

Priorities and Objectives

CHAPTER 2



What do we do?

Introduction

As stated in Chapter 1, the overarching purpose of Defra is “to secure a healthy environment in which we and future generations can prosper.” This purpose is supported by three Priorities, covering the policy work undertaken by Defra.

- *To secure a healthy environment for us all and deal with the environmental risks;*
This Priority covers our work on improving biodiversity, land and soil management, water availability and quality, marine environment, air quality, and local environmental quality. It also covers our work in emergency and business continuity planning, including exotic animal disease and flood and coastal erosion risk management.
- *To promote a sustainable, low-carbon and resource-efficient economy;*
This Priority covers our work on sustainable consumption and production, climate change mitigation and sustainable rural communities.
- *To ensure a thriving farming sector and a sustainable, healthy and secure food supply;*
This Priority covers our work on food policy, CAP reform, and future farming policy including skills for farming, agriculture and climate change and nutrient management. It also covers our work on animal health and welfare including responsibility and cost sharing, bovine TB and veterinary science.

These Priorities are delivered in line with three cross-cutting objectives; sustainability, adaptation and rurality, and in partnership with our delivery network.

This Chapter highlights our work in delivering our purpose, priorities and cross-cutting objectives and features highlights from the work of our delivery partners.

Priority 1:
Secure a healthy natural environment for
us all and deal with environmental risks



Highlights from 2008/09

- Water quality success measures are being met. Monitored rivers measured 76% 'good' for chemical quality and 72% 'good' for biological quality in October 2008 (as defined under the Environment Agency's General Quality Assessment).²
- In June 2008, 60 square nautical miles of Lyme Bay were closed to dredging for scallops and bottom trawlers, which drag nets along the seabed, in order to protect one of our most valuable areas for marine biodiversity. Whilst we remain committed to supporting the fishing industry there is a need to act to protect the best areas of our marine heritage from activities that have unacceptable environmental impacts.
- The Marine and Coastal Access Bill was introduced to Parliament on time and in good order.
- Nitrate Vulnerable Zones (NVZ) regulations came into force in October 2008.
- 6 out of 8 UK Air Quality Strategy objectives continue to be met, with the remaining two (particulate matter (PM₁₀) and nitrogen dioxide (NO₂)) already achieved across 99% of the UK.
- On 16 May 2008 Defra re-launched its award winning Noise Mapping England website, which provides interactive noise maps for large urban areas, major transportation links and significant industrial sources in England.
- On 31 March 2009 the Secretary of State announced that he would be confirming the designation of the South Downs as a National Park and that he would be establishing a National Park Authority to manage it. The Authority will be fully operational from April 2011.
- Defra responded successfully to two avian influenza incidents (HPAI H7); Bluetongue (BTV8); rabies; flooding incidents and two industrial disputes impacting fuel supply.
- Exercise Green Star, led by the Radioactive Waste Preparedness team, successfully tested the arrangements for the consequence management phase of a Chemical, Biological, Radiological or Nuclear (CBRN) incident in November 2008.
- On 3 February 2009 the Government published its response to the Anderson Review of the Government's handling of the 2007 Foot and Mouth Disease outbreak in Surrey. The Government accepted all 26 of the main recommendations.
- The Government published its response to the Pitt Review of the 2007 floods on 17 December 2008. The Government supports changes in response to all of Pitt's recommendations and we have also published an action plan, which sets out how Government, Local Authorities and others should implement these recommendations.

² This is an improvement from 55% rated 'good' for biological quality and 55% for chemical quality in 1990.

Introduction

Our first Priority is to secure a healthy environment for us all to deal with environmental risks. There are many essential elements to this Priority from improving biodiversity on land and in the sea, to maintaining the quality of water and air and encouraging the effective use of our land. Underpinning this is the preparation today to cope with unexpected risks to our environment tomorrow. This includes mechanisms for dealing with animal diseases and flood risk.

A healthy natural environment is essential to build and promote a sustainable and resource-efficient economy. The natural environment provides us with life-sustaining services, and supplies us with many of the natural resources we need for a successful economy. A healthy natural environment also improves our health and wellbeing, for example, through opportunities for outdoor recreation in the countryside, on the waterways or in local greenspaces. In managing the natural environment, we need to value in our decision-making the full range of services our natural environment provides, its environmental limits, and also its interconnected character – with one part of the natural environment relying on the other parts to work as a whole. For this reason, Defra has been advocating a more integrated approach to protecting and enhancing the natural environment alongside economic prosperity.

The outcomes we are seeking to achieve through this Priority are reflected in our public commitments which include PSA 28 and several of our DSOs. Latest performance on these targets can be found in Chapter 4: Our Performance.

Improving Biodiversity

Biodiversity is the variability among living organisms from all sources and the ecological complexes of which they are part. This includes diversity within species, between species and of ecosystems.

What are we doing?

Defra works to improve Biodiversity within England, at the UK level and abroad, through influencing biodiversity issues internationally.

Following an announcement made by the Secretary of State last year that the Department would conduct an Ecosystem Assessment for England, Defra has now been joined by NERC and the Devolved Administrations in undertaking a UK-wide National Ecosystem Assessment. It will assess how the terrestrial, freshwater and marine ecosystems across the whole of the UK have changed in the past and how they might continue to change in the future. The Assessment will create a compelling and coherent narrative on the state and value of the natural environment and ecosystem services, will assess policy and management options to ensure their integrity in future, and will help raise awareness of their importance to human well-being and economic prosperity.

