

ENVIRONMENTAL LIABILITY EXPOSURE CALCULATOR



All businesses need to assess their environmental liability risks and review how their activities could affect the surrounding environment—regardless of size or industry. Natural or man-made pollutants can be released through many different processes, and they take several different forms—including gases, powders and liquids. Businesses may not even be aware that they are gradually poisoning the surrounding environment by leaking pollutants.

Throughout the United Kingdom, environmental regulations have implemented a ‘polluter pays’ principle, meaning that businesses must take precautionary measures to prevent environmental damage and take remedial actions if damage occurs. Failure to comply with regulations and maintain proper standards can lead to significant consequences—including paying initial clean-up fees, remediation costs, fines and penalties, and even imprisonment. Fines are unlimited, and individuals such as directors and senior managers could be held personally liable for failing to prevent pollution incidents.

And as businesses face heightened public scrutiny and more stringent environmental regulations than ever before, the trend of growing environmental liability exposure shows no signs of stopping.

To help businesses better understand the level of environmental liability exposure they face, Robison & Co Ltd has developed this environmental liability exposure calculator.

Instructions: Please note that each section will have its own instructions related to scoring. Please review them carefully. After you have completed all of the sections to the best of your ability, add up your score and determine your level of environmental liability exposure by utilising the chart at the end of this document.

Section Instructions: The following points will be assigned for each response:
- YES: 0 points **- NO:** 3 points **- UNSURE:** 3 points

CARRYING OUT ENVIRONMENTAL RISK ASSESSMENTS	YES	NO	UNSURE	SCORE
1. Does your organisation conduct an environmental risk assessment for each worksite?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Does your organisation identify and consider the environmental risks for each site, as well as the sources of the risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Does your organisation identify the receptors (people, animals, property and anything else that could be affected by the hazard) at risk from your site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Does your organisation identify the possible pathways from the sources of the risks to the receptors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Does your organisation assess the risks relevant to your specific activity and check that they're acceptable and can be screened out?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does your organisation list each hazard and identify what measures you'll take to reduce the risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Does your organisation calculate the probability of exposure for each hazard, for example, whether a risk is unlikely or likely?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Does your organisation have a plan for controlling risks if they become too high?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Does your organisation identify the consequences for each hazard, specifically what harm could be caused?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Does your organisation assess the probability of site accidents of any type, and what their environmental impact could be?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Does your organisation have the appropriate environmental permit(s)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. Does your organisation update its environmental risk assessment every year or when your activities introduce new risks, or you begin work on a new site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section Instructions: The following points will be assigned for each response:

- **YES:** 3 points

- **NO:** 0 points

- **UNSURE:** 3 points

ASSESSING STRICT LIABILITY ACTIVITIES	YES	NO	UNSURE	SCORE
1. Under the Environmental Damage Regulations, if your organisation carries out any 'strict liability' activities and subsequently causes environmental damage, you will be liable even if you weren't at fault or negligent. Does your organisation carry out strict liability activities under the Environmental Damage Regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Does your organisation undertake waste management operations that need a permit or registration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Does your organisation operate landfill sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Does your organisation manage extractive mining waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Does your organisation make discharges to surface water and groundwater that require an authorisation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does your organisation abstract and store water in a way that requires a licence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Does your organisation engage in activities involving dangerous substances, such as pesticides and biocides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Does your organisation transport dangerous and polluting goods?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Does your organisation engage in activities involving genetically modified organisms?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Does your organisation engage in activities requiring an environmental permit or a pollution prevention and control permit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Section Instructions: The following points will be assigned for each response:

- **YES:** 0 points

- **NO:** 3 points

- **UNSURE:** 3 points

GENERAL CONSIDERATIONS FOR PREVENTING POLLUTION INCIDENTS	YES	NO	UNSURE	SCORE
1. Does your organisation have a pollution incident response plan (PIRP) for each site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Does your organisation have an established code of conduct with all suppliers to establish minimum standards of environmental performance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Does your organisation educate stakeholders, directors and senior managers on the importance of pollution prevention?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Does your organisation train staff on proper pollution prevention?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Does your organisation check for any historical environmental exposures it could be liable for?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does your organisation undertake routine environmental compliance audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Does your organisation review its internal reporting systems to ensure they satisfy environmental reporting regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Does your organisation regularly review its contingency plans to ensure they comply with the relevant environmental regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Does your organisation carry out the proper due diligence when purchasing land and engaging in merger and acquisition transactions to lessen its environmental liability exposure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Does your organisation have environmental liability insurance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Does your organisation review its environmental liability insurance regularly to ensure it is adequate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Total Score:

MODERATE RISK: 0-33 points

HIGH RISK: 36-75 points

ESCALATED RISK: 78-99 points