver on our statutory functions and provide the greatest public value.

Our transformation outcomes help us tell a more meaningful story. Not just what's changing, but why it matters. Our transformation approach shifts the emphasis from delivering projects and outputs to achieving measurable business value.

We are using best practice to align strategy, delivery and benefits realisation through improved capabilities and increased productivity and cost efficiencies. We are delivering a cross organisational programme that builds a future-ready, digitally enabled organisation that delivers greater environmental outcomes.

## Our transformation outcomes



We will implement our data strategy. We are strengthening our data governance and quality management and delivering accessible data and analytics to support delivery of our transformation priorities. This will ensure our customers, colleagues and partners have actionable insights derived from well-trusted data.

Through our digital strategy we will focus on joined up, integrated solutions. Utilising technology for regulatory and flooding services, we aim to enhance the end-to-end customer experience. By sustainably leveraging rapid technological advancements, such as Artificial Intelligence, we aim to significantly strengthen the outcomes delivered for our customers, colleagues, and partners.

As we embed our customer experience strategy, we will work to align our processes, systems and communications in response to our customers' needs and expectations. Through more joined-up, consistent and accessible services – both internally and externally – we will enhance how we interact and engage with customers. This will drive efficiency, deliver more responsive and consistent services and strengthen our reputation as a professional service and trusted advisor.

We are committed to creating a positive place to work and supporting our highly talented people as they continue to deliver for Scotland's environment. We will review our People Strategy to identify new areas of work to support a safe, welcoming and high performing environment which empowers our colleagues to deliver to their full potential. Key aspects include improving our key people data metrics across our colleague life cycle, strengthening our employer brand of 'Passionately Purposeful', enhancing our development and learning opportunities and building resilience through strategic workforce planning.

We remain focused on modernising our health and safety policies, guidance and supporting procedures to embed a positive health and safety culture across the Agency. We will ensure colleagues have the knowledge, tools and support to undertake their activities safely.

We will commence delivery against our new 2026-2030 Equality Outcomes to accelerate progress to tackle persistent inequalities experienced by our people, our customers and the communities we serve.

Alongside this, we will continue to strengthen our governance and enhance our organisational capabilities and capacity to ensure we remain a well-governed, resilient organisation that makes most effective use of the resources invested in us.

We will strengthen our research, innovation and collaboration approach to help us respond more effectively to complex environmental challenges by making better use of evidence, expertise and shared resources. We will also continue to enhance our reach with at risk and vulnerable communities through piloting new engagement and participatory methods.

Our procurement activity will continue to maximise value and impact of our resources, supporting delivery of our corporate plan and transformation priorities and delivering social, economic and environmental benefits.

As we celebrate the Agency's 30-year anniversary in 2026, we will look ahead to develop SEPA's new long-term vision and strategy to guide our priorities and outcomes for the future and enhance our visibility.

## **Our 2026/27 objectives**

- Trusted data, standards and shared tooling is in place to support key regulatory activities and decisions.
- Embed a clear, actionable Customer Experience Strategy aligned to customer segments to improve service delivery and digital engagement.
- Build on the work of our People Strategy to ensure a safe, supportive and inclusive work environment which empowers our people.

## Our 2026/27 roadmap

Q1	Q2	Q3	Q4
<p>Customer Experience Strategy with cross-organisational implementation plan launched.</p> <p>80% of colleagues completed the new colleague engagement survey.</p>	<p>All customer service standards agreed using customer insight and industry best practice.</p>	<p>Customer service standards applied across priority customer journeys.</p>	<p>First release of SEPA's Data Platform delivered.</p> <p>Key policies and standards adopted for data governance and quality.</p> <p>Five customer experience feedback measures confirmed.</p>
<p>90% of colleagues undertake a defined learning activity.</p>		<p>Five data products identified and delivered.</p>	
<p>95% of leaders and managers completed full H&amp;S training.</p>			
<p>80% functional people plans developed and implemented.</p>			

# Our performance

We will judge our success by how well we are delivering for Scotland's environment, so we can be held to account by Scottish Ministers and the people and communities of Scotland.

We continue to strengthen our performance framework to more effectively report on delivery against our strategic objectives, our impact on the environment in Scotland and our organisational effectiveness.

We are challenging ourselves to develop measures and milestones that illustrate the golden thread running from Government priorities and policies, through our Corporate Plan and Annual Operating Plan down to operational delivery, driving change against our strategic priorities. This will ensure we capture and represent the value and benefits delivered from our work and, ultimately, ensure the right levels of progress are being made.