We have continued to work with our partners to improve the condition of Sites of Special Scientific Interest (SSSIs) in England. On the basis of latest condition assessments on each unit of land, by 31 March 2009, 88.4% of the total SSSI area was in favourable or recovering condition (see PSA 3b, page 176) and we consider our target of reaching 95% by December 2010 to be challenging but achievable. In August 2008 Defra submitted two final land based sites to the European Commission for designation as part of Europe's Natura 2000 network.

November 2008 saw the launch of 'Securing Biodiversity', a new framework developed by Natural England in partnership with Defra to enhance the recovery of priority habitat and species identified under section 41 of the Natural Environment and Rural Communities Act 2006.³ We are embedding biodiversity considerations into a range of sectors. For example, we have been working with Communities and Local Government (CLG) on the draft Eco-towns Planning Policy Statement (PPS) recently published for consultation.

We are continuing to focus effort on reversing the long term decline in farmland birds. The Government's Environmental Stewardship Scheme delivers significant benefits for England's biodiversity and, following a review of progress, changes to the Scheme were made this year to benefit farmland birds.

Non-native species that become invasive are a threat both to our environment and to economic interests. In May 2008 Defra launched a new GB invasive non-native species framework strategy for addressing this threat. We also consulted on the general principle of a Wildlife Management Strategy for England and set new priorities for wildlife crime including birds of prey persecution, poaching, and the illegal trade in endangered species. These were announced in February 2009.

New funding has been provided by Defra in 2008/09 to support local biodiversity recording. We also published the results of the 2007 Countryside Survey and updated UK and England Biodiversity Strategy Indicators.⁴

At the international level, Defra has continued its engagement in work under International Biodiversity Conventions, including the Convention on Biological Diversity, and contributed to ongoing work to develop a new, realistic and challenging global biodiversity target to focus activity after 2010. Defra is also supporting a major initiative review of the economics of the loss of ecosystems and biodiversity at a global level – The Economics of Ecosystems and Biodiversity (TEEB) – and through the Darwin Initiative has provided over £8m of new funding over three years for 43 projects in developing countries.

In November 2008 the UK hosted and co-chaired the first meeting of the Convention on Biological Diversity's (CBD) Ad Hoc Technical Experts Group (AHTEG) on Climate Change and Biodiversity. The purpose of the AHTEG was to provide biodiversity-relevant information to the United Nations Framework Convention on Climate Change (UNFCCC). The AHTEG presented these findings to the UNFCCC meeting in Poznan in December 2008.

More on Biodiversity can be found under the reporting for PSA 28, DSO 2 and SR04 PSA 3 in Chapter 4, pages 149, 152 and 174.

³ Defra published the list of priority habitats and species in England in May 2008. A copy of the full list can be found at www.ukbap-reporting.org.uk/news/details.asp?X=45.

⁴ For more information on the Countryside Survey see www.countryside-survey.org.uk/. The UK Biodiversity indicators are available at www.jncc.gov.uk/biyp and England Biodiversity Strategy indicators at www.defra.gov.uk/wildlife-countryside/biodiversity/indicator.htm.

Natural England

Natural England is here to conserve and enhance the natural environment, for its intrinsic value, the wellbeing and enjoyment of people and the economic prosperity that it brings. Its work includes:

- providing statutory advice on landscape and nature conservation issues;
- helping to deliver the Public Service Agreement (PSA) targets on SSSIs condition and farmland birds;
- overseeing the delivery of Biodiversity Action Plan (BAP) targets;
- delivering Environmental Stewardship, 'classic' agri-environment schemes and the Catchment Sensitive Farming schemes;
- providing advice to Defra on increasing access to the natural environment including delivery of open access and access to the English coast; and
- working to deliver action that will help to build the resilience of the natural environment in the face of climate change.

The total core grant allocated to Natural England for 2008/09 was £219m (of which £175m was grant in aid). Additional income received from Defra over and above the core grant was £18.4m.

Natural England has recorded key achievements in 2008/09 against its main performance indicators:

- increased percentage of SSSIs land brought into favourable or recovering condition to 88%;
- 72% of Natural England led BAP priority species on track to recovery with 53,434 ha (65%) of BAP priority habitat brought into Higher Level Stewardship;
- completed a survey of potential marine sites for designation as Special Areas of Conservation (SAC) and secured Lundy as the first ever 'No take' Marine Protected Area (MPA);
- put in place over 4,000 ha of Entry Level Scheme options specifically for farmland birds;
- inspired more people to value and conserve the natural environment through the Walking the Way to Health Initiative, now the largest outdoor walking programme in the EU, with over 525 health walking groups, involving 32,000 participants in 2,000 health walks every week;

Natural England *(continued)*

- delivered 16,608 advisory contacts with farmers and land managers to support the take up of Environmental Stewardship helping to increase the total of England's agricultural land under agri-environment agreements to 6.1 million ha (65%);
- published a review of the role that land and marine managers can play as 'carbon managers' by protecting and enhancing vital carbon stores, especially in peatlands; and
- developed draft climate change adaptation strategies in four landscape Character Areas (Cumbria High Fells, The Broads, Shropshire Hills and Dorset Downs) to demonstrate how locally-based action on the ground can deliver a natural environment resilient to climate change.

