

# **Independent** advice to government on building a low-carbon economy and preparing for climate change

The Right Honourable Michael Gove, MP Secretary of State for Environment, Food and Rural Affairs 17 Smith Square London SW1P 3JR

23 July 2018

Dear Secretary of State,

Thank you for your letter of 27th June.

We promised in our letter of 30th May that the Committee on Climate Change (CCC) would follow up on its early views on the Environmental Principles and Governance consultation with a more detailed view on some of the proposals set out in the consultation. These views are set out below.

## 1. Working arrangements between the Environment Watchdog and Adaptation Sub-**Committee**

The Adaptation Sub-Committee (ASC) has considered in detail the potential overlap between the work of the ASC in undertaking the scrutiny role described in the Climate Change Act and that proposed for the Environment Watchdog. The consultation proposes that the Watchdog should scrutinize the 25-Year Environment Plan. We conclude that there is likely to be significant duplication between scrutinising progress on adaptation and the environment.

Adapting to climate change is not an end in itself, but a process to ensure that wider societal goals are met in the face of a changing climate. Many of these wider goals are central to the 25-Year Plan, for example enhancing the state of habitats and species, managing water resources and flood risk, and ensuring a secure supply of food. The ASC collects data and undertakes analysis on how climate change is affecting our ability to meet these goals, and what progress is being made in managing the risks from climate change. The vulnerability of the natural environment to climate change depends in large part on the state it is in. Thus, many of the actions needed to manage climate risks, now and in the future, are the same as those that improve natural capital assets and services more generally, for example improving the number of designated habitats in favourable condition or reducing demand for water.

In evaluating the first National Adaptation Programme, 39 of the 64 recommendations made by the ASC mirrored directly the actions or goals set out in the 25-Year Plan. These recommendations are listed in annex A and show the degree of overlap we would have with a body making similar recommendations on the 25-Year Plan. The new National Adaptation Programme, which your Department has just published, underlines the overlap, using 14 objectives from the 25 Year Environment Plan as NAP objectives.

We believe strongly that independent, objective scrutiny of the 25-year Environment Plan is essential to ensure its implementation. To avoid the risk of duplication, the analysis of the 25-Year Plan related to climate change, and concomitant recommendations, should not be delivered from within the Environment Watchdog itself. The Watchdog should receive this analysis and advice from the ASC, and use it to inform an assessment of where further actions or enforcement are needed.

Given the amount of work the ASC already does in relation to the 25-Year Plan and the strong legal structures for scrutiny already in place in the CCC, we also suggest the most cost-efficient option would be for the government to ask the ASC to expand its role to include advice to the Watchdog on the 25-Year Plan as a whole, rather than the Watchdog undertaking the scrutiny function separately. Whilst this would require extra resources within the ASC, it would be both faster and cheaper than setting up an entirely new scrutiny group, and would remove entirely the potential for duplication.

The alternative of taking scrutiny of adaptation out of the CCC's remit and putting it into a separate environment advice body would be both sub-optimal and difficult. Sub-optimal because it is critical that climate change adaptation and mitigation advice sit together under one body given the integrated nature of the two issues, difficult because taking adaptation out of the CCC's remit would require significant changes to the Climate Change Act.

Separately, you may want to consider whether there is a risk of conflict of interest within a body that is providing scrutiny and advice for government, and then, potentially, deciding to proceed with legal action against the government on the basis of its own advice.

#### 2. Enforcement powers of the Environment Watchdog

We are aware that some stakeholders favour enforcement powers for the new Watchdog that would include enforcing the UK's carbon budgets, which are set by Parliament every five years. We do not favour this approach. It would risk diluting the very clear governance framework that has been established for carbon budgeting under the Climate Change Act and would likely require a revision to the Act itself. The CCC is already well-established to provide the primary scrutiny role for climate change mitigation and our advice on the likelihood of achieving the carbon budgets is offered directly to Parliament. We do not see a need to revisit this arrangement.

However, there are many other aspects of climate policy that are currently enforced at an EU level that are not covered by the Climate Change Act – for example the Energy Efficiency Directive, the Renewable Energy Directive and the Waste Framework Directive. The new body therefore must cover some climate policy in its enforcement role if current arrangements are not to be weakened.

#### 3. Environmental Principles

Finally, we wanted to restate our view outlined in our May letter on the environmental principles we feel it is important to include in the Bill. We note that a list of principles has now been included in the EU (Withdrawal) Act. It is important that the definitions of these principles are included in the Bill or supporting Policy Statement to ensure clarity on what they mean and how they should be used. The definition of the precautionary principle in particular needs careful thought in its application to a changing environment. In evaluating potential actions it is important that due consideration is given to potential benefits as well as potential risks and that the risks associated with taking a certain course of action are assessed as well as the risk of not doing something. These risks and benefits should be re-evaluated as and when new evidence becomes available and should explicitly address uncertainties.

