



House of Commons
Environmental Audit
Committee

**An environmental
scorecard**

Fifth Report of Session 2014-15

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 10 September 2014*

Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

All publications of the Committee (including press notices) and further details can be found on the Committee's web pages at www.parliament.uk/eacom

Membership at the time of the report

[Joan Walley MP](#) (*Labour, Stoke-on-Trent North*) (Chair)
[Peter Aldous MP](#) (*Conservative, Waveney*)
[Neil Carmichael MP](#) (*Conservative, Stroud*)
[Martin Caton MP](#) (*Labour, Gower*)
[Katy Clark MP](#) (*Labour, North Ayrshire and Arran*)
[Zac Goldsmith MP](#) (*Conservative, Richmond Park*)
[Mike Kane MP](#) (*Labour, Wythenshawe and Sale East*)
[Mark Lazarowicz MP](#) (*Labour/Co-operative, Edinburgh North and Leith*)
[Caroline Lucas MP](#) (*Green, Brighton Pavilion*)
[Caroline Nokes MP](#) (*Conservative, Romsey and Southampton North*)
[Dr Matthew Offord MP](#) (*Conservative, Hendon*)
[Dan Rogerson MP](#) (*Liberal Democrat, North Cornwall*) [ex-officio]
[Mr Mark Spencer MP](#) (*Conservative, Sherwood*)
[Rt Hon Mrs Caroline Spelman MP](#) (*Conservative, Meriden*)
[Dr Alan Whitehead MP](#) (*Labour, Southampton, Test*)
[Simon Wright MP](#) (*Liberal Democrat, Norwich South*)

Contents

Report	<i>Page</i>
Summary	3
1 A Scorecard	7
Our inquiry	9
Our Scorecard assessments	10
Reds	10
Ambers	12
Measuring progress	14
2 Policy levers	17
Embedding the environment in policy making	17
Fiscal incentives and penalties	20
Regulation	21
Public engagement and nudge	23
Monitoring, reporting and accountability	25
Conclusions: the need for a strategy and accountability	28
Annex: Our scorecard assessment	31
Emissions and climate change .	31
Air pollution.	35
Biodiversity .	36
Forests.	38
Soils.	39
Flooding and coastal protection .	41
Resource efficiency and waste .	43
The freshwater environment .	44
Water availability.	45
The marine environment.	46
Appendix 1: Nature Check 2013	48
Appendix 2: 2020 Biodiversity Indicators	50
Conclusions	52
Recommendations	53
Formal Minutes	55
Witnesses	56
Published written evidence	57

Summary

Having examined a range of environmental issues over the course of this Parliament, we have in this report set out our ‘environmental scorecard’ and the policy levers that now need to be more rigorously applied to protect our environment while also promoting sustainable development.

The Prime Minister stated in May 2010 “I want us to be the greenest government ever”. The Government has made some progress in some areas, including publishing a *Natural Environment White Paper* in 2011 and establishing the natural Capital Committee. The White Paper set out an ambition for this to be “the first generation to leave the natural environment of England in a better state than it inherited”. It is not possible to measure precisely whether overall such ambitions have been achieved, but it is possible to identify the state of progress in particular areas of the environment. In our scorecard we have assessed biodiversity, air pollution and flooding as ‘red’ risks, and thus areas of particular concern. In none of the 10 environmental areas we have examined is satisfactory progress being made, so the remainder are assessed as ‘amber’.

Emissions and climate change	● AMBER
Air pollution	● RED
Biodiversity	● RED
Forests	● AMBER
Soils	● AMBER
Flooding and coastal protection	● RED
Resource efficiency and waste	● AMBER
Freshwater environment	● AMBER
Water availability	● AMBER
Marine environment	● AMBER

Government must commit to improve the situation in all environmental areas. Action is required urgently, and must continue both in this Parliament and over the term of the next and beyond. To be able to do so requires improvements in data, processes, strategy and accountability.

We lack complete data on the state of the environment. The Government should use the development of the UN Sustainable Development Goals as an opportunity to identify and address data gaps and inconsistencies between databases.

Following the abolition of the Sustainable Development Commission, there is more still to do to embed sustainable development across Government. New effective processes and structures are needed to ensure environmental protection is also integrated into policy-making, not least because of the commitment and leadership that will be required to engage with the development of the Sustainable Development Goals and the need to ensure ecosystem services are available to the next generation. Environmental protection requires natural capital to be fully taken into account in Government policy-making, both for existing and new policy programmes. That requires the environment to be measured and valued, and for decision-making to be founded on a clear understanding of how policies may help or harm all aspects of the environment. It also requires departments to provide sufficient time and resources to ensure that environmental as well as social and economic impacts are fully considered.

Regulation is the essential underpinning of environmental protection. EU regulation was identified by the majority of respondents to the Balance of Competencies review of UK/EU responsibilities to have improved environmental performance. Some environmental taxes have been effective but fiscal measures have so far been relatively little used as an environmental policy lever. Overall, there has been no overarching system for identifying how different approaches might best be used to protect different areas of the environment, and there is no system for holding the Government to account for its overall long-term performance in this area.

To help bring the required leadership to environmental protection across Government and beyond, the Government should establish an overarching Environment Strategy to:

- set out strategic principles to guide the action needed to improve the quality of protection over the next 5, 10 and 25 years;
- include the actions and good practices required in local government, as well as the actions needed in central Government to help bring those changes about;
- facilitate a more informed discussion between central and local government about environment resource funding requirements for local authorities;
- encompass a clear assessment of the state of the environment including in each of the 10 environmental areas covered in our report;
- identify the research and analysis work that needs to be done and coordinated to fill gaps in the data that that such assessment requires;
- map appropriate policy levers to each environmental area and set out a clear statement on the place of regulation, public engagement and fiscal incentives as complementary measures. Such a Strategy should involve, for example, a reconsideration of the scope for greater hypothecation of environmental taxes to support expenditure on environmental protection programmes;

- identify how Government, local authorities and the wider community could cooperate to develop consensus on the actions needed; and
- set out how environmental and equality considerations will be addressed and reconciled in infrastructure and other policy areas across all Government departments.

The Government should set up an independent body—an ‘office for environmental responsibility’—to (i) review the Environment Strategy we advocate; (ii) advise Government on appropriate targets; (iii) advise Government on policies, both those in Government programmes and new ones that could be brought forward to support the environment; (iv) advise Government about the adequacy of the resources (in both central and local government) made available for delivering the Strategy; and (v) monitor and publish performance against the Strategy and its targets.

1 A Scorecard

1. The Prime Minister stated in a speech in May 2010 that “we’ve got a big, big opportunity, here. I want us to be the greenest government ever—a very simple ambition and one that I’m absolutely committed to achieving.”¹ The 2011 *Natural Environment White Paper* set out another ambition, that this be “the first generation to leave the natural environment of England in a better state than it inherited”.² It stated, correctly, that a healthy natural environment is the foundation of sustained economic growth, prospering communities and personal well-being.³ A healthy environment is one of the conditions for sustainable development, ensuring that the benefits of nature are available to future generations as much as they are to ours. There is a close link between the environment and “the well-being people get from it”.⁴

2. In an international context, work on environmental protection has been framed by the June 2012 UN Conference on Sustainable Development (the ‘Rio+20’ Earth Summit’), the 2010 Nagoya Biodiversity Summit, UN climate change negotiations and other forums. Nine ‘planetary boundaries’ have been identified within which “humanity can operate safely”, of which three might already have been exceeded—climate change, the nitrogen cycle and biodiversity loss.⁵ The Rio+20 Summit set out wide ranging objectives,⁶ and highlighted the importance of developing ‘Sustainable Development Goals’ and ‘Development Goals’ for the period beyond 2015 when the Millennium Development Goals would come to an end. These are currently being developed and are due to be negotiated and agreed at the UN in September 2015. We looked at early work on these Goals in our reports on the Rio+20 Summit and noted the intention for them to include environmental aspects.⁷ We intend to further examine the development of the Goals later this year. The Prime Minister did not attend Rio+20, which, we concluded in our 2013 report, “undermined the Government’s attempts to demonstrate its commitment to the sustainable development agenda, not just internationally but also at home in the UK”.⁸

3. The 2010 Nagoya Biodiversity Summit produced worldwide targets for protection and improvement of biodiversity, including decreasing the rate of loss of forests and other natural habitats by at least half, restoring at least 10% of degraded areas and protection of coral reefs.

¹ [Prime Minister’s speech at DECC](#) (14 May 2010)

² Defra, *The Natural Choice: securing the value of nature*, [Cm 8082](#) (June 2011), para 2

³ Defra, *The Natural Choice: securing the value of nature*, [Cm 8082](#) (June 2011), page 2

⁴ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59, para 12

⁵ Environmental Audit Committee, Eighth Report of Session 2010-12, [Preparations for the Rio+20 summit](#), HC 1026, para 12

⁶ United Nations, [The Future We Want](#) (June 2012)

⁷ Environmental Audit Committee, Eighth Report of Session 2010-12, [Preparations for the Rio+20 summit](#), HC 1026; Environmental Audit Committee, Second Report of Session 2013-14, [Outcomes of the UN Rio+20 Earth Summit](#), HC200

⁸ Environmental Audit Committee, Second Report of Session 2013-14, [Outcomes of the UN Rio+20 Earth Summit](#), HC200, page 3

4. On climate change, which affects a number of other environmental areas, there are plans to agree a binding global emissions reduction commitment in autumn 2015. We have reported on this in a number of inquiries during this Parliament, in terms of the need for an international climate change deal, the impact of energy subsidies⁹ and the management of UK carbon budgets,¹⁰ but also in environmental terms on how climate change is affecting the Arctic¹¹ and contributing to a rise in the number of non-native invasive species.¹²

5. There is more to be done on environmental protection also on the domestic front. The Government established the Natural Capital Committee in 2012 to provide independent advice to Government on the sustainable use of England's natural capital. Its latest report in March 2014 did not identify any approaching "unsustainable use" of natural capital—natural assets with 'continuous decline' and approaching any 'safe limit' beyond which the deterioration would be difficult to reverse"¹³—but concluded that the current trajectory would not allow the Government to achieve its aim of this being the first generation to leave the natural environment in a better state (paragraph 1).¹⁴ Wildlife and Countryside Link's 2013 *Nature Check* report found that some Government policies on the natural environment were delivering positive results, but that progress overall had been static. Their report rated nine Government commitments as red, twelve as amber and four as green (Appendix 1).¹⁵ Defra does not share this assessment. In February 2014 it reported that two-thirds of the commitments within the Natural Environment White Paper had been implemented, with others in progress.¹⁶ Defra also told us that

The Government believes it has a strong record on environmental protection and has put in place policies that will address the environmental issues set out in the National Audit Office's report:

- The UK has published plans to halve its greenhouse gas emissions by 2023–27 compared to 1990 levels and has unlocked £31 billion of investment in renewable energy since 2010.
- Government has introduced a charge which will cut the number of plastic bags being used and dumped by 60%.
- £3.2 billion will be spent on flood and coastal defences in this Parliament helping better protect 465,000 properties by the end of the decade.

⁹ Environmental Audit Committee, Ninth Report of Session 2013-14, [Energy subsidies](#), HC61

¹⁰ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60

¹¹ Environmental Audit Committee, Second Report of Session 2012-13, [Protecting the Arctic](#), HC 171; Environmental Audit Committee, Fourth Report of Session 2013-14, [Protecting the Arctic: the Government's response](#), HC 333

¹² Environmental Audit Committee, Fourteenth Report of Session 2013-14, [Invasive non-native species](#), HC 913

¹³ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59, para 13

¹⁴ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60

¹⁵ Wildlife and Countryside Link, [Nature Check 2013](#) (November 2013), p 5

¹⁶ Defra, *Natural Environment White Paper implementation update*, [PB14073](#) (February 2014), page 1

- Over the next seven years more than £3 billion will be spent working with land managers to enhance biodiversity and improve the quality of English water bodies.
- Nearly 65,000 ha of new priority habitat have been created since 2011.¹⁷

Our inquiry

6. We undertook this inquiry to establish a clearer picture of the state of the environment in England. In 2010, soon after we formed as a Committee, the National Audit Office produced for us a briefing report on the state of environmental protection in 10 areas, which showed gaps in performance in a number of them.¹⁸ In this inquiry we have sought to examine progress on those environmental areas, and the use of policy levers which could help to secure improvements. Our focus has been on the position domestically rather than globally.

7. We asked the National Audit Office to produce an updated briefing, which was published in June 2014.¹⁹ We took oral evidence in July from a range of NGOs—the Aldersgate Group, RSPB, the Wildlife Trusts, WWF and the Wildfowl and Wetlands Trust—and from Dan Rogerson MP, Parliamentary Under-secretary of State at the Department for Environment, Food and Rural Affairs (Defra). The written evidence we received included details from RSPB and the Wildlife Trusts on their joint proposals for a Nature and Wellbeing Act²⁰ (paragraph 52). We also took into account the many reports we have produced during this Parliament which have examined the environmental protection areas involved; a continuing commitment for us following the abolition of the Sustainable Development Commission (paragraph 30).²¹

8. We examine below the current position on environmental protection, and in Part 2 the scope for further use of particular policy levers. In the Annex to this report we have provided an analysis for each of the 10 environmental areas covered by the NAO's latest briefing report, drawing on the evidence we received in this inquiry as well as our previous reports. Our aim has been to produce an environmental scorecard of progress to date, identifying where further effort is needed. But we have focused our recommendations on the structural changes required—to data collection, strategy and processes—to provide a foundation for effective environmental protection in the environmental areas covered. Actions needed in those individual areas warrant their own inquiries.

¹⁷ Defra ([ESC0013](#)) para 1.2 (see also paras 2.1-2.5)

¹⁸ National Audit Office, [Environmental protection](#) (July 2010)


¹⁹ National Audit Office, [Environmental protection](#) (June 2014)

²⁰ RSPB and The Wildlife Trusts ([ESC0008](#))

²¹ Environmental Audit Committee, First Report of Session 2010–11, [Embedding sustainable development across Government](#), HC 504

Our Scorecard assessments











9. We have assigned a ‘traffic-light’ score for each environmental area examined, as follows:

RED:  Deterioration since 2010, or progress at a pace unlikely to put improvement on a satisfactory trajectory by the end of the 2015-2020 Parliament.

AMBER:  Unsatisfactory progress.

GREEN:  Satisfactory progress

Our analysis, along with the NAO’s,²² indicates that there is room for improvement in each of the 10 environmental areas examined. Our assessment is that biodiversity, air pollution and flooding are particular areas of concern for UK policy-making, and ‘red’ on our scorecard. The remainder are ‘amber’.