## Our measures

We have a suite of strategic and operational key performance indicators (KPIs) aligned to our corporate plan priorities. They measure how we are fulfilling our long-term mission of protecting Scotland's environment and communities, as well as how we are performing as an organisation overall. These are consistent over the three-year period of our Corporate Plan, providing a continuous view of our strategic and operational performance.

We recognise our ability and level of control to influence or direct performance for these KPIs can vary. Therefore, we are clear on whether we:

- 1. Indirectly influence** – Longer term, 'state of the environment' measures which help us understand how our environment is changing over time. We contribute to these as part of a complex system, alongside a range of other partners and interventions. We are responsible for reporting Scottish data but are not wholly responsible for achieving these measures.
- 2. Directly influence** – Short to medium-term measures that demonstrate where and how we add value or facilitate impact, working either directly or collaboratively.
- 3. Directly control** – Typically short-term measures where we have more autonomy over decision making, usually internally focused.

We complement our KPIs by developing annual objectives and key results (OKRs). OKRs set out our clear, short-term areas of focus for us to target ambitious, measurable change and impact, and help align resources with our strategic priorities. We revise our OKRs on an annual basis, alongside any significant milestones or outputs, to reflect our priorities for each year. We will also look to confirm further key results in year as our plans mature or as we can more accurately determine and quantify success.

Taken together, our KPIs and OKRs provide an integrated perspective, enabling us to reflect on progress towards our strategic priorities and identify where we can drive improvements. This will help ensure SEPA's priorities are clearly communicated and understood to key stakeholders, providing a more complete picture of how well we are meeting our ambition.

Our measures and metrics will continue to evolve, becoming more robust as we build capability and develop understanding of how we use them to inform decision making. We will report progress against our performance measures and milestones through our quarterly performance reports and Annual Report and Accounts.

# Net zero

## Key strategic and operational performance indicators

Aim	Measure	Trajectory	Measure type
Greenhouse gas emissions from regulated sites are reducing.	<a href="#">Annual greenhouse gas emissions in the Scottish Pollutant Release Inventory.</a>	Reducing	Strategic - Indirect influence
Direct greenhouse gas emissions from our workspaces and transport are reducing.	<a href="#">Annual reports of greenhouse gas emission by SEPA.</a>	Reducing	Strategic - Direct control
Reducing our carbon footprint.	Percentage of vehicles in SEPA fleet that are zero emissions.	Increasing	Operational - Direct control
Reducing our carbon footprint and improving financial efficiency.	Number of SEPA owned or leased buildings.	Reducing	Operational - Direct control

## 2026/27 annual objectives and key results

Our objective
Our workspaces and fleet are transformed, minimising emissions and enabling efficient, needs-based operational service delivery nationally.
Key results
<ol style="list-style-type: none"> <li>1. Fleet telematics data fully analysed by October 2026. (Q3)</li> <li>2. Core and specialist capabilities implemented in appropriately located operational workspaces in the Perth and Edinburgh areas by December 2026. (Q3)</li> <li>3. Data-driven recommendation report on optimal zero-emission vehicle types and fleet locations for SEPA's operational needs delivered by March 2027. (Q4)</li> </ol>

# Climate resilience

## Key strategic and operational performance indicators

Aim	Measure	Trajectory	Measure type
Warnings and alerts are issued for all significant flood events.	<u>Number of flood warnings and alerts issued by SEPA.</u>	Maintaining	Strategic - Direct Control
Warnings and alerts are issued for all significant water scarcity events.	<u>Number of water scarcity warnings issued by SEPA.</u>	Maintaining	Strategic - Direct Control
Consistently provide timely and accurate flood risk information to internal and external partners, supporting informed decision-making.	Percentage of daily Flood Guidance Statements and Scottish Flood Forecasts issued on time.	Maintaining	Operational - Direct Control
Consistently provide timely and accurate water scarcity information to internal and external partners, supporting informed decision-making.	Percentage of water scarcity warnings and alerts issued on time to identified authorisation holders.	Maintaining	Operational - Direct Control
New developments are approved in accordance with our advice on flood risk avoidance.	Proportion of developments approved in accordance with our planning advice on flood risk.	Maintaining	Strategic - Direct Influence
Our advice is timely and impactful, enabling action within statutory deadlines.	Percentage of responses to planning consultations within time.	Increasing	Operational - Direct Control
Indicates the usage and accessibility of SEPA's flood warning services, highlighting public reliance on SEPA's digital resources during flood events.	Number of people accessing flood warning information on SEPA's website.	Maintaining	Operational - Direct Influence
Engagement and awareness of SEPA's flooding information and advice, contributing to people's preparedness for emergencies.	Number of people registered to Floodline to receive flood alerts and warnings.	Maintaining	Operational - Direct Influence