Looking forward, Natural England's Corporate Plan 2009-12 sets out new and ambitious targets against the outcomes described in the Strategic Direction. For more information on Natural England, visit: www.naturalengland.org.uk.

Biodiversity and Climate Change

Climate change poses an increasing challenge for us in meeting our many commitments to conserve biodiversity.

We are working in a number of fora nationally and internationally where parties recognise that climate change is one of the biggest challenges biodiversity faces. Biodiversity will adapt to climate change and in the UK we are already seeing this through changes in the timings of seasonal events, changes in species ranges and changes to habitats and ecosystems. A change to the timing of spring events for example can lead to loss of synchrony between species and the availability of food and other resources upon which they depend.

In January 2009 Defra published climate change adaptation principles for biodiversity to guide those responsible for planning and delivering actions across the different sectors in the England Biodiversity Strategy. This builds on UK guidance for conservation practitioners published in 2007.

Biodiversity and Climate Change *(continued)*

Healthy ecosystems with well-protected biodiversity are better able to respond to and recover from disturbances and so will be more resilient to climate change. This is particularly important as biodiversity can also play a role in mitigating climate change. Woodland, forests and peat bogs all have an important role to play, with the potential to absorb carbon into their biomass providing a sink for global carbon emissions. In urban areas our parks and open spaces will help keep our cities cool as well as add to the mosaic of habitats that can allow wildlife to migrate to suitable climate space as it adapts. Our action to conserve and enhance biodiversity contributes to work to tackle climate change.

Land and Soil Management

One key element to securing a healthy environment and the maintenance of biodiversity is the appropriate management of land and soils. This area links strongly to Priority 3, ensuring a thriving farming sector and a sustainable, healthy and secure food supply. An example is Environmental Stewardship, an agri-environment scheme that provides funding to farmers and other land managers in England who deliver effective environmental management on their land. Environmental Stewardship and predecessor schemes currently cover about 65% of English agricultural land.

What are we doing?

The Environmental Stewardship Entry Level Scheme (ELS) provides a straightforward approach to good stewardship of the countryside through simple but effective land management, beyond Single Payment Scheme cross-compliance requirements to maintain land in good agricultural and environmental condition. Implementation of a number of recommendations from a recent review of progress of the scheme is currently underway, with the goal of increasing effectiveness whilst maintaining the scheme's attractiveness to farmers and land managers.

Environmental Stewardship is a key component of the Rural Development Programme for England (RDPE), a funding programme designed to achieve a number of objectives, one of which is to safeguard and enhance the rural environment. RDPE is discussed in more detail on page 37.

A key issue affecting Land and Soil Management, as well as Biodiversity in England is the loss of set-aside land. Set-aside was first introduced in the UK in 1988 as an EU control measure to limit over-production of cereals and other arable crops. From its introduction, the percentage of set-aside required has varied between 5 and 15% in accordance with market circumstances, reflecting its role as a production control.

The proportion of land to be set aside varied over the past 15 years and was set to zero in 2007 prior to the formal abolition of set-aside in 2008. Because most set-aside land was not actively farmed it provided a range of biodiversity and resource protection benefits that will be lost if areas of former set-aside revert to production. A public consultation was launched in March running to the end of May 2009 on the measures needed to recapture the environmental benefits of set-aside.

Work continued in 2008/09 on developing a new Soil Strategy for England which builds on progress made under the First Soil Action Plan for England 2004-06. The Strategy seeks to provide a clear framework for action by Defra, delivery partners and stakeholders for adequate and effective soil protection. We are now finalising the Strategy with the intention of launching it in July 2009.

Defra led on the negotiations on the EU Soil Framework Directive proposed by the European Commission in September 2006. Defra developed its impact assessment to cost the proposals put by the French Presidency and developed alternative proposals in line with the principles of Better Regulation and subsidiarity to inform negotiations.

Defra has developed recommendations for some simplification and improvement of soils standards for cross-compliance, which it will seek to introduce in 2010 as part of the Common Agricultural Policy (CAP) Health Check changes to cross-compliance. These include using the soil protection review as the tool for all soil management rather than having a number of soil standards and improving guidance.

Defra's Peat Project, which involves working with delivery agencies, along with Devolved Administrations, brings together work on peat relating to a range of land and soil objectives including biodiversity, carbon storage and reducing the risk of floods. Progress has been made in 2008 in collecting information related to the extent and state of our peat resources, putting actions in place to protect peatland and evaluating the ecosystem services provided by peat.

In July 2008, Defra announced a package of measures to clarify complex issues around deciding when substance levels in soil pose sufficient risk for the land to be considered 'contaminated land.' This included new guidance on the legal definition of contaminated land, and significant improvements to the Environment Agency's technical guidance on how to assess risks. Defra also administer the Contaminated Land Capital Projects Programme, a pot of money to which local authorities can apply for financial assistance to help them investigate and remediate contaminated sites. The Programme was modernised over the last year to increase transparency and accountability and to align it with recommendations of the National Audit Office. The Programme distributed approximately £14m to fund nearly 200 projects taking place in 2008/09.