Emissions and climate change	 AMBER
Air pollution	 RED
Biodiversity	 RED
Forests	 AMBER
Soils	 AMBER
Flooding and coastal protection	 RED
Resource efficiency and waste	 AMBER
Freshwater environment	 AMBER
Water availability	 AMBER
Marine environment	 AMBER

Our analysis and evidence, detailed in the Annex to this report, is summarised below.

Reds

Biodiversity

10. Defra’s 2013 assessment of progress against the Government’s *Biodiversity 2020 Indicator* targets showed improvement against 13 measures, deterioration against 13 measures and little or no change in 11 (12 measures were in development or had

²² National Audit Office, [Environmental protection](#) (June 2014)

insufficient data)²³ (see Appendix 2). The latest *Sustainable Development Indicators*—a different set of metrics (paragraph 22)—show a deterioration in the counts for three out of four types of bird populations, used as a litmus test for the SDI’s ‘UK wildlife’ indicator.²⁴ Invasive species, which harm native biodiversity, are becoming more prevalent. Many witnesses described biodiversity as a particular area of concern, and the RSPB and Wildlife Trusts told us that one in 10 species monitored globally is on the brink of extinction.²⁵

Details and analysis are in the **Annex** at page 36.

Air pollution ●

11. Emissions of a number of airborne pollutants increased in 2013,²⁶ after being steady between 2010 and 2012 and in a longer term decline before that.²⁷ The UK failed to meet targets for nitrogen dioxide pollution in 34 of the 43 zones specified in the EU Ambient Air Quality Directive in 2012, resulting in the European Commission launching infraction proceedings against the UK in February 2014 in regard to 16 zones that would not be compliant by 2015.²⁸ In July 2014, Defra reassessed the time likely to be needed to meet nitrogen dioxide limits, stating that Greater London and two other areas would not meet the required levels until after 2030.²⁹ We are currently conducting a follow up inquiry into air quality, and will report on this issue later in the year. It is clear from the latest statistics, however, that this remains a major environmental gap.

Details and analysis are in the **Annex** at page 35.

Flooding and coastal protection, and water availability ●

12. 2.4 million properties are at risk of flooding from rivers or the sea, and three million from surface water (including some properties at risk of both). There was widespread and persistent flooding in the winter of 2013–14. The Environment Agency and local defences protected properties in approximately 1.3 million instances.³⁰ In 2013 Wildlife and Countryside Link assessed the Government’s development of natural flood alleviation measures as “consistently poor”.³¹

13. Nine of the 24 water areas in England and Wales are classified as experiencing serious water stress. In 2012–13, the 22 water companies of England and Wales reported in aggregate the lowest level of water leakage since records began in the early 1990s. Freshwater abstraction, on the other hand, increased by 20% in 2012, which Defra

²³ Defra, *A strategy for England's wildlife and ecosystem services, Biodiversity Indicators: 2013 Assessment* (October 2013)

²⁴ ONS, *Sustainable development indicators* (July 2014)

²⁵ RSPB and The Wildlife Trusts ([ESC0008](#)) para 2.3

²⁶ Defra, *Air Quality Statistics in the UK, 1987-2013* (April 2014)

²⁷ National Audit Office, *Environmental protection* (June 2014), para 2.10

²⁸ Defra ([AIR0050](#))

²⁹ Defra; *Updated projections for Nitrogen Dioxide (NO2) compliance* (July 2014)

³⁰ National Audit Office, *Environmental protection* (June 2014), para 2.38

³¹ Wildlife and Countryside Link, *Nature Check 2013* (November 2013), para 3.22

attributed to an increase use for hydropower. Demand is expected to continue to increase.³²

Details and analysis are in the **Annex** at pages 41 and 45.

Ambers

Emissions and climate change ●

14. While emissions are still rising globally, they have been falling in the UK. The Climate Change Act 2008 requires Government to reduce the UK's greenhouse gas emissions by at least 80% by 2050 against a 1990 baseline, and the Government's carbon budgets, designed to deliver that reduction, have so far been achieved. The Committee on Climate Change calculated that in the UK emissions rose by 3.5% in 2012,³³ but in 2013 fell by 2%.³⁴ In 2013, 5.2% of our energy was generated from renewables, towards an EU target for 2020 of 15%.³⁵ Although Sustainable Development Indicator statistics show that on a consumption basis emissions have been falling since 2007,³⁶ the UK's carbon footprint has increased over the past two decades to be one of the largest in the world.³⁷

15. There remains a significant gap in low-carbon infrastructure investment, which has been exacerbated by the uncertainty caused by the Government's review of the Fourth carbon budget. The Government will have to identify additional emissions reduction policies to deliver that now-agreed budget. Meanwhile, the implementation of energy efficiency measures, including the Green Deal and emissions-related housing standards, has fallen short of what is required.³⁸

Details and analysis are in the **Annex** at page 31.

Forests ●

16. 55% of England's woodlands are managed under the 'UK Forestry Standard', an increase from 52% in 2011. The Government's ambition of two-thirds of all woodland meeting the Standard by 2018 and then rising to 80% would require significant acceleration of progress. Around 2,500 hectares of new woodland has been created in England annually with Forestry Commission funding since 2008, with woodland cover reaching 10% in 2013,³⁹ but this will have to be increased to 5,000 hectares a year.⁴⁰

³² National Audit Office, [Environmental protection](#) (June 2014), paras 2.56-2.59

³³ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60, page 3

³⁴ Committee on Climate Change, [Meeting carbon budgets](#) (July 2014), page 55

³⁵ Office for National Statistics, [UK energy in brief 2014](#) (July 2014), p31

³⁶ ONS, [Sustainable development indicators](#) (July 2014), figure 9.1

³⁷ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60, page 4

³⁸ Environmental Audit Committee Twelfth Report of Session 2013-14, [Green Finance](#) HC191; Eighth Report of Session 2013-14, [Code for Sustainable Development](#), HC192; Fifth Report of Session 2013-14, [Progress on Carbon Budgets](#), HC60

³⁹ National Audit Office, [Environmental protection](#) (June 2014), paras 2.25

⁴⁰ Defra, [Government forestry and woodlands policy statement](#), [PB13871](#) (January 2013), p 23

Details and analysis are in the **Annex** at page 38.

Soils ●

17. Defra has proposed that by 2030 England's soils will be managed sustainably, including a cessation of the horticultural use of peat. There have been improvements to the health of upland peatlands in England, although the overall level of degradation is still high. There has been concern regarding the withdrawal of central Government grants for local authorities' work on contaminated land remediation,⁴¹ which may have health, carbon sequestration and flood resilience impacts.

Details and analysis are in the **Annex** at page 39.

Resource efficiency and waste ●

18. The current way our economy consumes resources is not sustainable.⁴² Household recycling rates have plateaued at 43% in England, jeopardising the prospect of meeting a 50% target for 2020. We recently made several recommendations for supporting a circular economy, including embedding the circular economy in industrial strategy, differential VAT rates linked to the environmental impact of products and the introduction of Government advice on a standard approach to recycling for local authorities.⁴³

Details and analysis are in the **Annex** at page 43.

The freshwater environment ●

19. The EU Water Framework Directive requires all water bodies to be in good ecological status by 2027, and the Government has set an interim target of 32% of surface water bodies being in good ecological status by 2015. There has been little change, however, in the ecological status of England's surface water bodies since 2010. The Environment Agency assess that 25% are of good ecological status and that the 32% target will not be met, but also that current measures will deliver significant improvements.⁴⁴

Details and analysis are in the **Annex** at page 44.

The marine environment ●

20. England's first marine plans were adopted in spring 2014 and plans for all 11 English areas are required to be completed by 2022.⁴⁵ Our conclusion that the Government's

⁴¹ Environmental Protection UK, [Defra contaminated land capital grants to be axed](#) (December 2013); Chartered Institute of Environmental Health, [New contaminated land guidance putting public at risk](#) (February 2014)

⁴² Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, page 3

⁴³ Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, page 34

⁴⁴ National Audit Office, [Environmental protection](#) (June 2014), para 2.51

⁴⁵ National Audit Office, [Environmental protection](#) (June 2014), para 2.64

implementation of only 27 Marine Conservation Zones and its plans for a small number of others in 2015 and 2016 suggest a lack of ambition⁴⁶ was not dispelled by the Government's Response to our Report on *Marine protected areas*.⁴⁷ The EU's 2008 Marine Strategy Framework Directive requires member states to achieve 'good environmental status' in Europe's seas by 2020. The Government is in the process of implementing EU reforms to the Common Fisheries Policy intended to limit catches at sustainable levels by 2015.⁴⁸ Assessments of the UK's marine environment status show an improving picture for fish stocks since 2008, and for birds and seals over the 2005–2010 period.⁴⁹

Details and analysis are in the **Annex** at page 46.

21. It is not possible to measure precisely whether, as the Prime Minister intended, this is the “greenest Government ever”. It is possible however to assess the state of progress in particular areas of the environment. In none of the 10 environmental areas we have examined is satisfactory progress being made despite the necessary urgency. We have assessed biodiversity, air pollution and flooding as ‘red’ risks, and thus areas of particular concern, in our ‘scorecard assessment’. These are areas where the environment has clearly deteriorated since 2010 or where progress has been at a pace unlikely to put improvement on a satisfactory trajectory by the end of the 2015–2020 Parliament (see Annex). As we discuss below, such an assessment is based on incomplete data on the environment, which once addressed might add further areas to the list. We discuss in Part 2 the policy levers needed to help bring the necessary improvements. *Government must commit to improve the situation in all environmental areas, if not in this Parliament then over the term of the next.*

Measuring progress

22. Any assessment of the state of environmental protection across the areas we have examined depends on the availability and quality of the data. In our 2012 report on the Government's then draft *Sustainable Development Indicators*⁵⁰ we noted that some of the 14 proposed 'Environment' indicators (complementing Economy and Society indicators) were still to be developed—'water availability', 'land use development', 'river water quality', 'status of species and habitats' and 'UK biodiversity impacts overseas'⁵¹—although by July 2014 only the last of these indicators had still to be put in place.⁵² We recommended that when new Sustainable Development Goals were developed (paragraph 2), the SDIs should be reviewed to ensure consistency between these indicator sets. The *Biodiversity 2020*

⁴⁶ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, page 3

⁴⁷ Environmental Audit Committee, Sixth Special Report of Session 2014–15, *Marine Protected Areas*, HC651

⁴⁸ National Audit Office, [Environmental protection](#) (June 2014), para 2.62

⁴⁹ National Audit Office, [Environmental protection](#) (June 2014), para 2.66

⁵⁰ Environmental Audit Committee, Fifth Report of Session 2012–13, [Measuring well-being and sustainable development: Sustainable Development Indicators](#), HC 667, para 46

⁵¹ Environmental Audit Committee, Fifth Report of Session 2012–13, [Measuring well-being and sustainable development: Sustainable Development Indicators](#), HC 667, para 46

⁵² ONS, [Sustainable development indicators](#) (July 2014)

*indicators*⁵³ also present useful monitoring statistics (paragraph 10), covering a diverse range of areas including habitat protection, animal populations, public use and enjoyment of the natural environment, climate change impacts and adaptation, and the impact of hazardous materials.

23. More broadly, however, the Natural Capital Committee has identified major gaps in data for monitoring the state of natural capital. As we noted in our recent *Well-being* report, the NCC identified in March 2014 that “integrating the environment into the economy is hampered by the almost complete absence of proper accounting for natural assets”,⁵⁴ identifying:

crucial evidence gaps relating to the condition of individual natural assets, such as soils, the atmosphere, wild species and oceans. Information is generally lacking about England’s natural assets and what is happening to them.⁵⁵

They reported that:

In the few cases where we do have relevant information on our natural assets (freshwaters, coasts, rare species and priority habitats), we find that their current status is some way from policy objectives.⁵⁶

24. In our current inquiry, some of our witnesses also highlighted data problems. The Woodland Trust were critical of the method of measuring progress on woodland cover:

There is a lack of transparency about what the Woodland Cover Statistics actually mean in practice. Woodland losses are barely referred to in the statistics, and are not being recorded adequately, making their interpretation in terms of overall woodland cover impossible to access. It is vital losses are recorded if any perceived progress towards the aspiration is to be accurately measured and achieved.

There is no systematic and accurate recording of ancient woodland loss, despite the recognition that this is an irreplaceable habitat of great importance. If recognition of the importance of ancient woodland is anything more than hollow rhetoric, then we believe Government must find a way to record and report losses when they occur.⁵⁷

They recommended that Natural England’s *Ancient Woodland Inventory* be completed and extended, with a central analysis conducted of the amount of ancient woodland being lost annually and Woodland Cover Statistics revised to include woodland losses.⁵⁸

⁵³ Defra, *Biodiversity 2020 indicators: a strategy for England’s wildlife and ecosystem services*, [PB14039](#), October 2013

⁵⁴ Natural Capital Committee, [The State of Natural Capital: Restoring our Natural Assets](#) (March 2014), p4

⁵⁵ Natural Capital Committee, [The State of Natural Capital: Restoring our Natural Assets](#) (March 2014), p4

⁵⁶ Natural Capital Committee, [The State of Natural Capital: Restoring our Natural Assets](#) (March 2014), p9

⁵⁷ Woodland Trust ([ESC0012](#)) para 1.3

⁵⁸ Woodland Trust ([ESC0012](#)) para 4.2

25. On the marine environment, the Natural Environment Research Council saw a need for research to set baselines for monitoring contaminants and marine litter to help ensure compliance with the 2008 Marine Strategy Framework Directive (paragraph 20).⁵⁹ Wildlife and Countryside Link wanted the Government to implement biodiversity monitoring and surveillance systems, which could complement public, private and voluntary sector work to help deliver the 2020 Biodiversity Indicators.⁶⁰ A clearer understanding of the gaps in environmental data would provide a basis for Government, environmental groups and academia to direct their research efforts and funding.

26. Data on the state of the environment is available through the Biodiversity 2020 Indicators and the Sustainable Development Indicators, providing a useful insight on progress (and deterioration). There are, however, as the Natural Capital Committee have reported, “crucial evidence gaps relating to the condition of individual natural assets”. *The Government, as we have recommended previously, should put the Natural Capital Committee on a permanent footing to allow it to continue to co-ordinate a programme to improve environmental monitoring data. The Government should use the development of the UN Sustainable Development Goals as an opportunity to identify any data gaps and inconsistencies between databases, to produce a single dataset on the state of the environment. This would, as we describe in Part 2 below, provide a key component of an urgently required overarching Environment Strategy.*

⁵⁹ Natural Environment Research Council ([ESC0015](#)) page 3

⁶⁰ Wildlife and Countryside Link ([ESC0016](#)) para 3.2

2 Policy levers

27. In this Part we examine the principal policy levers available to tackle the inadequate and slow pace of progress on environmental protection:

- embedding the consideration of the environment in Government policy-making;
- fiscal measures;
- regulation;
- public engagement; and
- monitoring and reporting.