We recommend including other principles laid out in European or international law; to 'make use of the best available scientific knowledge' (Paris Agreement); 'to conserve ecosystem structure and functioning, in order to maintain ecosystem services' (Convention on Biological Diversity); and to 'anticipate, prevent or minimize the causes of climate change and mitigate its adverse effects' (UN Framework Convention on Climate Change). This last principle should include a requirement to take account of the advice of the CCC and ASC. We also suggest including a new principle related to 'public money for public goods' that will be relevant when deciding when there should be policy intervention and what should constitute such intervention.

We would be happy to discuss these proposals further.

Lord Deben

Chairman, Committee on Climate Change

Baroness Brown of Cambridge

Chair, Adaptation Sub-Committee

## Annex A – ASC recommendations from 2015 and 2017 progress reports to Parliament that relate directly to the 25-Year Environment Plan Goals

#### Goal: Clean and Plentiful Water

- 1. Ofwat should continue to work with the Environment Agency and water companies to ensure that action is being taken to manage household demand for water. This will require ambitious demand reduction commitments in the next round of long-term water resources management plans, due in 2019, including ensuring sustained increases in metering and a continued reduction in average per person consumption.
- 2.Defra should bring forward its planned review of water efficiency measures on farms to the summer of 2016, in line with the initial plans presented in the National Adaptation Programme.
- 3. The Environment Agency, Defra and water companies should continue to take action t ensure that water bodies are managed in ways that will increase resilience to the changes in water availability, quality and temperature expected with climate change.
- 4.Defra should develop options in time for the next NAP, due in 2018, to encourage industry to improve water efficiency particularly in water stressed areas. This will help companies to make the transition to the likelihood of tighter restrictions and higher prices for water use during times of water scarcity, under abstraction reform.

#### Goal: Thriving Plants and Wildlife

- 5.DCLG should adopt and deliver a goal of reversing the decline in urban greenspace, and work with local authorities to begin delivering an implementation strategy by the time of the ASC's next report in 2017.
- 6.Defra and Natural England should continue to take action to deliver all of the outcomes in the England Biodiversity 2020 strategy and publish within a year of this report a plan setting out how they intend to deliver key goals important for adaptation.
- 7. Natural England should establish within a year of this report a monitoring scheme to assess the extent to which the new Countryside Stewardship scheme will help to deliver coherent ecological networks, and more broadly reduce the vulnerability of farmland wildlife to environmental pressures, including climate change.
- 8. The Environment Agency should continue to take action to ensure there is no net loss of internationally protected coastal habitats by 2025 as a result of coastal squeeze and publish within a year of this report a programme of habitat creation projects they have identified to deliver this goal.
- 9.A critical part of the next National Adaptation Programme should be a long-term plan for the natural environment that takes climate change into account, builds on the level of ambition of current EU policies, and is consistent with the framework developed by the Natural Capital Committee.
- 10. Action should be taken to enhance the condition of priority habitats and the abundance and range of priority species.
- 11.Research on the risks to the marine food chain and ecosystem from rising sea temperatures, deoxygenation and ocean acidification should be undertaken over the course of the next National Adaptation Programme period, to inform future marine and fisheries policies.

### Goal: Reducing the risk of harm from environmental hazards

12.Defra should take steps to address the increasing number of homes and other properties expected to be at high flood risk in the coming decades, publishing a strategy within a year of this report.

13.Defra should (a) amend in this Parliament the 1991 Water Industries Act in order to remove or make conditional the current automatic right to connect new development to public sewers and (b) work with local government representatives to improve local flood risk management arrangements.

14.DCLG should by the time of the ASC's next report in 2017 (a) make water companies statutory consultees on all planning applications that have implications for the public sewer network; (b) put in place a process for monitoring and evaluating the effectiveness of planning policy in (i) achieving a high uptake of SuDS in new development and (ii) limiting the paving-over of front gardens with impermeable surfaces.

15. Of wat should require each water company to report on the area of land where above-ground SuDS, including permeable paving, has been installed over the current Asset Management Plan (AMP) period to 2020, as part of delivering the industry-wide commitment to reduce sewer flooding incidents by 33%.

16.DCLG and the Environment Agency should by the time of the ASC's next report in 2017 publish an assessment quantifying the impact of new development on long-term flood risk. The evidence from this assessment should be used to inform subsequent Environment Agency long-term investment scenarios.

17. Flood Re's transition plan, required within three months of Flood Re Ltd. being formally designated the scheme administrator, should include clear proposals for how the scheme will promote flood risk alleviation amongst high risk households.