More on Land and Soil Management can be found under the performance reporting for PSA 28 in Chapter 4, page 150.

Forestry Commission

The Forestry Commission (FC) is the Government Department that, throughout Great Britain, delivers sustainable development through woodlands and forestry. Across Great Britain it is responsible for international policy, research, plant health and forest reproductive material regulations and setting standards for and monitoring sustainable forestry. In England it leads the delivery of the Government's Strategy for England's Trees, Woods and Forests (ETWF) through the public forest estate, other land owners and partnerships, and manages the forestry grant elements of the RDPE on behalf of Defra.

In 2008/09 Defra provided £87m towards the total FC expenditure of around £140m.

Key developments in 2008/09 include:

- publishing, with Natural England, the delivery plan for the Government's Strategy for England's Trees, Woods and Forests; and
- bringing 93% (as of January 2009) of SSSI for which the FC has statutory responsibility into favourable or recovering condition.

For 2009/10 the FC aims to:

- support an independent assessment of forestry and climate change in the UK;
- consult on the standards for managing woodlands for carbon and for instruments to incentivise the sequestration of carbon in woodlands;
- consult on the UK Forestry Standard and Guidelines;
- develop the Biosecurity Strategy to further evaluate and manage the threats posed from pests and pathogens;
- complete the study on the future role of the public forest estate;
- publish policy on restoring and expanding open habitats from woods and forests; and
- develop opportunities for wind energy on the public forest estate.

For more information and to view FC reports visit www.forestry.gov.uk.

The Rural Development Programme for England

The Rural Development Programme for England (RDPE) is a £3.9bn programme of funding that aims:

- to safeguard and enhance the rural environment;
- to improve the competitiveness of the agriculture and forestry sectors; and
- to foster competitive and sustainable rural businesses and thriving rural communities.

RDPE is funded jointly between the EU and the UK Exchequer and covers the period 2007-13. The Government's priority for the Programme is the implementation of England's agri-environment schemes, covering £3bn of the budget, and delivered by Natural England. The remaining funding is provided for the socio-economic measures delivered by the Regional Development Agencies (RDAs). This includes funding for convergence areas (Cornwall and the Isles of Scilly).

The economic downturn is impacting on the uptake of the socio-economic measures in the Programme. Defra is working with delivery partners to identify any additional flexibility to increase uptake, including reviewing aid rates where possible. The CAP Health Check will provide additional flexibility to support changes which would address the new challenges. These include: climate change; renewable energies; water management; biodiversity; measures accompanying restructuring of the dairy sector; and innovation linked to the above-mentioned priorities other than the dairy sector restructuring.

The Energy Crops Scheme (ECS) continues to provide support for the growth of biomass for heat, power or combined heat and power use. Policy responsibility for the ECS passed to DECC as part of its action to promote renewable energy deployment in the UK. The ECS is delivered by Natural England.

As at 31 March 2009, Entry Level Stewardship (ELS) covered around 54% of available farmland in England, while the coverage of all Defra agri-environment schemes, including predecessor schemes, and Countryside Stewardship and Environmentally Sensitive Areas, was around 65%.

The Rural Development Programme for England *(continued)*

In December 2008 the Secretary of State announced the full details of Uplands ELS, a new strand of Environmental Stewardship specifically for upland farmers. Defra worked very closely with stakeholders throughout the development of Uplands ELS to ensure the final design achieved the right balance between being practical for farmers and beneficial for the uplands environment. Arrangements have been put in place to help farmers with the transition from the Hill Farm Allowance to Uplands ELS.

More on RDPE can be found under the performance reporting for PSA 28 and DSO 6 in Chapter 4: Our Performance.

Water Availability and Quality

In relation to the availability and quality of our water, our vision is for sustainable delivery of secure water supplies and an improved and protected water environment.

What are we doing?

The Water Framework Directive (WFD) is designed to improve and integrate the way water bodies are managed throughout Europe. The aim is for member states to reach good chemical and ecological status in inland and coastal waters by 2015. Good progress is being made against milestones to lead to implementation of the WFD.

Water companies have been placed under a duty to prepare and maintain plans that set out how they will meet demand for water. Ministers have set a 2010-35 planning period in order to factor in information about the consequences of climate change on the supply-demand balance. The plans should identify how each company will address adverse impacts of abstraction on Natura 2000 sites. Ministers have powers to hold public hearings/inquiries into plans and to direct changes to them.

Abstraction is the removal of water from surface water, such as rivers and aquifers, and is generally subject to control by the Environment Agency. Most abstractions greater than 20 cubic metres per day require an abstraction licence. The Environment Agency must consider the impacts of proposed abstractions on the environment and existing abstractors before it can issue new licences. There are a number of exemptions, such as for most forms of irrigation, dewatering of quarries, and covering some areas of England⁵, which are expected to cease in October 2009. Since October 2001, all licences have an end date but some 16,000 licences issued before that date do not and will remain in force until revoked.

The Drinking Water Directive sets maximum concentrations of various chemicals in drinking water for public consumption. The Directive was transposed into English law relating to public water supplies. The existing regulations for private water supplies,

⁵ Including areas of Devon, Somerset, Shropshire, Herefordshire and Northumbria.

which set standards for drinking water quality and monitoring requirements, need to be amended to transpose the requirements of the Directive. The consultation sets out proposals to effect the proper transposition.