## 2026/27 annual objectives and key results

### Our objective

Expand our approach to future ready water resilience and strengthen flood forecasting and warning and water scarcity capabilities.

### Key results

1. Integration of flood risk communication with UK Emergency Alerts system for severe flooding situations, improving and aligning flood communication. (Q2)
2. Refreshed Flood Guidance Statement risk matrix operational, aligned with Met Office weather warnings risk matrix refresh. (Q3)
3. Four priority sectors engaged to deliver advice to ensure water resources are regulated effectively and businesses become more resilient. (Q1 to Q3)
4. Draft Water Resilience Strategy scoped to define our ambition to drive a step change in water resilience. (Q4)

### Our objectives

Engage stakeholders and communities to improve adaptation and resilience to flooding and prepare for future flood risk management planning.

### Key results

1. Local and community stakeholders engaged on flooding and flood risk directly through a local district plan event and collectively via national online event. (Q1 to Q4)
2. Two engagement events and campaigns delivered for national flooding stakeholders. (Q1 to Q4)
3. Publish consultation on draft FRMP3 by December 2026. (Q3)
4. Over 75% of community stakeholders attending online event report improved knowledge and understanding of adaptation and resilience to flood risk. (Q4)

# Water environment

## Key strategic and operational performance indicators

Aim	Measure	Trajectory	Measure type
The condition of the water environment is improving.	<u>Classification of water bodies across Scotland.</u>	Increasing	Strategic - Direct influence
Prevent deterioration of, and improve, water quality.	Number of water bodies at High, Good, Moderate, Poor or Bad status/potential for water quality.	Improvement	Strategic - Direct influence
Prevent deterioration of, and improve, water flows and levels.	Number of water bodies at High, Good, Moderate, Poor or Bad status/potential for water flows and levels.	Improvement	Strategic - Direct influence
Prevent deterioration of, and improve, physical condition of water bodies.	Number of surface water bodies at High, Good, Moderate, Poor or Bad status/potential for physical condition.	Improvement	Strategic - Direct influence
Prevent deterioration of, and improve, access for fish migration.	Number of surface water bodies at High, Good, Moderate, Poor or Bad status/potential for access for fish migration.	Improvement	Strategic - Direct influence
Monitor, prevent deterioration and improve the quality of Scotland's bathing waters, ensuring they meet or exceed established standards for public health and environmental quality.	Percentage of bathing waters meeting sufficient or better/higher quality standards.	Improvement	Strategic - Direct influence

## 2026/27 annual objectives and key results

### Our objective

Ensure effective action to protect and improve the water environment and prepare for future river basin management planning.

### Key results

1. 2026 monitoring plan for water environment delivered. (Q1 to Q4)
2. 53 actions delivered related to issuing and varying permits and licenses in line with planned water environment improvement measures. (Q1 - Q4)
3. Four improvement projects for the water environment delivered by 31 March 2027, aligned to river basin management planning priorities. (Q1 - Q4)
4. Publish consultation on draft River Basin Management Plan 4 by December 2026. (Q3)
5. Long term water environment evidence route map agreed; reviewing where and how we collect evidence. (Q4)

### Our objective

Initiate an assessment programme for water bodies that may qualify as controlled reservoirs, and complete planned preparations ahead of a review of risk designations of regulated reservoirs due in 2027/28.

### Key results

1. 100% of initial site assessments complete for water bodies that may qualify as unregistered reservoirs. (Q3 to Q4)
2. 30 bathymetric surveys (underwater terrain mapping to accurately assess water volume) complete for water bodies that may qualify as unregistered reservoirs. (Q3 to Q4)
3. 25% of regulated reservoirs risk designations complete by 31 March 2027 in preparation of publication in December 2027. (Q4)
4. Reservoir inundation (or flooding impact) modelling approach reviewed to inform future reservoir regulation. (Q4)

Please note, target for key results 1 and 2 may be subject to change.