Embedding the environment in policy making

28. We discuss later the need for an Environmental Strategy (paragraph 48), but policies that are directed at or aligned with specific environmental areas are not enough on their own. Environmental protection across the board requires that mainstream policies—in transport, infrastructure, education, employment and so on—take the environment into account as much as their economic considerations. We discussed in our report on *Well-being* how natural capital was more likely to be protected if it is attributed a value and routinely considered in Government policy-making. We noted a concern in that inquiry that putting a value on natural capital potentially made it available as a factor to be traded off against other sustainable development ‘capitals’ (including economic capital). But we shared the Natural Capital Committee’s assessment that not to do so presented a greater risk that, as the NCC put it, “what is not measured is usually ignored”.⁶¹ Our report on *Biodiversity Offsetting* highlighted an ancillary risk when the natural environment is measured: that the Government’s proposals might weaken the operation of the ‘mitigation hierarchy’ intended to avoid environmental damage before mitigation or offsetting are considered (we raised a similar concern in our subsequent report on *HS2 and the Environment*).⁶² The Government’s decision on biodiversity offsetting is still awaited.

29. The Natural Capital Committee was established in 2012 with a three-year remit to “provide expert, independent advice to Government on the state of England’s natural capital”⁶³ and to propose “a framework that will help natural capital to be hard-wired into economic decision making”.⁶⁴ Its latest report, published in March 2014, concluded that:

Despite its importance, the value of natural capital is routinely taken for granted. Although there have been some notable policy successes, such as improvements in air and water quality, natural assets continue to be degraded in aggregate and their capacity to deliver essential benefits to

⁶¹ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59, para 20

⁶² Environmental Audit Committee, Thirteenth Report of Session 2013-14, [HS2 and the environment](#), HC 1076

⁶³ [Natural Capital Committee website](#)

⁶⁴ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59, para 11

current and future generations is being reduced. This has an adverse impact on the economy.

It is critical that we act now to manage our natural capital better, compensating for losses where appropriate, to ensure future pressures do not adversely impact on it.⁶⁵

It recommended the establishment of a long term plan to maintain and improve natural capital.

30. There is other evidence that natural capital is insufficiently incorporated into Government decision-making. Our 2011 report on *Embedding sustainable development across Government* examined the need for environmental issues to be fully embedded in policies in all departments following the abolition of the Sustainable Development Commission.⁶⁶ The Government gave the Cabinet Office and Defra a central role in scrutinising and challenging the sustainability of departments' Business Plans. In our 2013 *Update* report we criticised that review system because it did not seek to address the scope for new (rather than existing) policy opportunities to tackle sustainability issues.⁶⁷ In other inquiries we have identified where a more integrated approach to policy-making was needed. On sustainable food, we noted how the Government needed approaches which took account not just of the needs of agriculture and the environment but also of the role of schools and education and community initiatives.⁶⁸ On HS2 the Government had not undertaken the full environmental assessment that would have been expected on infrastructure projects of such a size.⁶⁹ Transport policy, we also noted, has failed to address the needs of people to access a range of public services and employment.⁷⁰ This raised issues about inequality and its link to well-being, which we reported on earlier this year.⁷¹ We will continue to monitor this area with assistance from the Sustainability Knowledge Alliance.⁷²

31. In our 2013 *Update* review of sustainable development in Government, we found that policy appraisal and impact assessments had improved but that many were still not adequately addressing sustainability and environmental aspects.⁷³ Subsequently, as we noted in our recent *Well-being* report,⁷⁴ Defra's review of sustainability in impact assessments (commissioned in response to our earlier *Embedding sustainable development*

⁶⁵ NCC, [The state of natural capital: restoring our natural assets](#) (March 2014), p 8

⁶⁶ Environmental Audit Committee, First Report of Session 2010-11, [Embedding sustainable development across Government](#), HC 504

⁶⁷ Environmental Audit Committee, First Report of Session 2013-14, [Embedding sustainable development: an update](#), HC 202, page 3

⁶⁸ Environmental Audit Committee, Eleventh Report of Session 2010-12, [Sustainable food](#), HC 879

⁶⁹ Environmental Audit Committee, Thirteenth Report of Session 2013-14, [HS2 and the environment](#), HC 1076

⁷⁰ Environmental Audit Committee, Third Report of Session 2013-14, [Transport and accessibility to public services](#), HC 201

⁷¹ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59

⁷² See [Sustainability Knowledge Alliance](#) website

⁷³ Environmental Audit Committee, First Report of Session 2013-14, [Embedding sustainable development: an update](#), HC 202, part 2

⁷⁴ Environmental Audit Committee, Fifteenth Report of Session 2013-14, [Well-being](#), HC 59, para 16

inquiry)⁷⁵ concluded that while “the majority of impact assessments [across Government] consider sustainable development issues in an appropriate and proportionate manner”, there were “some areas where impact assessments could be improved, for example in better identification of ecosystems impacts”.⁷⁶ In our recent report on *Sustainability in the Home Office* we emphasised that departments need to ensure that sufficient time and resources, including high quality internal challenge and review, are provided on more complex cases to ensure the full range of environmental, social and economic impacts are assessed and incorporated into the design of policies.⁷⁷

32. In a similar vein, Dr Duncan Russel of Exeter University and other academics told us in our current inquiry that their own recent review of appraisals had shown that practices do “not seem to live up to the ambitions of the 2011 Natural Environment White Paper”.⁷⁸ They found the “key determinant of how environmental knowledge is used [is] dependent on institutional cultures and behaviours, rather than solely on [an environmental] knowledge deficit”.⁷⁹ Dr Russel and his colleagues concluded that “sustained high -level leadership from ministers and executives is needed if the environment is to be recognised as an enduring priority” and recommended further integration of institutions and mechanisms to allow “more integrated analysis and solutions”.⁸⁰ In our own inquiries on sustainability in BIS and the Home Office we have identified the value of ‘sustainability champions’ in those departments in encouraging officials to apply environmental considerations in policy-making, and the need for increased effort to extend training on sustainable development skills.⁸¹

33. In our reports on sustainable development we also examined progress on sustainability reporting by Government departments and in the private sector. Such reporting obligations can provide an important spur to organisations to follow sustainable and environmental policies. In our 2013 report on *Embedding sustainable development* we noted:

Sustainability reporting in Government is a significant and welcome development. The first year results nevertheless show room for greater compliance. Defra and the Cabinet Office, as well as the Treasury, need to take ownership of sustainability reporting compliance. ... Defra and the

⁷⁵ Environmental Audit Committee, First Report of Session 2013–14, [Embedding sustainable development: An update](#), HC 202, para 19

⁷⁶ Eftac (for Defra), [Baseline evaluation of environmental appraisal and sustainable development guidance across Government](#) (March 2014)

⁷⁷ Environmental Audit Committee, Third Report of session 2014–15, *Sustainability in the Home Office*, HC222

⁷⁸ Dr Duncan Russel et al ([ESC0004](#)) page 2

⁷⁹ Dr Duncan Russel et al ([ESC0004](#)) page 3

⁸⁰ Dr Duncan Russel et al ([ESC0004](#)) page 6

⁸¹ Environmental Audit Committee, Seventh Report of Session 2013–14, [Sustainability in BIS](#), HC 613; Environmental Audit Committee, Fourth Report of Session 2014–15, *Sustainability in the Home Office*, HC 222

Cabinet Office should raise with the Treasury (who set the Annual Reporting requirements) how poor performance should be addressed.⁸²

This recommendation was not however accepted by the Government, which considered reporting compliance to be the responsibility of individual departments.⁸³ We intend to further review progress on embedding sustainable development before the end of this Parliament.

Fiscal incentives and penalties

34. The Government has a target of increasing the proportion of ‘environmental taxes’.⁸⁴ As we noted in our recent *Circular economy* report, one environmental tax—landfill tax—has been “one of the most effective policy measures in increasing ‘circularity’ in the past decade”.⁸⁵ We recommended that “as pressure on resources will continue to increase, taxation policy should incentivise products that are designed to have a lower environmental impact and support greater repair and re-use”.⁸⁶

35. The Government however has changed the definition it applies to environmental taxes. In our report on *Budget 2011* we highlighted how the Treasury intended to apply a narrow definition, based on the *primary intention* of a tax rather than its *effect*, and that as a result it would exclude some taxes counted as environmental taxes by the Office for National Statistics.⁸⁷ The Treasury only confirmed its definition in July 2012, a year after our earlier report.⁸⁸ Its subsequent analysis in March 2014 was that, on the basis of its own definition, the proportion of environmental taxes would rise over the duration of the Parliament.⁸⁹ In contrast, the proportion of environmental taxes on the ONS definition has fallen, from 8.3% in 2010 to 7.5% in 2013.⁹⁰

36. Subsidies—effectively negative taxation—also have a role in influencing environmentally responsible behaviours. In our December 2013 report on *Energy subsidies* we identified the role of renewable energy subsidies in helping to reduce carbon emissions, and criticised subsidies for fossil fuels which “are inconsistent with the global effort to

⁸² Environmental Audit Committee, First Report of Session 2013-14, [Embedding sustainable development: an update](#), HC 202, page 3

⁸³ Environmental Audit Committee, Fourth Special Report of Session 2013-14, [Embedding sustainable development and the outcomes of the UN Rio+20 Earth Summit: Government responses to the Committee's First and Second Reports of Session 2013-14](#), HC 633, page 5

⁸⁴ HM Government, [The Coalition: our programme for government](#) (May 2010), p 31

⁸⁵ Environmental Audit Committee, Third Report of Session 2014-15, [Growing the circular economy: ending the throwaway society](#), HC214, para 23

⁸⁶ Environmental Audit Committee, Third Report of Session 2014-15, [Growing the circular economy: ending the throwaway society](#), HC214, para 27

⁸⁷ Environmental Audit Committee, Sixth Report of Session 2010-12, [Budget 2011 and environmental taxes](#), HC 878

⁸⁸ Environmental Audit Committee, Fourth Report of Session 2012-13, [Autumn Statement 2012: environmental issues](#), HC 328, para 24

⁸⁹ HC Deb 26 March 2014, [col 21WS](#)

⁹⁰ ONS, [UK Environmental Accounts 2014](#) (July 2014); ONS, [UK Environmental Accounts 2013](#) (June 2013).

tackle climate change, providing incentives for greater use of such fuels and disincentives for energy efficiency”.⁹¹ We concluded that

The Government needs to demonstrate leadership in increasing the deployment of renewables and in promoting energy efficiency through the careful and targeted use of subsidies and levies, to provide certainty over the longer term for the investment in the technologies on which these will depend.⁹²

37. WWF told us in our current inquiry that fiscal levers could be effective, but that they had been hampered by “uncertainty, inconsistency and little substantial incentive”.⁹³ They shared our earlier views on the classification of aviation and fuel taxes (which are included by the ONS, but excluded by the Treasury), and raised concerns about the use of fiscal incentives to promote fracking, given the Government’s G20 pledge to phase out subsidies for fossil fuels.⁹⁴ In our current inquiry, Andrew Raingold of the Aldersgate Group told us:

This is really a missed opportunity because if there is less Government spending available, if there is less appetite to regulate, and if you do not use some very sensible fiscal reform, then you really are running out of options. I think what we are seeing is that the voluntary approach in a number of areas is not delivering. It has also been very hard for the Government to reform its procurement to incentivise more sustainable procurement, which again is another lever. We would certainly like to see more leadership on the fiscal side.⁹⁵

Regulation

38. Regulation is at the heart of environmental protection, with regulations covering the quality of air, rivers and emissions, and safeguards on habitats and species. Environmental protection is regulated by measures at all levels, from UN and European to national. National regulation has been a focus of Government attention during this Parliament. The Prime Minister has stated that this Government “will be the first government in modern history to have reduced—rather than increased—domestic business regulation during [its] time in office”.⁹⁶ Defra has been responsible for streamlining environmental regulations as part of the Government’s *Red Tape Challenge* initiative. It identified 336 proposals for reform, which Defra expects to reduce compliance costs for businesses by £300 million annually from April 2015. 20% of these commitments were implemented by April 2014, and Defra has committed to implement 75% by April 2015.⁹⁷

⁹¹ Environmental Audit Committee, Ninth Report of Session 2013-14, [Energy subsidies](#), HC61, page 5

⁹² Environmental Audit Committee, Ninth Report of Session 2013-14, [Energy subsidies](#), HC61, page 4

⁹³ WWF-UK ([ESCO011](#)) p 8

⁹⁴ WWF-UK ([ESCO011](#)) p 8

⁹⁵ Q10

⁹⁶ [Prime Minister’s speech to Federation of Small Businesses](#) (27 January 2014)

⁹⁷ National Audit Office, [Environmental protection](#) (June 2014), para 1.22

39. Wildlife and Countryside Link highlighted “the unrelenting focus on deregulation” as a particular environmental concern.⁹⁸ WWF believed that “the Government seems to have an allergic reaction to regulation”.⁹⁹ Many of our witnesses favoured strong and consistent regulation. Dan Rogerson MP told us that the *Red Tape Challenge* was about “getting rid of regulation that now does not serve a purpose” and “bring[ing] pieces of regulation together so that they work in a better and more simplified way”.¹⁰⁰ The Wildlife Trusts told us that:

We need that big vision, which then leads in a joined-up and consistent way through all the policy instruments and policy levers that we might have to make sure that we have a joined-up and consistent approach across government and also in civil society and among corporate organisations, too, so that, in effect, we are all pulling in the same direction.¹⁰¹

40. In 2012 the Government launched a ‘Balance of Competencies’ review, to examine the division of responsibilities between the UK and the European Union. The review’s report on *Environment and climate change* noted that “the majority of respondents believed that EU competence has increased environmental standards in the UK and across the EU, and that this has led to improved performance in addressing several environmental issues”, although concerns were raised about the cost of regulations to businesses.¹⁰² Defra told us:

The Government’s work on environmental protection is heavily influenced by the European Union (EU) which holds significant competence in the area to ensure a level environmental playing field for the single market and to protect Europe’s environmental heritage. However the Government thinks it is right to examine where national responsibilities should end and European ones begin. The Government therefore recently undertook a balance of competences review which sought views on where responsibilities should lie between member and states and the EU and how EU responsibilities should be exercised. This showed there are a wide range of opinions and Government is considering those carefully. In the meantime the Government is:

- Continuing to defend the UK’s competence to decide policy. The Government believes some policies are best-decided at a national level and its starting position is to consider the most appropriate level of competence unless there is a clear case for coordinated, Europe-wide action.
- Seeking reform at the EU level. Much of current EU environmental regulation is historic and has built up in an uncoordinated way. The Government is working through initiatives such as the European Commission’s REFIT regulatory fitness check programme to review the