An extensive package of advice and support is being rolled out across the country to support farmers in Nitrate Vulnerable Zones (NVZs) and help them comply with a new mandatory Action Programme of measures to improve the use and management of manures and fertilisers. This will help reduce nitrate pollution of the water environment and implements the EC Nitrates Directive in England. The package includes a telephone helpline, guidance documentation, information events and practical workshops. Defra has successfully obtained a derogation from one of the more demanding measures of the Directive. This alleviates the burden on dairy farmers whilst maintaining and possibly even improving the level of protection provided by the Action Programme.

The Government's Making Space for Water Strategy (2005) identified the need to address surface water flooding. The Strategy also informed the changes in responsibility which have been signalled through the Environment Agency Strategic overview role and Future Water (the Government's water strategy published in February 2008). The results from 15 Integrated Urban Drainage pilots were published in June 2008 and these informed the publication of draft Surface Water Management Plan guidance in March 2009. Changes to the legal framework have been proposed in the draft Floods and Water Management Bill, launched on 21 April 2009.

More on water quality can be found under the performance reporting for PSA 28 and DSO 2 in Chapter 4, page 149.

British Waterways

British Waterways (BW) is the UK's largest navigation authority. It cares for around 3,540 km of historic canals, docks and navigable rivers in England, Scotland and Wales, aiming for a sustainable and integrated network of waterways throughout Britain.

Defra provided £64m towards total BW expenditure in England and Wales of around £218m.

Key developments in 2008/09 include:

- completion of a £8.5m repair of the Monmouthshire & Brecon Canal in south Wales, following a major embankment breach at Gilwern;
- construction of a £22m new lock and water control structure in East London to facilitate the supply of construction material to the Olympic site and contribute to a green and sustainable Olympics;
- completion of a new canal link in front of the Three Graces in Liverpool, re-connecting the city's waterfront with the Leeds & Liverpool Canal;
- completion of the first phase of the restoration of the Manchester, Bolton & Bury Canal, which will act as a catalyst for major regeneration in Manchester;

British Waterways *(continued)*

- installing a low-carbon alternative to traditional air conditioning, which uses water from the Grand Union Canal to help cool the data centre at the global HQ of GlaxoSmithKline. Estimates suggest up to 1,000 canalside businesses could follow suit, generating reductions in carbon dioxide emissions of approximately one million tonnes; and
- receiving planning consent for the redevelopment of Wood Wharf in London's docklands, one of the most significant regeneration schemes in the Capital.

For 2009/10 BW plans to:

- work with Olympic planners to begin the operation of waterways through the Olympic Park;
- complete the restoration of the Droitwich Canals;
- initiate a national debate about the future of the network as part of a wider review about the waterways and their contribution to modern society; and
- follow up Treasury Operational Efficiency Programme recommendations to establish a wholly-owned property subsidiary.

To view further examples of how BW's work is helping businesses become more resource efficient, visit www.britishwaterways.co.uk.

Marine

In respect of the wider marine environment, the UK's vision is for clean, healthy, safe, productive and biologically diverse oceans and seas.

What are we doing?

The Marine and Coastal Access Bill, which is expected to receive Royal Assent later in 2009, sets out an ambitious programme of work to help achieve this vision. The Bill is a groundbreaking piece of legislation that will greatly improve the way the UK uses its marine resources and maximises the benefits it gets from them. The Bill introduces new systems for marine planning and licensing and sets out a flexible mechanism to protect natural resources, including a process for designating Marine Conservation Zones (MCZs) that contribute to an 'ecologically coherent network' of well-managed marine protected areas. It will provide measures for better management of fisheries, including migratory and freshwater fisheries; and it will give people better access to the English coast. A new Marine Management Organisation (MMO) will be established to act as a strategic delivery body for the marine area.

Marine Management Organisation

The Marine Management Organisation (MMO) will be a Non Departmental Public Body and will be built on the Marine and Fisheries Agency (MFA), which will continue to deliver its existing functions until the MMO is created.

Defra and the MFA are working closely together to ensure that the ground work is being laid to enable the MMO to be established in April 2010.

An implementation team was established from April 2008 with the aim of achieving a smooth transition from the Marine and Fisheries Agency to the MMO.

Key work areas this year for the MMO Implementation team have included:

- establishing a programme management infrastructure;
- selecting a location for the headquarters of the new organisation;
- engaging stakeholders that will need to work closely with the MMO;
- developing an organisational blueprint for the MMO;
- developing a new system of marine planning and a new integrated licensing regime, which the MMO will undertake;
- beginning the recruitment of the Chair and Chief Executive as designates so they can participate in the design of the MMO before formal launch; and
- developing a transition plan with the MFA to ensure there is a smooth transfer of responsibilities on vesting the MMO.

Work is currently ongoing to re-locate the MFA headquarters to its new location in Tyneside ahead of the MMO being vested.

For more information on the MMO, visit www.defra.gov.uk/marine/legislation/key-areas.htm.