# Resource efficiency

## Key strategic and operational performance indicator

Aim	Measure	Trajectory	Measure type
The amount of material disposed of to landfill is reducing.	Rates of waste to landfill in annual <a href="#">Scottish household waste data</a> .	Reducing	Strategic - Indirect influence

## 2026/27 annual objective and key results

Our objective
Complete planned preparation to regulate Deposit Return Scheme (DRS) for launch in 2027.
Key results
<ol style="list-style-type: none"><li>100% of planned compliance guidance for DRS obligated businesses published by October 2026. (Q1 to Q3)</li><li>DRS Scheme Administrator has full and compliant operational plan for Scotland approved by October 2026. (Q3)</li><li>&gt;75% of surveyed DRS obligated businesses and trade bodies are satisfied with our regulatory guidance and support. (Q4)</li></ol>

# Business environmental performance

## Key strategic and operational performance indicators

Aim	Measure	Trajectory	Measure type
Interventions to tackle environmental crime are increasing.	Number of successful interventions per year.	Increasing	Strategic -Direct influence
SEPA's ability to meet statutory obligations across various sectors.	Percentage of statutory reviews completed.	Increasing	Operational – Direct control
SEPA provides timely and accurate environmental data, on or before the planned release date.	Percentage of (environmental monitoring) statutory reports published by the scheduled date.	Maintaining	Operational – Direct control
SEPA processes applications efficiently and issues decisions within the legal deadlines.	Percentage of applications determined within statutory determination times.	Maintaining	Operational – Direct control

## 2026/27 annual objectives and key results

### Our objective

Strengthen regulatory effectiveness through enhanced digital systems, regulatory guidance and stakeholder engagement.

### Key results

1. Targeted engagement with industry stakeholders complete and guidance published to ensure regulated businesses can apply for any EASR regulated activity “carried on in a technical unit for the capture of carbon dioxide for the purposes of utilisation or storage”. (Q3)
2. Digital authorisation service expanded to accept EASR variations, transfers and surrenders making it easier for businesses to apply and improving efficiency of application processing. (Q4)
3. Consultation with regulated businesses on six key areas complete and used to develop guidance to help people understand their obligations, and how to comply with conditions. (Q1 to Q4)
4. All Radioactive Substances regime guidance and application forms integrated with SEPA’s new EASR webpages ensuring a simplified approach. (Q4)

### Our objective

Tackle environmental crime through intelligence-led interventions.

### Key results

1. Overall environmental risk score of identified illegal activities reduced by 20%. (Q1 to Q4)
2. Overall environmental risk score of identified high-risk sites reduced by 20%. (Q1 to Q4)
3. Two thematic intervention campaigns designed and delivered by March 2027. (Q4)

## **Our objective**

Deliver a risk-based compliance verification programme to identify, prioritise and tackle non-compliance.

## **Key results**

1. Environmental performance assessment scheme (EPAS) major non-compliance criteria and events framework applied to 100% of sites on compliance verification programme. (Q1 to Q4)
2. Major non-compliance criteria developed, consulted on and published for the next seven regulatory regimes to be incorporated into EPAS by March 2027. (Q1 to Q4)
3. Digital system build underway and future timeline confirmed for publication of EPAS ratings in 2027/28. (Q4)

# Our organisation

## 2026/27 annual objectives and key results

### Our objective

Trusted data, standards and shared tooling is in place to support key regulatory activities and decisions.

### Key results

1. Five curated data products are identified and delivered against Transformation priorities. (Q3 to Q4)
2. First release of SEPA's Data Platform is delivered by March 2027. (Q4)
3. Key policies, standards and terminologies for data governance and quality are adopted. (Q4)

### Our objective

Embed a clear, actionable Customer Experience Strategy aligned to customer segments to improve service delivery and digital engagement.

### Key results

1. Customer Experience Strategy with cross-organisational implementation plan approved by end of June 2026. (Q1)
2. All customer service standards agreed using customer insight and industry best practice. (Q2)
3. Customer service standards applied across target priority customer journeys. (Q3). Note target will be confirmed once strategy is approved.
4. 5 Customer experience feedback measures scoped and baselines confirmed. (Q4)

## **Our objective**

Build on the work of our People Strategy to ensure a safe, supportive and inclusive work environment which empowers our people.