⁹⁸ Wildlife and Countryside Link ([ESC0016](#)) para 3.1

⁹⁹ Q10

¹⁰⁰ Q74

¹⁰¹ Q3

¹⁰² HM Government, [Review of the Balance of Competencies between the United Kingdom and the European Union: environment and climate change](#) (February 2014), para 2.1

entire acquis to improve the coherence of the EU regulation and ensure it is necessary, efficient and effective.¹⁰³

41. Dan Rogerson MP considered that “a number of the discussions at the European level have been beneficial”.¹⁰⁴ He could not identify any competencies that should be brought back from European control.¹⁰⁵ Wildlife and Countryside Link presented a positive view of the EU’s impact on environmental protection in the UK:

The EU has had an overwhelmingly positive effect on the UK’s environmental policy. Membership of the EU has required the UK Government to put in place a range of legally-binding policies with strict targets which are regularly assessed.¹⁰⁶

WWF were worried that the Balance of Competencies review might be superseded by the Red Tape Challenge which, they believed, could implement changes that were “faster and less scrutinised”.¹⁰⁷

Public engagement and nudge

42. An important element of environmental protection is garnering belief in its importance so that it engages public support. Sometimes that engagement comes through regulation and fiscal incentives (we argued in our report on *Budget 2011* for hypothecating green taxes for environmental expenditure purposes in order to secure public acceptance, not just for the taxes but also for the desired behaviour change).¹⁰⁸ Important public messages on the environment are also delivered by the penalties imposed on environmentally damaging activity. Our call for more consistently applied penalties in our 2012 report on *Wildlife crime* was as much about sending a signal about the importance of preserving biodiversity as about applying appropriate sanctions against individuals.¹⁰⁹

43. A particular policy lever on biodiversity has been the use of 48 Local Nature Partnerships, which bring together environmental groups as well as planners and developers,¹¹⁰ and the development of 12 Nature Improvement Areas.¹¹¹ These were intended to introduce the ‘landscape scale’ perspective envisaged in the Natural Environment White Paper.¹¹² Wildlife and Countryside Link’s *Nature Check* report flagged this commitment as ‘red’ in its 2013 review.¹¹³ Martin Harper of RSPB told us that “[Local

¹⁰³ Defra ([ESC0013](#)) para 3.5

¹⁰⁴ Q77

¹⁰⁵ Q76

¹⁰⁶ Wildlife and Countryside Link ([ESC0016](#)) para 5.1

¹⁰⁷ WWF-UK ([ESC0011](#)) p 10

¹⁰⁸ Environmental Audit Committee, Sixth Report of Session 2010-12, [Budget 2011 and environmental taxes](#), HC 878, p 3

¹⁰⁹ Environmental Audit Committee, Third Report of Session 2012-13, [Wildlife crime](#), HC 140, para 61

¹¹⁰ National Audit Office, [Environmental protection](#) (June 2014), para 1.9

¹¹¹ National Audit Office, [Environmental protection](#) (June 2014), para 2.16

¹¹² National Audit Office, [Environmental protection](#) (June 2014), para 1.4

¹¹³ Wildlife and Countryside Link, [Nature Check 2013](#) (November 2013), para 1.1

Nature Partnerships] have not had the same level of attention as the [Local Enterprise partnerships]. ... We have not had the level of support that we would have liked for the Local Nature Partnerships compared with the LEPs.”¹¹⁴ Steve Trotter of the Wildlife Trusts told us:

Local Nature Partnerships offer great promise ... but we are almost at a crunch-point. They have very few resources, certainly compared to the LEPs, and we risk them being strangled at birth for lack of resources. ... The concerns have been made to Government through two annual LNP conferences, meeting in Defra, and the response has been ‘there is no funding’.¹¹⁵

The Government did not allocate any funding to Local Nature Partnerships in 2013-14, noting that “on going funding was not part of the envisaged model for LNPs”.¹¹⁶

44. The CLA favoured incentives for farmers and land managers, but also believed that there was “significant scope to increase education and awareness amongst farmers about improving their soil structure and quality”.¹¹⁷ They highlighted the advice of the Farming Advice Service.¹¹⁸ In our report on *Marine protected areas*, we emphasised the need for “engaging with all those with an interest in marine matters” in implementing Marine Conservation Zones.¹¹⁹

45. As we noted in our *Well-being* report, the Commission on Well-being and Policy concluded in March 2014 that given the UK’s culture of “libertarian paternalism”, policy-making should involve ‘nudge’ techniques “to shape the inevitable choice architecture to favour outcomes that are positive for busy consumers and citizens”.¹²⁰ ‘Nudge’ can alter perspectives in a way that ensures people make environmentally conscious decisions. In our report on *Plastic bags*, we welcomed the Government’s proposal for a charge on them (though not on the proposed exemptions for biodegradable bags or for small & medium sized retailers) as a way of changing customers’ behaviour.¹²¹ Similarly, as we noted in our report on the draft *National Pollinator Strategy*, Defra’s approach included a public ‘call to action’, which we welcomed.¹²² In our current inquiry, RSPB believed that “we need to join up the NHS and education with environmental providers in a way that really delivers benefits to people and society”.¹²³ They recommended that section 78 of the Education Act be amended to include contact with and appreciation of nature in schooling.¹²⁴

¹¹⁴ Q9

¹¹⁵ Qq17 and 18

¹¹⁶ HC Deb 1 September 2014, [col 56W](#)

¹¹⁷ CLA ([ESC0007](#)) para 4.17

¹¹⁸ CLA ([ESC0007](#)) para 4.22

¹¹⁹ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, para 24

¹²⁰ Environmental Audit Committee, Fifteenth Report of Session 2013–14, [Well-being](#), HC 59, para 45

¹²¹ Environmental Audit Committee, Eleventh Report of Session 2013–14, [Plastic bags](#), HC 861, para 17

¹²² Environmental Audit Committee, Second Report of Session 2014–15, [National pollinator strategy](#), HC213, para 36

¹²³ Q10

¹²⁴ RSPB and The Wildlife Trusts ([ESC0008](#)) para 4.17

46. While ‘nudge’ and public education can be useful in helping to change behaviours, some of our witnesses highlighted the need also for a regulatory underpinning. Martin Harper of the RSPB told us that a former Defra Chief Scientist had told him that “no environmental issue has ever been solved by voluntary means alone.”¹²⁵ The Aldersgate Group believed that “the voluntary approach in a number of areas is not delivering”.¹²⁶ The Natural Environment Research Council noted that nudge techniques were initially successful when used to educate the public regarding closure of Lyme Bay to scallop fishing, but in the long term they failed as market forces came into play, requiring legislation.¹²⁷ In a similar vein, in our report on *Marine protected areas* we highlighted the value of voluntary agreements in managing Marine Conservation Zones, but also that a facility for statutory enforcement was needed to guarantee environmental protections.¹²⁸ And in our *National Pollinator Strategy* report we urged the Government to justify its “predominantly voluntary approach ... and identify the tests for judging if a mandatory or incentivised approach would be required”.¹²⁹

47. Another nudge technique is the use of benchmarking and league-tables, to provide incentives for companies to improve their environmental protection record. WWF endorsed that approach, as part of a “the full range of taxation, incentives and regulation”.¹³⁰ The Government told us that it is “working with partners to explore the potential of a range of ‘nudge’ based approaches to improve local environmental quality”, for example by avoiding bans, fines and taxes for failure to recycle, and instead offering a comprehensive service and financial incentives.¹³¹

Monitoring, reporting and accountability

48. Environmental policy levers, including those we have discussed above, may have limited traction unless there are systems in place to monitor and report their use and to hold Government to account for the results. Such systems could provide the impetus for developing a strategy for addressing all aspects of the environment. Developing environmental strategies would allow the Government to bring together a wider range of stakeholders—from health, planning, faith and industry backgrounds, as well as environmental NGOs and Government—to help identify areas of concern and priorities for action.

49. The need for such strategies has been recognised by various bodies. The Cambridge Institute for Sustainable Leadership’s Natural Capital Leaders Platform, representing a range of large businesses, recently highlighted the absence of a “single overarching land-use vision or decision-making framework” to address a supply/demand imbalance for land in

¹²⁵ Q10

¹²⁶ Q10

¹²⁷ Natural Environment Research Council ([ESC0015](#)) page 5

¹²⁸ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, para 44

¹²⁹ Environmental Audit Committee, Second Report of Session 2014–15, [National pollinator strategy](#), HC213, para 38

¹³⁰ WWF-UK ([ESC0011](#)) pp 7, 8

¹³¹ Defra ([ESC0013](#)) para 3.4

the face of a growing UK population and pressures to grow more food sustainably as well as for energy security, homes, forests and habitats. Like the Natural Capital Committee (paragraph 23), it noted the difficulty in resolving such an imbalance from “the lack of market prices for many [land-use] goods and services”.¹³² We also examined the implications of the call for ‘sustainable intensification’ in food production in our 2012 report on *Sustainable food*, highlighting not just the need to safeguard environmental sustainability of food production and consumption but also the important well-being implications for public health and education.¹³³ In the face of increasing pressure to use land for development, we recommended in our 2011 review of the Government’s *National Planning Policy Framework* a continued focus on building on brownfield rather than greenfield sites. We highlighted more generally the need for the *Framework* to continue to ensure development planning fully addresses the need for environmental protections.¹³⁴

50. In our *Well-being* report we noted the Natural Capital Committee’s view that current policies on environmental protection and approaches were “often piecemeal and focused narrowly on individual issues.”¹³⁵ The NCC called for a 25 year plan to maintain and improve England’s natural capital “within this generation” and for the Government to work with it and others to shape such a plan. In our *Well-being* report we recommended a permanent status for the Natural Capital Committee:

It is important that the momentum behind the NCC’s work is kept up. There is a risk that with its current remit finishing in 2015, only weeks before a general election, its future will not get sufficient consideration. The Government should signal its continuing commitment to the NCC, and thereby to the importance of measuring natural capital and using it in policy-making, by (i) initiating measures now to put that body on a long-term statutory footing and (ii) responding formally to the NCC’s annual reports, starting with its March 2014 report as soon as possible.

The Government should accept the NCC’s key recommendation for a 25 year plan for improving England’s natural capital without delay. It should also give a permanently established NCC, enabled to operate beyond its current three year remit, the twin tasks of providing continuing advice and monitoring the implementation of that 25 year plan.¹³⁶

Dan Rogerson MP told us that discussions were taking place in Defra about the NCC’s remit. His officials stated that the Government had “made a commitment to review the [NCC] later this year”.¹³⁷ Subsequently, the Government’s response to our *Well-being*

¹³² Cambridge Institute for Sustainable Leadership Natural Capital Leaders Platform [The best use of UK agricultural land](#) (June 2014)

¹³³ Environmental Audit Committee, Eleventh Report of Session 2010–12, [Sustainable food](#), HC 879

¹³⁴ Environmental Audit Committee, [Sustainable development in the National Planning Policy Framework](#) (Letter from Environmental Audit Committee to Communities & Local Government Committee, 9 November 2011) Session 2010–12, HC 1480

¹³⁵ Environmental Audit Committee, Fifteenth Report of Session 2013–14, [Well-being](#), HC 59, para 23

¹³⁶ Environmental Audit Committee, Fifteenth Report of Session 2013–14, [Well-being](#), HC 59, paras 24 and 25

¹³⁷ Q69

report was similarly non-committal, but suggested a decision would be made on the NCC next year—after the NCC’s third report.¹³⁸

51. Government agencies have a role in monitoring compliance with environmental regulations. As the NAO reported:

Defra remains the lead department for environmental protection and funds a number of organisations with responsibilities for aspects of environmental protection, including the Environment Agency, Natural England and the Forestry Commission. The Department of Energy & Climate Change (DECC) is responsible for coordinating government efforts to mitigate climate change.¹³⁹

There are a wide range of government agencies with environmental remits. Other examples include the Centre for Environment, Fisheries and Aquaculture Science, the Food and Environment Research Agency and the Consumer Council for Water. Various government agencies were funded by Defra to the tune of £1.4 billion.¹⁴⁰ In our report on *Marine protected areas* we emphasised how important it was that the Marine Management Organisation had the resources needed to monitor and enforce Marine Conservation Zones.¹⁴¹ In our *Circular economy* report we heard that budget cuts for the Waste and Resources Action Programme had stopped its work on the construction sector and the built environment, and reduced its work on food waste.¹⁴² Friends of the Earth raised a concern that statutory agencies such as Natural England and the Environment Agency were under significant pressure from loss of resources and the addition of new duties which diluted their effectiveness.¹⁴³ Wildlife and Countryside Link told us

The relevant government agencies should be granted appropriate funding to enable them to focus more strongly on their core priority of conserving and enhancing the natural environment. Whilst the agencies should be expected to have regard to economic and social objectives, these should not be their primary objectives. The agencies also need to be independent and free from politics. The actions of the agencies, and of Defra in dealing with them, must be entirely transparent and within the public domain. Critical to protecting the environment are agencies that are: well-resourced; science-led; independent; and free to inform evidence-based policy. The issues also require a long-term perspective that transcends short-term politics.¹⁴⁴

¹³⁸ Environmental Audit Committee, Fifth Special Report of Session 2014–15, [Well-being: Government Response](#), HC 639, para 23

¹³⁹ National Audit Office, [Environmental protection](#) (June 2014), para 1.7

¹⁴⁰ National Audit Office, [Environmental protection](#) (June 2014), figure 1

¹⁴¹ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, para 58

¹⁴² Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, para 61

¹⁴³ Friends of the Earth ([ESC0017](#)) page 8

¹⁴⁴ Wildlife and Countryside Link ([ESC0016](#)) para 4.1

52. The RSPB and Wildlife Trusts shared with us their proposal for a Nature and Wellbeing Act and the establishment of a powerful office to assess, monitor, report on and advise on environmental sustainability across Government. They echoed our previously reported recommendation for a time extension of the mandate of the Natural Capital Committee, which reports to the Treasury on departments' performance in applying natural capital in decision-making. WWF also favoured a separate office for environmental responsibility, suggesting it could have a remit for policy advice and policy scrutiny.¹⁴⁵ Such a body could facilitate co-operation between departments, an area which Wildlife and Countryside Link¹⁴⁶ and WWF¹⁴⁷ felt was insufficiently effective. Dan Rogerson MP told us that a single oversight body was “not a proposal that [the Government] have directly considered”, but thought that “someone to hold us to account would be helpful”. Given the range of agencies already with environmental responsibilities, however, he believed that the creation of a new office would not necessarily “create a huge leap forward in what we are doing”.¹⁴⁸

53. The legislation proposed by the RSPB and Wildlife Trusts would introduce statutory commitments to environmental improvements, including the establishment of binding environmental recovery targets (for example an increase in the species watch-list indicator by 10% by 2040 and improvements in SSSIs), formal reporting of progress and a duty on the Secretary of State to monitor and report to Parliament on threatened species.¹⁴⁹ They drew comparisons with the Climate Change Act 2008. Defra told us that targets “can have a value” and “do focus the mind”, but warned that they can result in the consideration of changes in wider circumstances being avoided.¹⁵⁰ Dan Rogerson MP pointed out that any legislation would be beyond the lifetime of the current Parliament, but told us that he could “understand the aspiration ... of getting things on a more statutory footing”.¹⁵¹

54. A statutory requirement for a body to report on the state of the environment would also provide an impetus for a long overdue assessment of the resources needed to scrutinise such matters across Government. Following the abolition of the Sustainable Development Commission we have monitored progress in embedding sustainable development in Government departments, and have during this Parliament examined the situation specifically in BIS and the Home Office, but this was never intended to replicate the work previously done by the Commission.