We made progress on implementing Fisheries 2027, our long-term vision for sustainable fisheries. In December, the UK secured a fair deal at the annual EU fisheries negotiations to safeguard fish stocks, maintain a sustainable fishing industry and protect the marine environment. In November, a new Cod Recovery Plan was agreed to promote continued recovery of cod stocks in EU waters, including the North Sea. The Government has been working to identify priorities for Common Fisheries Policy (CFP) reform in 2012, and the Fisheries Minister set out guidelines for reform to draw on stakeholder views and the House of Lords inquiry.

In August 2008, Defra consulted on proposals to help bring short-term stability to the inshore fleet in England, as a first step towards a sustainable fleet in the long term. December's final package included a new licence to fishermen not targeting quota stocks, limiting any increase of effort and safeguarding stocks, and a £5m decommissioning scheme. We have established a Sustainable Access to Inshore Fisheries project to further develop the evidence base on the impacts of inshore fishing in England. In June, the UK agreed an EU regulation to combat Illegal Unreported and Unregulated (IUU) fishing. This regulation, due to come into force in 2010, seeks to prevent, deter and eliminate the import of IUU fishery products into the Community. Defra and DfID worked on Sustainable Development Dialogues with China on fisheries and a fisheries governance programme in Southern Africa.

Marine and Fisheries Agency

The Marine and Fisheries Agency (MFA) undertakes a wide range of delivery functions and responsibilities for Defra in the marine environment and marine fisheries. These include:

- management of UK fleet capacity;
- enforcement of sea fisheries legislation and implementation of EU marketing regime;
- management of UK fisheries quotas; fishing industry grants and UK state aids;
- Data Collection Regulation (EC) 1543/2000 and the management, recording and provision of data on fishing activities and catches;
- control and enforcement of marine construction sites; and
- coordination of environmental aspects of emergency response.

Key developments in 2008/09 include:

- paying out over £5m to projects associated with the fishing industry in grants on over 180 English projects;
- implementing a new system of administrative penalties for fisheries offences. These are designed to be a quicker, simpler alternative to criminal proceedings and reduce administrative burdens on businesses;
- carrying out Joint Deployment Campaigns in EU waters involving other Member States and the Community Fisheries Control Agency. This involves each fishery protection body contributing ships, aircraft, sea-going and shore-side inspectors in joint operations to improve the effectiveness of enforcement of the Cod Regulations;

Marine and Fisheries Agency *(continued)*

- working closely with Defra in delivering an under 10m decommissioning scheme as part of a package of measures which Ministers have announced to try to ensure a more sustainable future for this part of the industry. £5m has been spent to decommission 65 high-catching English under 10m vessels;
- gaining a new responsibility as the enforcing authority for cases of environmental damage to vulnerable species and habitats in the sea under the Environmental Damage Regulations;
- management of new offshore marine regulations, enforcement and wildlife licensing;
- playing a key role in managing emergencies caused by merchant shipping in the marine environment; and
- securing a high profile role in numerous FEPA licence applications for construction in the sea including the Gateway Gas Storage project involving the construction of a £600m sub-sea gas storage facility 25km offshore from Barrow-in-Furness.

For more information about the MFA's work, visit www.mfa.gov.uk.

The European Marine Strategy Framework Directive (MSFD), agreed in July 2008, requires the UK to achieve 'Good Environmental Status' for our seas by 2020. Defra has been focusing on putting the Directive into national law and preparing for implementation. Defra published the Government's High Level Marine Objectives in April 2009 following a consultation process in 2008. The High Level Objectives are agreed across UK administrations and Whitehall departments and reflect how sustainable development will be delivered in the marine environment. A Marine Science Coordination Committee has been established to develop a UK Marine Science Strategy to help deliver the evidence to fulfil the UK's Marine Objectives. Over £1m has been invested in a programme to assess the state of UK seas and to fulfil international marine monitoring commitments. 'Charting Progress 2' will provide evidence to meet the requirements of the MSFD and highlight priorities for the MMO.

The Marine Climate Change Impacts Partnership has developed a special report card on 'Ecosystem Linkages' with climate change, published in April 2009. Ocean acidification is getting more attention as an emerging issue, highlighted in the report. Defra has developed a £10m five-year research programme with the Natural Environment Research Council (NERC) to understand the impacts of climate change-induced ocean acidification including likely effects on commercial fishing.

Centre for Environment, Fisheries and Aquaculture Science

The Centre for Environment, Fisheries and Aquaculture Science (Cefas) is an internationally renowned scientific research and advisory centre working in fisheries management, environmental protection and aquaculture. It aims to be the main source of high quality science used to conserve and enhance the aquatic environment, promote sustainable management of its natural resources, and protect the public from aquatic contaminants.

Cefas's strategically located wave-measuring devices provide near real-time data for flood forecasting. The data is used by the Environment Agency and the Scottish Environment Protection Agency to manage flood-risk issues and coastal defences, and forms part of the UK's Storm Tide Forecasting Service.

Cefas's SmartBuoy programme, part of the UK's Clean Seas Environment Monitoring Programme, underpins the OSPAR Commission assessments of UK waters by providing near real-time data for physical and biological parameters. The system of buoys provides:

- improved understanding of environmental variability and biodiversity; and
- new insights into marine ecosystem function.

A new SmartBuoy was added to the network in January 2009, aimed at monitoring the freshwater plume emanating from the Humber and the Wash.