## **Key results**

- 80% of colleagues will have completed the new engagement survey. (Q1)
- 90% of colleagues will undertake a defined learning activity aligned to new role-based capability needs. (Q1 to Q4)
- 95% of leaders and managers completed full planned H&S training. (Q1 to Q4)
- 80% Target number of functional people plans developed, owned and tracked. (Q4)

# Our resources

Our Annual Operating Plan will be delivered within our current year's financial allocation and with existing and planned resources. Our funding comprises of Grant in Aid of £52.1 million, funding from our charging regimes of £59.6 million, recovering relevant costs of our regulatory activities, and £1.4 million in other income. Together, this provides us with £113.1 million to invest in protecting and improving Scotland's environment, contributing to the delivery of our day-to-day core activities and key areas of focus for 2026/27.

## Income and expenditure for 2026/27

Revenue income and expenditure account (excludes Capital)	Budget 2026/27 £000's
Grant in Aid	52,096
Charging schemes	59,645
Other income	1,362
<b>Total income</b>	<b>113,103</b>
Staff costs	79,792
Other staff costs	406
Transport costs	1,101
Property costs	4,903
Supplies and services	19,501
<b>Total expenditure</b>	<b>105,703</b>
<b>Depreciation / impairments</b>	<b>7,400</b>
<b>Total operating costs</b>	<b>113,103</b>

## Other income for 2026/27

Other income	Budget 2026/27 £000's
Bank interest	145
Transfrontier free rider	372
Payments from other agencies	195
Scottish landfill tax	402
Landfill communities fund	127
Facilities recharges	76
Other income	45
<b>Total other income</b>	<b>1,362</b>

# Engaging with us

As Scotland's principal environmental regulator, our purpose is **to protect and improve Scotland's environment in ways that as far as possible also create health and wellbeing benefits, and sustainable economic growth.**

It is therefore important we engage with, and understand the views and priorities of, Scotland's diverse communities to deliver on this purpose. To help us achieve this, we talk with and engage those who matter most – our communities, the businesses we regulate and their stakeholders, and our partners.

We encourage people to get involved in shaping our work. Our [SEPA Consultation Hub](#) hosts a wide range of consultations, including closed consultations and our responses, and we will continue to publish new opportunities for engagement.

We are committed to continuous improvement in all that we do. If you have something to tell us about our Annual Operating Plan, or our services, please [Contact us](#). Further information can also be found on the [SEPA website](#).

# Equality, diversity and inclusion

As Scotland's environment protection agency, we need to understand and support the rich mix of communities, cultures, and experiences of the people we work with and serve. Equality, diversity, and inclusion is integral to all our work, our service provision and our interactions with communities and businesses as well as our people.

This annual operating plan was subject to an Equality and Human Rights Impact Assessment (EqHRIA) in compliance with the Scottish Public Sector Equality Duty. The [assessment](#) is published on our website.

## 2026 – 2030 Equality Outcomes

We have recently refreshed our [Equality Outcomes](#), covering the period from 2026 to 2030. Our outcomes have been informed by evidence and by engagement with persons who share protected characteristics and equality stakeholders who represent them. They build on the progress made and the lessons learned from our previous set of [Equality Outcomes](#), detailed in our [Equality Mainstreaming and Outcomes Report for 2025](#).

The purpose of these outcomes is to help us accelerate progress to tackle persistent inequalities experienced by people who share protected characteristics. This will ensure we're creating fairer, more inclusive, diverse and supportive workplaces and services.

- **Outcome 1: Inclusive recruitment and progression:** By 2030, we will better reflect the communities we serve. Colleagues and applicants, in relation to young people, disabled people and people from minority ethnic communities, will have increased representation, retention and progression across the Agency.
- **Outcome 2: Inclusive leadership and improved colleague experience:** By 2030, colleagues do not experience inequality or exclusion because of their sex, race or disability and will have a better experience at work.
- **Outcome 3: Inclusive customer service:** By 2030, SEPA's customers and service users do not experience inequality or exclusion because of their age, race or disability and will have a better customer experience.
- **Outcome 4: Data and lived experience:** By 2030, we will have stronger and more complete equality and intersectional data and evidence, particularly in relation to disability and race.



For the future of our environment

For information on accessing this document in an alternative format or language, please contact SEPA by emailing [equalities@sepa.org.uk](mailto:equalities@sepa.org.uk).

[sepa.org.uk](https://sepa.org.uk)