Conclusions: the need for a strategy and accountability

55. Following the abolition of the Sustainable Development Commission (paragraph 30), the Government introduced new processes and structures, but there is more still to do to

¹⁴⁵ WWF-UK ([ESC0023](#)) pp 2 and 3

¹⁴⁶ Wildlife and Countryside Link ([ESC0016](#)) para 6.2

¹⁴⁷ WWF-UK ([ESC0011](#)) p 9

¹⁴⁸ Q67

¹⁴⁹ RSPB and The Wildlife Trusts ([ESC0008](#)) para 3.1

¹⁵⁰ Q53

¹⁵¹ Q60

embed sustainable development across Government. **Further efforts still need to be made to ensure environmental considerations are also integrated into policy-making, not least because of the commitment and leadership that will be required to engage with the development of the UN global Sustainable Development Goals by 2015 (paragraph 2). Environmental protection requires natural capital—the ecosystem benefits we get from the environment—to be fully taken into account in Government policy-making, both for existing and future policy programmes. That requires the environment to be measured and valued, and for decision-making to be founded on a clear understanding of how policies may help or harm all aspects of the environment. *The Government should strengthen systems currently focussed on embedding sustainable development and extend them to explicitly address environmental and natural capital risks. Specifically, it should renew its programme for auditing and improving departments’ compliance with impact assessment and policy evaluation guidelines, and include in the review of departments’ business plans an explicit scrutiny of potential environmental harms.***

56. Regulation is the essential underpinning of environmental protection. Many of those affected welcome regulation that is strong and consistent because it produces a level playing field and greater certainty for business. The Balance of Competencies review has, in the Government’s own words, “increased environmental standards”. Regulation has in some areas been supplemented to good effect by public engagement and voluntary approaches. Fiscal measures however have so far been little used as an environmental policy lever. Overall, the range of policy levers has been piecemeal, without any overarching system for identifying how different approaches might best be used to protect different areas of the environment. And there is no system for holding the Government to account for its overall long-term performance across the 10 environmental areas we have examined in this report, nor for reporting progress on such a broad front.

57. *To help bring the required leadership to environmental protection across Government and beyond, the Government should establish an overarching Environment Strategy to:*

- *set out strategic principles to guide the action needed to improve the quality of protection over the next 5, 10 and 25 years;*
- *include the actions and good practices required in local government (for example in formulating new Local Plans), as well as the actions needed in central Government to help bring those changes about;*
- *facilitate a more informed discussion between central and local government about environment resource funding requirements for local authorities;*
- *encompass a clear assessment of the state of the environment including in each of the 10 environmental areas covered in our report;*
- *identify the research and analysis work that needs to be done and coordinated to fill gaps in the data that that such assessment requires;*

- *map appropriate policy levers to each environmental area and set out a clear statement on the place of regulation, public engagement and fiscal incentives as complementary measures. Such a Strategy should involve, for example, a reconsideration of the scope for greater hypothecation of environmental taxes to support expenditure on environmental protection programmes;*
- *identify how Government, local authorities and the wider community could co-operate to develop consensus on the actions needed; and*
- *set out how environmental and equality considerations will be addressed and reconciled in infrastructure and other policy areas across all Government departments.*

58. As we have previously recommended, the Government should extend the remit of the Natural Capital Committee beyond 2015 to allow it to reach its full potential, and the Government should implement the NCC's proposal for a 25 year plan. But this will not on its own be sufficient to drive environmentally protective Government action. The Government should set up an independent body—an 'office for environmental responsibility'—whether by adjusting the NCC's remit or creating a new organisation, to:


- *review the Environment Strategy we advocate;*
- *advise Government on appropriate targets, including in each of the 10 environmental areas we have examined;*
- *advise Government on policies, both those in Government programmes and new ones that could be brought forward to support the environment;*
- *advise Government about the adequacy of the resources (in both central and local government) made available for delivering the Strategy, and*
- *monitor performance against such targets and regularly publish the results (or publish its audit of such an assessment produced by the Government itself).*

The proposals for legislation from the RSPB and the Wildlife Trusts (paragraph 52) would address much of this necessary agenda, which we therefore commend to the Government in this Parliament or, given the proximity to the Election, the next.


Annex: Our scorecard assessment











In this Annex we present an analysis of each of the 10 environmental areas. It uses the results of a briefing report by the National Audit Office, as well as other sources.

We have assigned a ‘traffic-light’ score for each area as follows:

RED:  Deterioration since 2010, or progress at a pace unlikely to put improvement on a satisfactory trajectory by the end of the 2015-2020 Parliament.

AMBER:  Unsatisfactory progress.

GREEN:  Satisfactory progress

Emissions and climate change	 AMBER
Air pollution	 RED
Biodiversity	 RED
Forests	 AMBER
Soils	 AMBER
Flooding and coastal protection	 RED
Resource efficiency and waste	 AMBER
Freshwater environment	 AMBER
Water availability	 AMBER
Marine environment	 AMBER

For each of the 10 areas we identify (i) the current situation and trends, as well as whether there are (ii) metrics and targets, and (iii) an understanding of the causal factors influencing the state of the environment and the policy levers available.

Emissions and climate change

Current situation and trends

Climate change emissions remain a significant global danger, as we described in our progress on Carbon Budgets report in 2013. We noted that “the world is currently on track

to warm by 4°C”.¹⁵² In their recent report on Managing climate risks to well-being and the economy, the Adaptation Sub-Committee state that

Global average surface temperature has increased by around 0.8°C since the 1850–1900 baseline used by the IPCC, with UK average temperatures rising broadly in line with the global trend. The UK Government, together with others around the world, considers rises beyond two degrees to bring increasing risk of dangerous and irreversible impacts. By the end of the century, a 3.2°C to 5.4°C global rise above the baseline can be expected based on continuing emissions growth, with further warming into the next century.¹⁵³

While emissions are still rising globally, however, they have been falling in the UK. The Climate Change Act 2008 requires Government to reduce the UK’s greenhouse gas emissions by at least 80% by 2050 against a 1990 baseline, and the Government’s carbon budgets, designed to deliver that reduction, have so far been achieved. WWF told us that “Government reporting on carbon emissions and carbon budgets is exemplary”¹⁵⁴ and that “the Climate Change Act was an exemplar”.¹⁵⁵ The Committee on Climate Change calculated that in the UK emissions rose by 3.5% in 2012,¹⁵⁶ but in 2013 fell by 2%.¹⁵⁷ In 2013, 5.2% of our energy was generated from renewables,¹⁵⁸ towards an EU target for 2020 of 15%. Although Sustainable Development Indicator statistics published in July 2014 by the ONS showed that on a consumption basis emissions have been falling since 2007,¹⁵⁹ the UK’s consumption-based carbon footprint, as we reported last year, has increased over the past two decades so that the UK’s is now one of the largest in the world.¹⁶⁰

The Committee on Climate Change state that “countries have recognised that reductions should be rapid enough to keep global temperature within 2°C above pre-industrial levels”, and “the UK’s 2050 target is broadly consistent with a global effort to achieve this”.¹⁶¹ From 2008-2012 the UK reduced its emissions by 22.5% against a 1990 baseline set by the Kyoto protocol, against a target of 12.5%. EU targets for a post-Kyoto period has been agreed to run from 2013–2020 pending a wider international UNFCCC agreement in Paris in 2015.

As we reported in our Carbon budgets report, there had been a risk to our longer term emissions reduction from the prospect of a review of the Fourth carbon budget (for 2023–2027). The Government had kept open the prospect of easing the reduction required in that budget if larger and uncompetitive cuts were needed in the sectors not covered by the

¹⁵² Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60, page 3

¹⁵³ Adaptation Sub-Committee, [Managing climate risks to well-being and the economy](#) (July 2014), page 15

¹⁵⁴ WWF-UK ([ESC0011](#)) page 6

¹⁵⁵ WWF-UK ([ESC0011](#)) page 7

¹⁵⁶ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60, page 3

¹⁵⁷ Committee on Climate Change, [Meeting carbon budgets](#) (July 2014), page 55

¹⁵⁸ Office for National Statistics, [UK energy in brief 2014](#) (July 2014), p31

¹⁵⁹ ONS, [Sustainable development indicators](#) (July 2014), figure 9.1

¹⁶⁰ Environmental Audit Committee, Fifth Report of Session 2013-14, [Progress on carbon budgets](#), HC 60, page 4

¹⁶¹ [CCC website](#)

EU Emissions Trading System because of weak EU ETS carbon prices.¹⁶² We criticised the Government’s review of the fourth carbon budget—announced in 2011 and undertaken in 2014—because of the prolonged uncertainty it brought for low-carbon investment.¹⁶³ Our report on Green Finance identified that there is still a significant gap in levels of low-carbon investment, with levels currently less than half the £20 billion a year required to meet decarbonisation targets”.¹⁶⁴ However, the Government’s announcement in July 2014 that as a result of that review the Fourth carbon budget would not be adjusted¹⁶⁵ brings greater confidence about the UK’s future emissions reduction performance—provided, as the Committee on Climate Change has made clear, that the Government soon identifies the additional emissions reduction policies and programmes that will be needed to deliver against that budget.¹⁶⁶

There remains a need, nevertheless, for further tightening of EU targets for emissions reduction, energy efficiency and renewable energy. We noted in our Green finance report that the EU’s January 2014 Framework for Energy Policy 2030¹⁶⁷ proposed an overall goal for reducing carbon emissions by 40% by 2030, in place of an existing target of 20% by 2020, but only an EU-wide (rather than nationally binding) target for renewable energy (provisionally set at 27% for 2013).¹⁶⁸ The Government told us at the time that “we need maximum flexibility between all options to reduce the UK’s carbon emissions” and “each Member State is different, and will need to pursue different technologies, in different orders and in different ways”.¹⁶⁹ Final decisions on the targets will be made later this year.¹⁷⁰ In our current inquiry, WWF called for the Government to press the EU for a strong greenhouse gas target as well as providing stronger leadership on climate change globally.¹⁷¹

WWF believed that a recent review of DfID’s Climate and Environment Assessment had made the process opaque. They were concerned that it was a “regression from exploring climate and particularly environmental issues as opportunities in [international] development, to seeing environment as risk only”.¹⁷² As regards UK emissions, WWF were critical of the decision to delay until 2016 the inclusion of international aviation and shipping emissions in the carbon budgets¹⁷³ and the Government’s reluctance to set a

¹⁶² Environmental Audit Committee, Fifth Report of Session 2013–14, [Progress on carbon budgets](#), HC 60, para 25

¹⁶³ Environmental Audit Committee, Fifth Report of Session 2013–14, [Progress on carbon budgets](#), HC 60

¹⁶⁴ Environmental Audit Committee Twelfth Report of Session 2013–14 [Green Finance](#), HC 191

¹⁶⁵ HC Deb, 22 July 2014, [col 115WS](#)

¹⁶⁶ Committee on Climate Change, [Meeting carbon budgets](#) (July 2014), Page 25

¹⁶⁷ European Commission, [2030 climate and energy goals for a competitive, secure and low-carbon EU economy](#) (January 2014)

¹⁶⁸ Environmental Audit Committee, Twelfth Report of Session 2013–14, [Green Finance](#), HC 191, para 6

¹⁶⁹ Environmental Audit Committee, Seventh Special Report of Session 2013–14, [Energy Subsidies: Government Response to the Committee’s Ninth Report of 2013–14](#), HC 1103, paras 27 and 28

¹⁷⁰ Environmental Audit Committee, Third Special Report of Session 2013–14, [Green Finance: Government Response to the Committee’s Twelfth Report of Session 2013–14](#), HC 330

¹⁷¹ WWF-UK ([ESC0023](#)) page 6

¹⁷² WWF-UK ([ESC0011](#)) p 5

¹⁷³ WWF-UK ([ESC0011](#)) p 5

power sector decarbonisation target for 2030 in the Energy Act (a criticism we also made in our Energy subsidies report).¹⁷⁴ WWF also highlighted a “collapse in the rate of home energy efficiency installations” and a “failure to continue progress towards zero carbon homes in 2016”.¹⁷⁵ In our November 2013 report on the Housing Standards Review we criticised the Government’s decision to discontinue the Code for Sustainable Homes and to “significantly dilute” the ‘Zero carbon Homes’ standard in 2016,¹⁷⁶ which will have consequences for our emissions performance.

Progress was limited in 2013 on solid wall insulation, low-carbon heat and energy efficiency improvement in non-residential and commercial buildings. Overall, the first carbon budget (for 2008–2012) was met.

Metrics, targets and milestones?

The Climate Change Act target (to reduce the UK’s greenhouse gas emissions by at least 80% by 2050 from the 1990 baseline) is supplemented by a series of five-year ‘carbon budgets’, with emissions set to be halved by the fourth (2023–2027) carbon budget.¹⁷⁷ The Committee on Climate Change is required under the Act to report progress annually on the budgets and to advise Government on the level of future budgets.

The UK has met the first carbon budget (2008-2012), and Government has put in place policies to meet commitments to 2022 and has published scenarios for meeting the fourth carbon budget”.¹⁷⁸ In July 2014, after a review of the fourth budget, the Government accepted the Committee on Climate Change’s earlier recommendation for this budget. The CCC will advise the Government on the level of the Fifth budget in 2015.

Causal factors and appropriate policy levers identified?

Government can exercise some control over some emissions, particularly in the energy sector: subsidies (Feed-in tariffs and Contracts for difference) for renewable and nuclear energy; financially supporting Carbon Capture and Storage pilots; and applying minimum carbon pricing (against an ineffectively low EU Emission Trading System price) for fossil fuel energy generation. It can only influence the situation in some sectors, such as agriculture.