A flexible package of measures has been devised to implement CFP Council Regulations on management of fish stocks. These include:

- a 30% increase in the North Sea Cod Quota and the establishment of a new separate quota for Eastern Channel Cod in 2009;
- use of more selective fishing gears – like the 'Eliminator' trawl that was piloted by Cefas in UK waters; and
- real-time and seasonal closures to fishing grounds.

The intention is to allow fishermen to land more of what they catch, whilst ensuring a significant reduction in the wasteful discarding of fish. The measures should also help to reduce overall cod mortality, leading to a more sustainable and productive fishery.

Centre for Environment, Fisheries and Aquaculture Science *(continued)*

Cefas scientists have been working with the fishing industry – through the Fisheries Science Partnership and other initiatives – to pilot adaptations to traditional fishing gears. Using their knowledge of fish behaviour, the scientists have suggested simple changes such as changing mesh sizes and providing specialist escape panels for different species. These have delivered significant reductions in the numbers of discards. In addition, Cefas has been working directly with the fishing industry to encourage widespread adoption of this approach and to share more sustainable solutions among the fishing industry.

For more information about Cefas work, visit www.cefas.co.uk.

The Government published proposals in September responding to the International Whaling Commission's June 2008 meeting decision to discuss its future role, in order to lobby and influence other member states so as to protect whales for future generations. Defra worked with stakeholders and delivery bodies to develop a draft strategy to select and designate a network of marine protected areas, including European marine sites and MCZs. It was published for consultation in April 2009. In July, the Government ordered that about 10% of Lyme Bay off the South West coast would be closed to dredging for shellfish and demersal trawling following public consultation in 2007.

Air Quality

Air Quality is key to maintaining health and environmental standards. The UK Air Quality Strategy sets out specific standards and objectives to be met in addition to EU obligations.

What are we doing?

Six out of eight of the UK Air Quality Strategy objectives continue to be met over the whole of the UK. However, some areas remain in breach or are likely to exceed the levels of air pollution for the remaining two: PM₁₀ (particulate matter) and NO₂ (nitrogen dioxide), which can have serious health impacts. We are working to identify what further measures might be needed to reduce levels of NO₂, which is a major problem along roadsides in urban areas of the UK.

In February 2009, Defra published extensive guidance to Local Authorities on the measures available to them to promote the use of low emission vehicles, low emission zones and retrofitment of pollution abatement equipment to vehicles. This guidance will assist Local Authorities in their work to reduce pollution at the local level.

Negotiations on a revised EC Ozone-Depleting Substances Regulation were successfully completed. This will reinforce existing measures to protect the stratospheric ozone layer as well as pave the way for possible new obligations dealing with recovery and destruction of ozone-depleting substances. The UK was successful in ensuring that any new such measures must include a full economic assessment of costs and benefits, taking account of the individual circumstances of Member States (see evidence text-box below).

Defra officials played a key part in the work leading to an historic decision by the Governing Council of the United Nations Environment Programme in February 2009 to prepare a new legally binding framework to control emissions of mercury, a persistent neurotoxin, which is capable of travelling over large distances and can therefore only be tackled effectively by global measures.

During 2008, Defra worked with the Department for Transport (DfT) in developing policy on the expansion of Heathrow airport in relation to air quality and noise limits following the 2007 consultation. In January 2009 the Government confirmed policy support for adding a third runway at Heathrow, making clear that safeguards would be put in place to ensure air quality and noise limits would be met. Defra is working with DfT with a view to consulting on the detail of the compliance mechanism later in 2009. A precondition of any expansion will be that air quality and noise limits are already met.

More on Air Quality can be found under the performance reporting for PSA 28 in Chapter 4 on page 149.

Evidence: Economics

The economics profession at Defra has provided substantial analytical input and helped the Department to deliver on a number of key outcomes that will significantly improve air quality in the UK. This includes informing the European process to negotiate and agree the Euro VI vehicle emissions standards in relation to heavy goods vehicles (HGVs). Combined with the Euro 6 standards agreement for light duty vehicles (LDVs), such as passenger cars, this has contributed towards the realisation of expected benefits of up to £1.2bn as identified in the Air Quality Strategy 2007. Our efforts in agreeing this technical standard was further supported by the announcement in Budget 2009 that incentives would be put in place to increase uptake of Euro VI.

Defra analysis also played an integral part in informing the International Maritime Organisation's (IMO) commitment to reducing emissions from shipping, the key provision being the agreement of long-term reductions of sulphur in fuel, with an estimated air quality benefit to the UK of up to £577m.

Finally to support local improvements in air quality, guidance was also provided to Local Authorities to further support their efforts. This work provided guidance on the appraisal of all policies that may impact on air quality including introducing low emission zones, retrofitment of emission control equipment and incentivising low emission vehicles.

Local Environmental Quality

To secure a healthy natural environment for us all, attention needs to be paid to improving our local environment. This involves improving the cleanliness of our local environment, encouraging local engagement with local environmental issues, and continuing to manage the local noise environment. Several strands of Defra's work support this objective.

What are we doing?

National Indicator (NI) 195 is the street cleanliness indicator which measures levels of litter, detritus, graffiti and fly-posting on our streets and neighbourhoods. All councils in England must survey their areas on a regular basis and report standards of cleanliness to Defra. 72 out of 150 Local Area Agreements (LAA) have NI 195 as an improvement target.