18. The UK Regulators Network should ensure that proportionate and cost-effective approaches to increasing resilience and reducing climate change risks are in place for the economically-regulated sectors. A cross-sector review of reward and penalty regimes should be conducted in time for the ASC's next progress report in 2017, to ensure there are sufficient incentives in place for operators to manage severe weather incidents effectively and preserve services where possible.

19.DCLG should, before the ASC's next report in 2017, evaluate the latest evidence and subsequently introduce a new standard or regulation on reducing the risk of overheating in new homes.

20.DCLG and the Department of Health should develop incentives for the uptake of passive cooling in existing homes, hospitals and care homes and include new measures in the next NAP.

21. The Cabinet Office should, before the ASC's next report in 2017, undertake a quantitative assessment of the capability of the national emergency planning system to manage extreme weather events; and in light of the findings, publish a summary outlining where further capability may be needed.

22.DCLG should work with Local Resilience Forums to instigate a system that quantitatively assesses local capabilities to respond to extreme weather events, with the results to be made available in time for the ASC's next progress report in 2017.

23.Local authorities should routinely collect and publish data on flood recovery, including the

length of time occupants have to wait until they are able to return to their homes after a flood event. DCLG should review the capacity of local authorities to support people physically and mentally in the aftermath of a flood, and publish its findings before the ASC's next report in 2017.

24.Defra, in collaboration with the Environment Agency and others such as the National Farmers Union, the Country Land and Business Association, and the Association of Drainage Authorities, should pilot integrated approaches to managing the risk of flooding to agricultural land. Approaches should incorporate catchment management, best practice farming approaches, and appropriate land drainage and flood defences. This should be completed in time to inform wider dissemination of the lessons as part of the next NAP in 2018.

25. More and better co-ordinated action is needed to manage the lack of capacity within drainage systems to cope with possible increase in the frequency and severity of heavy rainfall.

26.Policy is needed urgently to address the outstanding barriers to deliver high quality, effective SuDS in new development that achieve the full range of potential environmental co-benefits.

27.Defra should develop a long-term strategy to manage flood risk down to tolerable levels in each part of the country (as we first recommended in 2015), so that as Flood Re is withdrawn properties can remain insurable at reasonable cost.

28.The Environment Agency, with Coastal Groups, should review the ambition within, and progress being made in implementing, Shoreline Management Plans (SMPs), and prepare communities for the coastal adaptation that will need to take place between now and the middle of the century.

29.As recommended in our 2015 report, a standard or regulation should be put in place to reduce the risk of overheating in new homes.

30. Further action should be taken to assess and reduce the risks of overheating in existing buildings, with the priorities being hospitals, schools, care homes and prisons.

- 31.The Cabinet Office should, in consultation with Local Resilience Forums:
- Commission an independent review of the planning scenarios underpinning local Risk Registers to ensure they i) they are consistent with plausible worst case scenarios, and ii) use the results to help LRFs assess the resources needed to manage these events.
- Strengthen the Emergency Planning Guidance to clarify and test responsibilities for coordination amongst Category 1 and Category 2 responders, as well as between neighbouring LRFs.

#### Goal: Using resources from nature more efficiently and sustainably

32. Defra should take action to deliver its policy aspiration for all soils to be sustainably managed by 2030, publishing an action plan within a year of this report to describe how the goal will be achieved. The action plan should include proposals for establishing a scheme to monitor the uptake of soil conservation measures, with enforcement where soils are not being appropriately managed. The action plan should include specific proposals to reverse the on-going loss of lowland peat soils, and be developed in partnership with the farming sector.

33. Natural England, in partnership with the Upland Stakeholder Forum, should take further action to deliver the widespread restoration of degraded upland peat habitats.

- 34. Goals and actions to achieve sustainable yields by 2030 should be included in new policies that will replace the Common Fisheries Policy.
- 35. New agricultural land management policies should take account of the need to improve water quality and the condition of habitats and soils, in order to build resilience to climate change.
- 36.To support adaptation efforts, a plan should be put in place to deliver the aspiration for all soils to be managed sustainably by 2030.
- 37.A target for restoring all designated upland blanket bog habitats to favourable condition by 2030 should be adopted in order to contribute to both adaptation and mitigation efforts.
- 38. The Government should review the effectiveness of the land-use planning system in achieving reductions in greenhouse gas emissions from buildings and transport, and enhancing the resilience of communities and the built environment to the impacts of climate change. The review should consider both strategic and local land-use allocation, and building and infrastructure design.

### Goal: Enhancing biosecurity

39.Defra should use the information contained within the UK Plant Health Risk Register to publish aggregate metrics that enable the overall risk from pests and diseases to be monitored over time. This should be completed in time to inform the ASC's next progress report in 2017.