On the other hand, the Government does not accept the findings of our Energy subsidies report that it subsidises fossil fuels.¹⁷⁹

A ‘Carbon Plan’ is intended to monitor Government departments’ actions, but it has not been routinely updated.¹⁸⁰

¹⁷⁴ Environmental Audit Committee, Ninth Report of Session 2013–14, [Energy subsidies](#), HC61

¹⁷⁵ WWF-UK ([ESC0011](#)) p 5

¹⁷⁶ Environmental Audit Committee, Eighth Report of Session 2013–14, [Code for Sustainable Homes and the Housing Standards Review](#), HC192

¹⁷⁷ Defra ([ESC0013](#)) para 2.3

¹⁷⁸ Defra ([ESC0013](#)) para 5.2

¹⁷⁹ Environmental Audit Committee, Ninth Report of Session 2013–14, [Energy subsidies](#), HC61, p 3

The Government has set up a Green Investment Bank to support low carbon infrastructure projects, with £3.8 billion of Government capital.

The Government will provide £900 million to support the development and use of ultra-low emission vehicles between 2010 and 2020.

Buildings' energy efficiency standards are reviewed and revised through Building Regulations. It has decided however to discontinue the 'Code for Sustainable Homes' and to allow offsite 'allowable solutions' for new houses to meet a 'Zero carbon Homes' standard in 2016.¹⁸¹

39 Growth Deals with Local Enterprise Partnerships, worth £6 billion, include £39 million to be invested in energy, low carbon and renewables facilities.

Air pollution ●

Current situation and trends

Emissions of a number of airborne pollutants increased in 2013,¹⁸² after being steady between 2010 and 2012 and in a longer term decline before that.¹⁸³ The UK failed to meet targets for nitrogen dioxide pollution in 34 of the 43 zones specified in the EU Ambient Air Quality Directive in 2012, resulting in the European Commission launching infraction proceedings against the UK in February 2014 in regard to 16 zones that would not be compliant by 2015.¹⁸⁴ In July 2014, Defra reassessed the time likely to be needed to meet nitrogen dioxide limits, stating that Greater London and two other areas would not meet the required levels until after 2030.¹⁸⁵ Current EU targets do not reflect WHO guidelines, which are more stringent.

In our 2011 report on *Air Quality* we stated:

We can see no circumstances in which a delay in achieving [EU limit value] targets or a lessening of these targets would be acceptable. Any delay or lessening would simply put more lives at risk.¹⁸⁶

We said that more credible action needed to be taken, and that progress could also be made through support for local authorities, joined up policy, health reforms, low emission zones and increasing public awareness. We argued for a significant shift in transport policy towards low emission vehicles.

¹⁸⁰ Environmental Audit Committee, Fifth Report of Session 2013–14, [Progress on carbon budgets](#), HC 60, page 3

¹⁸¹ Environmental Audit Committee, Eighth Report of Session 2013-14, [Code for Sustainable Homes and the Housing Standards Review](#), HC192

¹⁸² Defra, [Air Quality Statistics in the UK, 1987-2013](#) (April 2014)

¹⁸³ National Audit Office, [Environmental protection](#) (June 2014), para 2.10

¹⁸⁴ Defra ([AIR0050](#))

¹⁸⁵ Defra; [Updated projections for Nitrogen Dioxide \(NO2\) compliance](#) (July 2014)

¹⁸⁶ Environmental Audit Committee, Ninth Report of Session 2010-12, [Air quality: A follow up report](#), HC 1024, para 20

Metrics, targets and milestones?

UK targets reflect EU Directive targets. Emissions of airborne pollutants are monitored regularly.

Causal factors and appropriate policy levers identified?

The Government financially supports the development and deployment of ultra-low emission vehicles, cycling initiatives, the Green Bus Fund and clean bus technology.¹⁸⁷ But past support for diesel vehicle engines (eg through differential Vehicle Excise Duty rates) to help tackle carbon emissions for climate change imperatives has contributed to particulate/NOx air pollution.

Some levers have not been vigorously pursued: Low Emissions Zones, public awareness campaigns and increased engagement with local authorities and across departments were all recommended by our 2011 report on Air quality.¹⁸⁸

Biodiversity ●

Current situation and trends

The Government's Biodiversity 2020 Indicators set targets for biodiversity to be achieved by 2020. Defra's first assessment of progress against the Indicators in 2013 showed improvement against 13 measures, deterioration against 13 measures and little or no change in 11 (12 measures were in development or had insufficient data)¹⁸⁹ (see Appendix 2). The latest Sustainable Development Indicators—a different set of metrics—show a deterioration in the counts for three out of four types of bird populations, used as a litmus test for the SDI's 'UK wildlife' indicator.¹⁹⁰

Our April 2014 report on Invasive Species described the threat such species pose to native biodiversity, but also that where species migrate here from elsewhere in Europe as a result of climate change this might indicate a shift in the natural distribution range of particular species, requiring a “a need to increasingly focus on conservation” rather than necessarily tackling them.¹⁹¹ The RSPB and others recently reiterated that point.¹⁹² We recommended further work to develop Action Plans for species on the national and EU lists of species of concern that have become established in Great Britain, and that clear outcome requirements for native habitats and species are identified to ensure budgets for controlling them are not spent ineffectively. To tackle species that become invasive, we also

¹⁸⁷ National Audit Office, [Environmental protection](#) (June 2014), para 2.9

¹⁸⁸ Environmental Audit Committee, Ninth Report of Session 2010–12, [Air quality: A follow up report](#), HC 1024, page 3

¹⁸⁹ Defra, [A strategy for England's wildlife and ecosystem services, Biodiversity Indicators: 2013 Assessment](#) (October 2013)

¹⁹⁰ ONS, [Sustainable development indicators](#) (July 2014)

¹⁹¹ Environmental Audit Committee, Fourteenth Report of Session 2013–14, [Invasive non-native species](#), HC 913, para 19

¹⁹² ["Efforts to curb invasive species spark battle in the countryside"](#), The Observer, 23 August 2014

recommended Rapid Response Plans, and that invasive species legislation be tightened for England and Wales¹⁹³ (which the Government subsequently accepted).¹⁹⁴

The RSPB and Wildlife Trusts told us that one in 10 species monitored globally is on the brink of extinction.¹⁹⁵ Wildlife and Countryside Link saw implementation of Biodiversity 2020 as a particular area of concern.¹⁹⁶ The CLA also considered it an area which had seen most deterioration since 2010,¹⁹⁷ although they viewed the Biodiversity Indicators as “hugely ambitious”.¹⁹⁸ Policy Exchange told us that the natural environment is undervalued, which has had a detrimental effect on biodiversity.¹⁹⁹

The Convention on Biological Diversity, revised at the 2010 Nagoya Biodiversity Summit, set several targets, including that “by 2020, invasive alien species and pathways are identified and prioritised, priority species are controlled or eradicated, and measures are in place to manage pathways to prevent their introduction and establishment”²⁰⁰ and that “by 2020, the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has been improved and sustained”.²⁰¹

In our recent report on the *National Pollinator Strategy*, we noted a widespread concern that the way Defra was implementing the ‘greening’ element of the EU Common Agricultural Programme for 2014–2020 was a “wasted opportunity” because of its lack of pollinator-specific measures. Recent reports highlight a significant deterioration of wildflower meadows despite the CAP programmes, and cite a forthcoming report from Natural England identifying a loss of permanent grassland.²⁰²

Metrics, targets and milestones?

The Biodiversity Indicators set targets for biodiversity to be achieved by 2020. These cover a diverse range of areas including habitat protection, animal populations, public use and enjoyment of the natural environment, climate change impacts and adaptation, and the impact of hazardous materials. The indicators are monitored and reported on annually.

Causal factors and appropriate policy levers identified?

Land use, including agriculture, is a key determinant of biodiversity outcomes. CAP supports particular agricultural activities, and includes ‘greening’ measures. Government

¹⁹³ Environmental Audit Committee, Fourteenth Report of Session 2013–14, [Invasive non-native species](#), HC 913, p 27

¹⁹⁴ Environmental Audit Committee, Fourteenth Report of Session 2013–14, [Invasive non-native species](#), HC 913,

¹⁹⁵ RSPB and The Wildlife Trusts ([ESC0008](#)) para 2.3

¹⁹⁶ Wildlife and Countryside Link, [Nature Check 2013](#) (November 2013), para 3.1

¹⁹⁷ CLA ([ESC0007](#)) para 1.2

¹⁹⁸ CLA ([ESC0007](#)) para 3.1

¹⁹⁹ Policy Exchange ([ESC0006](#)) page 1

²⁰⁰ [CBD website](#), Target 9

²⁰¹ [CBD website](#), Target 12

²⁰² “[Wildflower meadow protection plan backfires](#)”, BBC News website, 3 September 2014

will spend £3 billion on working with land managers to “enhance biodiversity and improve the quality of English water bodies”.²⁰³

The Government has proposed a system of biodiversity offsetting, which it is currently under further consideration.²⁰⁴

48 Local Nature Partnerships have been established, which bring together environmental groups as well as planners and developers,²⁰⁵ and 12 Nature Improvement Areas have been developed.²⁰⁶ These were intended to be the ‘landscape scale’ perspective envisaged in the Natural Environment White Paper.²⁰⁷

Biodiversity is increasingly being affected by non-native invasive species, driven by international trade and climate change. The Government has indicated that it will implement ‘Species Control Orders’ in England and Wales (through the current Infrastructure Bill) to help tackle invasive species, replicating the system in Scotland, as recommended by the Law Commission.²⁰⁸

Forests ●

Current situation and trends

As at March 2014, 55% of England’s woodlands were managed under the ‘UK Forestry Standard’, which sets good practice guidelines for sustainable forest management, an increase from 52% in 2011. The Government’s ambition of two-thirds of all woodland meeting the Standard by 2018 and then rising to 80% would, as the NAO reported, require acceleration. Wildlife and Countryside Link wanted the Government to “develop a public forest estate management organisation which will maximise the wildlife and public value of our public forests and woods”.²⁰⁹ The CLA were concerned by the proliferation of diseases in trees.²¹⁰ In response to the outbreak of chalara, the Government has published the Tree Health Management Plan to set out the work being done to manage tree pests and pathogens.²¹¹ The Environment, Food and Rural Affairs Committee reported recently on Tree health and plant biosecurity, recommending that funding is increased for research and development and that current legislative protections are increased.²¹²

²⁰³ Defra ([ESC0013](#)) para 1.2

²⁰⁴ Defra ([ESC0013](#)) para 7.11

²⁰⁵ National Audit Office, [Environmental protection](#) (June 2014), para 1.9

²⁰⁶ National Audit Office, [Environmental protection](#) (June 2014), para 2.16

²⁰⁷ National Audit Office, [Environmental protection](#) (June 2014), para 1.4

²⁰⁸ The Law Commission, [Wildlife law: control of invasive non-native species](#) (February 2014)

²⁰⁹ Wildlife and Countryside Link ([ESC0016](#)) para 3.4

²¹⁰ CLA ([ESC0007](#)) para 1.6

²¹¹ Defra ([ESC0013](#)) para 8.3

²¹² Environment, Food and Rural Affairs Committee, Tenth Report of Session 2013-14, [Tree health and plant biosecurity](#), HC 469, Page 3

Around 2,500 hectares of new woodland has been created in England annually since 2008 through Forestry Commission funding, with woodland cover reaching 10% in 2013.²¹³ The Woodland Trust nevertheless identified a “massive fall in tree planting rates in England over the past two decades”.²¹⁴ While the Government calculated that current planting rates would need to be increased to 5,000 hectares a year,²¹⁵ the Woodland Trust

In terms of international deforestation, WWF called for zero net deforestation by 2020, achievable they told us if the “timber market in the UK and Europe trades only in sustainably produced products”.²¹⁶ They raised particular concern about the illegal timber trade, believing that there is inadequate monitoring and reporting of the Timber Procurement Policy. In July 2014 a European Commission assessment of adherence to its timber regulations identified the UK as one of only 13 compliant member states.²¹⁷ WWF called on the Government to produce an international forestry strategy and review the EU Timber Regulation.²¹⁸

Metrics, targets and milestones?

The target is for woodland cover of 12% by 2060 (see above). The *Forestry and Woodlands Policy Statement 2013* contains 36 commitments which Government is pursuing along with private and voluntary sector partners.

There are also targets for forest management under the UK Forestry Standard (see above).

Causal factors and appropriate policy levers identified?

Financial support for planting is provided through grants administered by the Forestry Commission. Defra has committed to providing funding for 2,000 hectares to be planted in the 2015–2016 planting season. An increase in the rate of planting will be need to achieve the potential for 12% woodland cover sought for 2060.

Soils ●

Current situation and trends

In 2011, Defra proposed that by 2030 England’s soils would be managed sustainably, including stopping the horticultural use of peat. It committed to an additional new programme of soil research between 2011 and 2015 with a budget of £3.2 million. In the 10 years to 2013 there have been improvements to the health of upland peatlands in England, the NAO reported, although the overall level of degradation is still high. In 2013 the Committee on Climate Change reported that 12% of SSSIs in upland areas in England with

²¹³ National Audit Office, [Environmental protection](#) (June 2014), paras 2.25

²¹⁴ Woodland Trust ([ESC0012](#)) para 2.1

²¹⁵ Defra, *Government forestry and woodlands policy statement*, [PB13871](#), January 2013, p 23

²¹⁶ WWF-UK ([ESC0011](#)) p 4

²¹⁷ European Commission, [Timber regulation: Table with information on the state of implementation of the Regulation](#) (July 2014)

²¹⁸ WWF-UK ([ESC0011](#)) p 1

deep peat deposits were in a favourable condition, a fall from 16% in 2003. There was however an increase in the proportion of SSSI sites undergoing restoration. There were limited plans for restoration of other peat sites.²¹⁹ The Woodland Trust calculate that around 2.2 million tonnes of top soil are eroded annually in the UK.²²⁰

The EU Soil Framework Directive was “pending for eight years as a result of a blocking minority which includes the UK”.²²¹ The UK was opposed to the implementation of the proposed Directive on the grounds that the proposal would duplicate existing requirements under the Common Agricultural Policy and would be costly to farmers.²²² The Directive was withdrawn by the European Commission in May 2014. The Woodland Trust called upon Government to

take a critical look at the way in which land management contributes to soil erosion and how to integrate non-crop habitat—trees, shelter belts, other habitat—into farming systems in ways which can support production while also helping to reduce the risk of erosion.²²³

The challenge is not just to protect soils in rural landscapes. There has been concern from Environmental Protection UK, the Chartered Institute of Environmental Health and others about the withdrawal of central Government grants after 2013–14 for local authorities’ work on contaminated land remediation.²²⁴ The CIEH told us that “without the prospect of necessary remediation being funded, it would be a reckless local authority which determined a site as ‘contaminated’ without having identified an appropriate person able to pay”.²²⁵ Dr Karen Johnson of Durham University saw remediation and redevelopment of brownfield land as a public health issue. She told us that:

It is important to recognise that the implications of poor soil quality are not only environmental. For example, our current research exploring the regeneration of brownfield land shows that it has wider negative impacts on the general health of communities that live in proximity to it.

I recommend that further progress on England’s soil management should emphasise the development of techniques for processing and reintroducing organic wastes into the soil, working closely with engineers in industry and academia.²²⁶

²¹⁹ National Audit Office, [Environmental protection](#) (June 2014), paras 2.30-2.34

²²⁰ Woodland Trust ([ESC0012](#)) para 6.1

²²¹ National Audit Office, [Environmental protection](#) (June 2014), para 2.31

²²² National Audit Office, [Environmental protection](#) (June 2014), para 2.31

²²³ Woodland Trust ([ESC0012](#)) para 6.6

²²⁴ Environmental Protection UK, [Defra contaminated land capital grants to be axed](#) (December 2013); Chartered Institute of Environmental Health, [New contaminated land guidance putting public at risk](#) (February 2014)

²²⁵ CIEH ([ESC0024](#))

²²⁶ Karen Johnson, Durham University ([ESC0021](#))

Such an approach would not only increase the sequestration of carbon in soils but make them more resilient to flooding risks by more readily holding water.²²⁷

Metrics, targets and milestones?

In 2011 Defra set an ambition that by 2030 England's soils would be managed sustainably, including stopping the horticultural use of peat.²²⁸

The condition of SSSIs is monitored, with the Committee on Climate Change reporting figures on the carbon impacts.

Causal factors and appropriate policy levers identified?

The designation of SSSIs provides some protection for soils through controls on permitted land uses. There is limited evidence of plans for restoration for upland peat areas not designated as an SSSI.²²⁹

On agricultural land, the CAP system influences agricultural activities, including non-cropping green programmes, which influence soil conditions. The UK was part of a blocking minority which stopped the implementation of the proposed EU Soil Framework Directive, on the grounds that the proposal would duplicate existing requirements under the Common Agricultural Policy and would be costly to farmers.

A 2011–2015 programme of soil research is underway, with a budget of £3.2 million.

Defra intends a cessation of the horticultural use of peat by 2030.

Flooding and coastal protection ●

Current situation and trends

At December 2013, 2.4 million properties were at risk of flooding from rivers or the sea, and three million were at risk from surface water (including some properties at risk from both). Progress continues on improving protection from flooding in homes, although Defra has not set a target for the number of homes to be protected.²³⁰

There was widespread and persistent flooding in the winter of 2013–2014.²³¹ In 2013 Wildlife and Countryside Link assessed the Government's development of natural flood alleviation measures as "consistently poor".²³² Building on floodplains should be reduced substantially, they concluded, and sustainable drainage systems needed to be developed.²³³ The Environment, Food and Rural Affairs Committee has made several recommendations

²²⁷ Karen Johnson, Durham University ([ESC0021](#))

²²⁸ National Audit Office, [Environmental protection](#) (June 2014), para 2.30

²²⁹ National Audit Office, [Environmental protection](#) (June 2014), para 2.32

²³⁰ Environment, Food and Rural Affairs Committee, Third Report of Session 2013–14, [Managing flood risk](#), HC 330, para 9

²³¹ Environment, Food and Rural Affairs Committee, First Report of Session 2014–15, [Winter floods 2013-14](#), HC 240

²³² Wildlife and Countryside Link, [Nature Check 2013](#) (November 2013), para 3.22

²³³ Wildlife and Countryside Link, [Nature Check 2013](#) (November 2013), para 3.22

for managing flood risk, including affordable household flood insurance, increased dredging and maintenance of watercourses and increased funding.²³⁴

The Wildfowl and Wetlands Trust recommended the use of such systems to help alleviate flooding by “absorb[ing] surface run-off on-site through features like green roofs, shales and permeable paving”.²³⁵ The Woodland Trust believed that strategic wood planting could also play an integral role in reducing floods.²³⁶

The Environment Food and Rural Affairs Committee has reported extensively on these issues. In its 2013 report on *Managing flood risk*, the Committee recommended investment in flood defences and that “maximum use is made of natural methods to prevent and manage flooding”.²³⁷ It recommended the installation of “sustainable drainage measures which will improve the management of water run-off from roads”.²³⁸ In its report on *Winter floods 2013–14* it recommended that funding be increased to combat flood risk:

We recommend Defra increase revenue funding to ensure that there is sufficient investment in maintenance work, including conveyance and dredging. We urge Defra to immediately draw up fully funded plans to address the backlog of appropriate and necessary maintenance work and to accommodate the increased requirement caused by the growth in numbers of capital assets.²³⁹

Metrics, targets and milestones?

Environment Agency calculates and monitors number of properties and area of farmland at flood risk. A detailed combined risk assessment is expected from the Environment Agency by 2017. The Environment Agency reports that it has maintained 98% of flood and coastal risk management assets at or above the required condition.²⁴⁰

Causal factors and appropriate policy levers identified?

Climate change appears to be driving an increase in extreme weather, including sudden heavy rainfall, and rising sea-levels which will put pressure on coastal defences. Exposure to flooding risks is influenced by the extent of building in risk areas (eg on flood plains), the embedding of defensive measures in existing and new building (eg sustainable drainage) and the building and maintenance of flood defence infrastructure.

²³⁴ Environment, Food and Rural Affairs Committee, Third Report of Session 2013–14, [Managing flood risk](#), HC 330, page 3

²³⁵ Wildfowl and Wetlands Trust ([ESC0020](#)) page 1

²³⁶ Woodland Trust ([ESC0012](#)) para 5.6

²³⁷ Environment, Food and Rural Affairs Committee, Third Report of Session 2013–14, [Managing flood risk](#), HC 330, para 24

²³⁸ Environment, Food and Rural Affairs Committee, Third Report of Session 2013–14, [Managing flood risk](#), HC 330, para 49

²³⁹ Environment, Food and Rural Affairs Committee, First Report of Session 2014–15, [Winter floods 2013-14](#). HC 240, para 54

²⁴⁰ National Audit Office, [Environmental protection](#) (June 2014), para 2.38

Defra stated that the Environment Agency and local defences protected properties in approximately 1.3 million instances, and that 54 new flood defence protection projects will begin in 2014, protecting more than 42,000 households by the end of the year.²⁴¹ The Government is seeking to “improve the efficiency of its flood protection works and leverage in more [private sector] contributions”.²⁴²

Resource efficiency and waste ●

Current situation and trends

As we concluded in our recent report on the Circular economy, “the current way our economy consumes resources is not sustainable”.²⁴³ The Government told us that “in the current challenging economic times it is essential that we make the best use of materials and resources”.²⁴⁴ In England, household recycling rates have plateaued in recent years, and are currently at 43%. The National Audit Office has identified a risk that the UK may not meet the current 50% target for 2020. We concluded that the Government’s approach lacks leadership, and that it must do more to ensure that the right conditions are in place so that many more businesses shift from a ‘linear’ approach to a ‘circular’ one.²⁴⁵ Our report made several recommendations, including embedding the circular economy in industrial strategy, differential VAT rates linked to the environmental impact of products and the introduction of Government advice on a standard approach to recycling for local authorities.²⁴⁶

Metrics, targets and milestones?

Whilst there are several metrics relating to waste volumes and percentages of re-use, our recent inquiry heard from BIS that there was “quite a lot of work still to do to develop the metrics and a better understanding”.²⁴⁷

The EU Waste Framework Directive requires member states to recover a minimum of 70% of construction and demolition waste by 2020. Defra considers that the UK is on track to meet or exceed this target, but lacks the evidence to reliably demonstrate this.

The Directive includes a target to recycle or prepare for re-use 50% of household waste by 2020. In England, household recycling rates have plateaued in recent years, and are currently at 43%. The National Audit Office has identified a risk that the UK may not meet

²⁴¹ Defra ([ESC0013](#)) para 10.4

²⁴² Defra ([ESC0013](#)) para 10.5

²⁴³ Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, page 3

²⁴⁴ Defra ([ESC0013](#)) para 11.2

²⁴⁵ Environmental Audit Committee Third Report of Session 2014–15, [Green Finance](#), HC214

²⁴⁶ Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, page 34

²⁴⁷ Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, para 63

the current 50% target. We concluded that the Government’s approach lacks leadership, and that it must do more to ensure that the right conditions are in place so that many more businesses shift from a linear approach to a circular one

Causal factors and appropriate policy levers identified?

A circular economy could reduce arising waste, through design, re-use and re-manufacture. Such an economy will depend on private sector innovation, but also Government playing a facilitating role. The Government has produced a waste strategy and set a ‘waste hierarchy’. It sets planning guidance for local authorities on waste management. It also sets rates for Landfill Tax.

Our recent report on the Circular economy recommended differential VAT rates based on life-cycle analysis of the environmental impact or recycled content of products, tax allowances for businesses that repair goods or promote re-use, removing trade barriers for remanufactured goods, and embedding the circular economy into Industrial Strategies.²⁴⁸

The freshwater environment ●

Current situation and trends

The EU Water Framework Directive requires all water bodies to be of ‘good ecological status’ by 2027, and to this end the Government has set an ambition of 32% of surface water bodies being in good ecological status by 2015. For the longer term, the 2011 Natural Environment White Paper set a goal of all water bodies in England being in ‘excellent’ condition by 2050.

The NAO reported that there had been little change in the ecological status of England’s surface water bodies since 2010, with the Environment Agency assessing 25% to be of good ecological status. The Environment Agency concluded that the Government’s 32% target would not be met, but believed that current measures would deliver significant improvements.²⁴⁹ The WWF nevertheless identified “a decline in the number of our freshwater systems which are in good ecological status and no progress on this since 2010”.²⁵⁰ The RSPB wanted urgent action to tackle diffuse pollution from agriculture.²⁵¹

Metrics, targets and milestones?

Government is aiming for 32% of surface water bodies being of good ecological status by 2015 as an milestone towards EU targets for 2027 (see above). The Government will

²⁴⁸ Environmental Audit Committee, Third Report of Session 2014–15, [Growing the circular economy: ending the throwaway society](#), HC214, pp 34, 35

²⁴⁹ National Audit Office, [Environmental protection](#) (June 2014), para 2.51

²⁵⁰ WWF-UK ([ESC0011](#)) p 5

²⁵¹ RSPB ([ESC0014](#)) annex

publish river basin management plans by the end of 2015 setting out the extent and nature of improvements it is seeking to the water environment to 2021 and beyond.²⁵²

Causal factors and appropriate policy levers identified?

The UK's progress is affected by a history of intensive land use and diffusive pollution remains a problem. CAP policies, including their greening measures, influence land use and the extent of fertiliser/chemical application, which in turn can affect the health of water bodies.

The Government stated that it will spend more than £3 billion on working with land managers to “enhance biodiversity and improve the quality of English water bodies”.²⁵³

Water availability ●

Current situation and trends

Nine of 24 water areas in England and Wales are classified as experiencing serious water stress. In 2012–13, the 22 water companies of England and Wales reported in aggregate the lowest level of water leakage since records began in the early 1990s. On the other hand, freshwater abstraction increased by 20% in 2012, which Defra attributed to an increased use for hydropower. Demand is expected to continue to increase.²⁵⁴

Metrics, targets and milestones?

Areas under ‘water stress’ are assessed by the Environment Agency,²⁵⁵ and OFWAT measure leakage rates. OFWAT’s targets for leakage were met by all but one of the 22 water companies for 2012–2013.²⁵⁶

Causal factors and appropriate policy levers identified?

The use of water in agriculture, industries such as hydropower and in carbon capture and storage technology increases demand on water supplies. Fracking may also affect water availability.

The Government’s 2011 *Water for Life*²⁵⁷ stated that legislation would be simplified as part of the ‘Red Tape Challenge’, and put catchment pilots into place. It “set out the Government’s vision for a sustainable, resilient and customer focused water sector”.²⁵⁸

The Water Act 2014 reforms the water market to make it more open; gives OFWAT a new over-arching duty to take greater account of long-term water resilience; removes the

²⁵²National Audit Office, [Environmental protection](#) (June 2014), para 2.53

²⁵³ Defra ([ESC0013](#)) para 1.2

²⁵⁴ National Audit Office, [Environmental protection](#) (June 2014), paras 2.56-2.59

²⁵⁵ Environment Agency, [Water stressed areas – final classification](#) (July 2013)

²⁵⁶ National Audit Office, [Environmental protection](#) (June 2014), para 2.59

²⁵⁷ Defra, [Water for life](#) (December 2011)

²⁵⁸ Defra ([ESC0013](#)) para 13.1

statutory right of water companies in England and Wales to compensation when an abstraction licence is revoked or varied; and aligns water companies' reporting cycles.²⁵⁹

The marine environment ●

Current situation and trends

In 2011 the UK introduced a requirement for marine plans, intended to provide strategic direction for local decisions on the use of marine resources and management of marine activities. England's first marine plans were adopted in spring 2014 and plans for all 11 English areas are required to be completed by 2022.²⁶⁰ As we described in our report on Marine protected areas, the Government has implemented 27 Marine Conservation Zones.²⁶¹ We criticised the lack of ambition in the Government's aim to increase the number of these in 2015 and 2016, which we concluded "suggests a lack of Government commitment to this initiative".²⁶² The Government's Response to our Report did not dispel that suggestion.²⁶³

The EU has reformed the Common Fisheries Policy through regulations seeking to ensure legally binding fishing limits are set at sustainable levels by 2015 where possible, and by 2020 at the latest. The Government is in the process of implementing these reforms.²⁶⁴

The EU's 2008 Marine Strategy Framework Directive requires member states to achieve 'good environmental status' in Europe's seas by 2020. To help ensure this is delivered, the Natural Environment Research Council wanted to see urgent work to improve protection against invasive species and action to tackle underwater sound.²⁶⁵ Defra is currently evaluating the feedback received in a 2014 consultation on how best to monitor the marine environment around the UK.

The latest assessment of the UK's marine environment status (covering 2005–2010) shows an improvement in diversity and abundance of 'demersal' fish (living on or near the bottom of the sea), overall water bird populations facing few or no problems in most regions, and more estuaries being cleaner. Seabirds and harbour seal numbers had started to decline in some regions with no clear cause. The proportion of fish stocks fished sustainably has improved over the long term. The International Council for the Exploration of the Sea (ICES) estimated in 2011 that 47% of shared fish stocks around the UK were fished sustainably (up from 33% in 2008). ICES data for the North East Atlantic

²⁵⁹ Defra ([ESC0013](#)) para 13.3

²⁶⁰ National Audit Office, [Environmental protection](#) (June 2014), para 2.64

²⁶¹ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, page 3

²⁶² Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, page 3

²⁶³ Environmental Audit Committee, Sixth Special Report of Session 2014–15, [Marine Protected Areas](#), HC651

²⁶⁴ National Audit Office, [Environmental protection](#) (June 2014), para 2.62

²⁶⁵ Natural Environment Research Council ([ESC0015](#)) page 3

(including all fisheries around the UK) shows that in 2013 59% of stocks were being fished inside safe biological limits, up from 32% in 2008.²⁶⁶

Metrics, targets and milestones?

Progress is measured by the percentage of seas assessed as in ‘good environmental status’, as well as biodiversity and sustainable fishing levels and fish stocks (outlined in the EU Common Fisheries Policy). Marine plans and Marine Conservation Zones are also being implemented (see below).

Causal factors and appropriate policy levers identified?

In 2011 the UK adopted a new approach to managing the seas, introducing a requirement for marine plans, intended to provide strategic direction for local decisions on the use of marine resources and management of marine activities. England’s first marine plans were adopted in spring 2014 and plans for all 11 English areas should be completed by 2022.²⁶⁷

Marine Protected Areas are designated under the Marine and Coastal Access Act 2009.²⁶⁸ These include 27 Marine Conservation Zones designated. Our report on *Marine protected areas* concluded that the MCZ programme had suggested a lack of ambition and identified gaps in the level and types of biodiversity covered.²⁶⁹

The Government has reviewed the approach to UK commercial fishery management. The EU has reformed the Common Fisheries Policy through regulations seeking to ensure legally binding fishing limits are set at sustainable levels by 2015 where possible and by 2020 at the latest. The Government is in the process of implementing these reforms.²⁷⁰

²⁶⁶ National Audit Office, [Environmental protection](#) (June 2014), para 2.66

²⁶⁷ National Audit Office, [Environmental protection](#) (June 2014), para 2.68

²⁶⁸ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, page 5

²⁶⁹ Environmental Audit Committee, First Report of Session 2014–15, [Marine protected areas](#), HC221, para 32

²⁷⁰ National Audit Office, [Environmental protection](#) (June 2014), para 2.63

Appendix 1: Nature Check 2013

Wildlife and Countryside Link's *Nature Check 2013* analysed the Government's natural environment commitments. They rated 25 commitments as either green, amber or red (representing good progress, moderate progress or failing, respectively). Four commitments were rated as green, 12 as amber and nine as red. Compared with an assessment the previous year, 10% had improved but 20% had worsened.

Red ratings

- We will implement the Biodiversity Strategy and build natural capital through Local Nature Partnerships.
- We will maintain the Green Belt, Sites of Special Scientific Interest and other environmental protections, and create a new designation—similar to SSSIs—to protect green areas of particular importance to local communities.
- Implement recommendations from the Habitats and Wild Birds Directives Implementation Review.
- We will promote high standards of farm animal welfare.
- Implement recommendations from the Macdonald Task Force's review of farming regulations to reduce burdens and increase responsibility.
- Deliver a new framework for achieving the dual objectives of increasing food production and enhancing the environment.
- We will take forward the findings of the Pitt Review to improve our flood defences, and prevent unnecessary building in areas of high flood risk.
- We will implement a carefully managed and science-led policy of badger control as part of a balanced package of measures to control bovine TB and support the cattle industry.
- We will designate Marine Conservation Zones in 2013 and reduce the regulatory burden of marine licensing while maintaining a high level of protection in the marine environment.

Amber ratings

- We will reform the water industry to enhance competition and improve conservation.
- Influence reform in Europe to support [a] strong, sustainable agricultural...[industry].
- We will implement EU regulations to prevent the trade in illegal logging.
- We will tackle the smuggling and illegal trade of wildlife through our new Border Police Force.
- We are committed to introducing the right of coastal access under the Marine and Coastal Access Act 2009.
- Protect and enhance our urban and natural environment to improve public health and wellbeing.

- Improve water quality.
- We will take action to tackle the illegal trafficking of protected or endangered wildlife species.
- We will plant a million trees by 2015 and put English forestry on a more sustainable footing, building on the report by the Independent Panel on Forestry.
- We will create a presumption in favour of sustainable development in the planning system.
- Continue our radical reform of the planning system to give neighbourhoods much greater ability to shape the places in which they live.
- [We] will seek to introduce primary legislation at the earliest opportunity to...ban travelling circuses from using performing wild animals.

Green ratings

- We will press for a ban on ivory sales.
- We will oppose the resumption of commercial whaling.
- We will negotiate reform of the EU Common Fisheries Policy to support sustainable fish stocks, a prosperous fishing industry and a health marine environment.
- We will implement the Ash Dieback Control Strategy and consider the findings from the Tree Health and Plant Biosecurity Expert Taskforce.

Appendix 2: 2020 Biodiversity Indicators

The Government's Biodiversity 2020 indicators set targets for biodiversity to be achieved by 2020. Defra's first assessment of the progress against the indicators showed improvement against 13 measures, deteriorations against 13 measures and little or no change in 11 (12 measures were in development or had insufficient data).

Deteriorations

- i. SSSIs in favourable condition
- ii. Percentage of UK habitats of European importance in favourable or improving conservation status
- iii. Change in status of priority species
- iv. Breeding farmland birds
- v. Butterflies of the wider countryside on farmland
- vi. Plant diversity—neutral grassland and boundary habitats
- vii. Butterflies of the wider countryside in woodland
- viii. Breeding water and wetlands birds
- ix. Conservation volunteering
- x. Public sector expenditure on biodiversity
- xi. Terrestrial species
- xii. Freshwater species
- xiii. Marine species

Little or no change

- i. Extent of protected areas on land
- ii. Bat populations
- iii. Woodland birds
- iv. Plant diversity – woodlands and hedgerows
- v. Wintering waterbirds
- vi. Breeding seabirds
- vii. Native sheep breeds
- viii. Proportion of population visiting the natural environment several times a week
- ix. Area affected by nitrogen deposition
- x. Proportion of rivers classified as 'high' or 'good' status for biological status in the WFD
- xi. Percentage of woodland certified as sustainably managed

Improvements

- i. Extent of protected areas at sea
- ii. Local sites under positive management

- iii. Percentage of UK species of European importance in favourable or improving conversation status
- iv. Plant diversity—enclosed farmland
- v. Marine ecosystem integrity (size of fish in North Sea)
- vi. Native cattle breeds
- vii. Cumulative Enrichment Index
- viii. Area affected by Sulphur (acidity)
- ix. Marine pollution: combined input of hazardous substances
- x. Targeted agri-environment schemes
- xi. Entry-level agri-environment schemes
- xii. Uptake of priority ELS options
- xiii. Percentage of fish stocks harvested sustainably

Measures in development or insufficient data

- i. Extent of priority habitats
- ii. Condition of priority habitats
- iii. Broadleaved mixed and yew woodland
- iv. Neutral grassland
- v. Historical pipistrelle bat populations
- vi. Biodiversity and ecosystem services: terrestrial habitats
- vii. Biodiversity and ecosystem services: species
- viii. Proportion of households undertaking wildlife gardening
- ix. Integrating biodiversity considerations into local decision making
- x. Global impacts of UK consumption
- xi. Timing of biological events—Spring Index
- xii. Biodiversity data and information for decision making

Conclusions

1. It is not possible to measure precisely whether, as the Prime Minister intended, this is the “greenest Government ever”. It is possible however to assess the state of progress in particular areas of the environment. In none of the 10 environmental areas we have examined is satisfactory progress being made despite the necessary urgency. We have assessed biodiversity, air pollution and flooding as ‘red’ risks, and thus areas of particular concern, in our ‘scorecard assessment’. These are areas where the environment has clearly deteriorated since 2010 or where progress has been at a pace unlikely to put improvement on a satisfactory trajectory by the end of the 2015–2020 Parliament. (Paragraph 21)
2. Data on the state of the environment is available through the Biodiversity 2020 Indicators and the Sustainable Development Indicators, providing a useful insight on progress (and deterioration). There are, however, as the Natural Capital Committee have reported, “crucial evidence gaps relating to the condition of individual natural assets”. (Paragraph 26)
3. Further efforts still need to be made to ensure environmental considerations are also integrated into policy-making, not least because of the commitment and leadership that will be required to engage with the development of the UN global Sustainable Development Goals by 2015. Environmental protection requires natural capital—the ecosystem benefits we get from the environment—to be fully taken into account in Government policy-making, both for existing and future policy programmes. That requires the environment to be measured and valued, and for decision-making to be founded on a clear understanding of how policies may help or harm all aspects of the environment. (Paragraph 55)
4. Regulation is the essential underpinning of environmental protection. Many of those affected welcome regulation that is strong and consistent because it produces a level playing field and greater certainty for business. The Balance of Competencies review has, in the Government’s own words, “increased environmental standards”. Regulation has in some areas been supplemented to good effect by public engagement and voluntary approaches. Fiscal measures however have so far been little used as an environmental policy lever. Overall, the range of policy levers has been piecemeal, without any overarching system for identifying how different approaches might best be used to protect different areas of the environment. And there is no system for holding the Government to account for its overall long-term performance across the 10 environmental areas we have examined in this report, nor for reporting progress on such a broad front. (Paragraph 56)

Recommendations

5. Government must commit to improve the situation in all environmental areas, if not in this Parliament then over the term of the next. (Paragraph 21)
6. The Government, as we have recommended previously, should put the Natural Capital Committee on a permanent footing to allow it to continue to co-ordinate a programme to improve environmental monitoring data. The Government should use the development of the UN Sustainable Development Goals as an opportunity to identify any data gaps and inconsistencies between databases, to produce a single dataset on the state of the environment. This would ... provide a key component of an urgently required overarching Environment Strategy. (Paragraph 26)
7. The Government should strengthen systems currently focussed on embedding sustainable development and extend them to explicitly address environmental and natural capital risks. Specifically, it should renew its programme for auditing and improving departments' compliance with impact assessment and policy evaluation guidelines, and include in the review of departments' business plans an explicit scrutiny of potential environmental harms. (Paragraph 55)
8. To help bring the required leadership to environmental protection across Government and beyond, the Government should establish an overarching Environment Strategy to:
 - set out strategic principles to guide the action needed to improve the quality of protection over the next 5, 10 and 25 years;
 - include the actions and good practices required in local government (for example in formulating new Local Plans), as well as the actions needed in central Government to help bring those changes about;
 - facilitate a more informed discussion between central and local government about environment resource funding requirements for local authorities;
 - encompass a clear assessment of the state of the environment including in each of the 10 environmental areas covered in our report;
 - identify the research and analysis work that needs to be done and coordinated to fill gaps in the data that that such assessment requires;
 - map appropriate policy levers to each environmental area and set out a clear statement on the place of regulation, public engagement and fiscal incentives as complementary measures. Such a Strategy should involve, for example, a reconsideration of the scope for greater hypothecation of environmental taxes to support expenditure on environmental protection programmes;
 - identify how Government, local authorities and the wider community could co-operate to develop consensus on the actions needed; and

- set out how environmental and equality considerations will be addressed and reconciled in infrastructure and other policy areas across all Government departments. (Paragraph 57)
9. As we have previously recommended, the Government should extend the remit of the Natural Capital Committee beyond 2015 to allow it to reach its full potential and the Government should implement the NCC's proposal for a 25 year plan. But this will not on its own be sufficient to drive environmentally protective Government action. The government should set up an independent body—an 'office for environmental responsibility'—whether by adjusting the NCC's remit or creating a new organisation, to:
- review the Environment Strategy we advocate;
 - advise Government on appropriate targets, including in each of the 10 environmental areas we have examined;
 - advise Government on policies, both those in Government programmes and new ones that could be brought forward to support the environment;
 - advise Government about the adequacy of the resources (in both central and local government) made available for delivering the Strategy, and
 - monitor performance against such targets and regularly publish the results (or publish its audit of such an assessment produced by the Government itself).

The proposals for legislation from the RSPB and the Wildlife Trusts would address much of this necessary agenda, which we therefore commend to the Government in this Parliament or, given the proximity to the Election, the next. (Paragraph 58)

Formal Minutes

Wednesday 10 September 2014

Members present:

Joan Walley, in the Chair

Martin Caton
Zac Goldsmith
Mike Kane
Caroline Lucas

Mrs Caroline Spelman
Dr Alan Whitehead
Simon Wright

Draft Report (*An environmental scorecard*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 58 read and agreed to.

Annex and Summary agreed to.

Papers were appended to the Report as Appendix 1 and Appendix 2.

Resolved, That the Report be the Fifth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 22 October at 2.00 pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's inquiry page at www.parliament.uk/eacom

Wednesday 9 July 2014

Question number

Andrew Raingold, Executive Director, Aldersgate Group, **Martin Harper**, Conservation Director, RSPB, **Steve Trotter**, Director for England, The Wildlife Trusts, **Trevor Hutchings**, Director of Advocacy, WWF, and **Martin Spray**, Chief Executive, Wildfowl and Wetlands Trust.

[Q1-46](#)

Wednesday 16 July 2014

Dan Rogerson MP, Parliamentary Under-Secretary of State for water, forestry, rural affairs and resources management, Department for Environment, Food and Rural Affairs, **Shirley Trundle**, Sustainable Land Management and Livestock Farming, Department of Environment, Food and Rural Affairs, and **Jerome Glass**, Deputy Director of Strategy, Department of Energy and Climate Change.

[Q47-111](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page at www.parliament.uk/eacom. Inquiry numbers are generated by the evidence processing system and so may not be complete.

- 1 Barry Davolls ([ESC0001](#))
- 2 Teresa Sienkewicz ([ESC0002](#))
- 3 Wildland Research Institute ([ESC0003](#))
- 4 Dr Duncan Russel ([ESC0004](#))
- 5 Policy Exchange ([ESC0006](#))
- 6 CLA ([ESC0007](#))
- 7 RSPB and the Wildlife Trusts ([ESC0008](#))
- 8 Sustainable Aviation ([ESC0010](#))
- 9 WWF-UK ([ESC0011](#), [ESC0023](#))
- 10 Woodland Trust ([ESC0012](#))
- 11 Defra ([ESC0013](#))
- 12 RSPB ([ESC0014](#))
- 13 Natural Environment Research Council ([ESC0015](#))
- 14 Wildlife and Countryside Link ([ESC0016](#))
- 15 Friends of the Earth ([ESC0017](#))
- 16 Met Office ([ESC0018](#))
- 17 Office of Budget Responsibility ([ESC0019](#))
- 18 Wildlife and Wetlands Trust ([ESC0020](#))
- 19 Durham University ([ESC0021](#))
- 20 Augean Plc ([ESC0022](#))
- 21 Chartered Institute of Environmental Health ([ESC0024](#))