2008 saw the completion of the roll-out of the extended Local Environment Quality Survey of England to all district and unitary councils. This in-depth survey covers everything from levels of litter on the streets to extent of graffiti and fly-posting at bus stops and is a tool to help Local Authorities improve the services they provide.

ENCAMS

ENCAMS (also known as Environmental Campaigns or Keep Britain Tidy) works with Defra to offer direct support to local authorities including through work with the Government Offices on the LAA process.

Defra funds ENCAMS to campaign against littering and other forms of anti-social behaviour. Campaigns in 2008 focused on the two most significant elements in litter: smoking related materials and fast-food litter. The Big Tidy Up was the first national clean-up campaign in over 8 years, designed to encourage a public upsurge in local clean-up events and interest in local environmental issues.

Eco-Schools is an international award programme administered in England by ENCAMS using funding from Defra. Schools work towards gaining one of three awards – Bronze, Silver and the prestigious Green Flag award, which symbolises excellence in the field of environmental activity. The scheme encourages children and teachers to make their school more environmentally-friendly and sustainable. The number of schools in England participating in the Eco-Schools scheme neared the 50% mark during 2008/09.

For more information about ENCAMS work, visit www.encams.org.

Defra has been developing strategic noise maps for major roads, railways, airports and urban areas. These serve two purposes. Firstly, they can be used to provide information on noise levels that can be linked to population data to estimate how many people are affected. This leads to the second use – and the main point of noise mapping – to help people develop action plans for managing environmental noise in a sustainable way. This year we have made the necessary regulations to establish five yearly reviews of noise maps and action plans. Consultations on the proposals are expected over the forthcoming year.

Emergency and Business Continuity Planning

Emergency Planning requires Defra, working with its operational partners, to be well prepared to deal with emergencies for which its business areas are responsible, such as animal or plant diseases, food or water supply emergencies, flooding, or coordinating the consequence management of a Chemical, Biological, Radiological or Nuclear (CBRN) incident.

Business Continuity Planning requires Defra to be well prepared to maintain essential business functions in the face of serious disruption to its staff (for example as a result of a flu pandemic or serious disruption to public transport) or as a result of serious disruption to its infrastructure such as fire, bomb, flood or IT failure or indeed a large scale and sustained response to an emergency event.

What are we doing?

During 2008/09 Defra has shown itself to be resilient to emergencies despite fundamental departmental changes. There were successful responses to Avian Influenza incidents, Bluetongue, Rabies, flooding incidents and two industrial disputes impacting fuel supply. There was a successful Exercise Green Star, led by the Radioactive Waste Preparedness team. Green Star tested the arrangements for the consequence management phase of a CBRN incident.

In line with the recommendations coming out of the Pitt Report (flooding), the Anderson Report (animal disease) and an internal review of governance and delivery across this subject area, Defra is now working on delivering a greater sharing of experience across policy leads as well as setting up a training programme on emergency response.

In terms of animal disease, Defra's revised Contingency Plan for Exotic Animal Diseases was laid before Parliament on 9 December 2008. The plan covers arrangements for dealing with outbreaks and incidents of exotic animal disease, including Foot and Mouth Disease, Avian Influenza, Classical Swine Fever and Newcastle Disease.

The Contingency Plan is comprised of two parts:

- an Overview of Emergency Preparedness which provides details of how we have prepared for the operational response; and

- the Framework Response Plan which is an operational manual for those involved in managing the response and policy information by specific animal disease, setting out current policy on how each of these diseases will be dealt with.

Business continuity planning is being amended to bring it completely in line with British Standard BS25999 (the British Standard for business continuity management).

The UK Government Decontamination Service (part of the Food and Environment Research Agency from 1 April 2009)

The UK Government Decontamination Service (GDS) is an Executive Agency of Defra. Its purpose is to increase the nation's resilience to the consequences of terrorist or major accidental incidents involving the release of CBRN materials. The GDS is also the UK's national centre for providing access to expertise on dealing with decontamination and wider remediation of the built and open environment and critical transport assets. Our work programme is divided between three main areas:

- provision of an evaluated Framework of Specialist Suppliers able to offer decontamination/remediation services in the event of a CBRN incident;
- input to the Central Government knowledge on national capability and capacity for decontamination of the built and open environment; and
- provision of operational and tactical advice and guidance to all tiers of Government and other potential responsible authorities and stakeholders.

Key Developments in 2008/09 include:

- successful completion of the programme to establish the new Framework of Specialist Suppliers – formally launched in Autumn 2008;
- provision of advice and guidance and practical support to a number of responsible authorities to facilitate recovery following local contamination incidents; and
- successful completion of programme to refocus and streamline the GDS remit and resources, and to establish the GDS as part of a new Defra Executive Agency, the Food and Environment Research Agency (FERA).

The UK Government Decontamination Service (part of the Food and Environment Research Agency from 1 April 2009) (continued)

Fera was launched on 1 April 2009 by merging the GDS with the Central Science Laboratory (CSL), Defra's Plant Health and Seeds Inspectorate (PHSI), Plant Health Division and the Plant Varieties and Seeds Division (PVS). The GDS provision will be maintained as a going concern, and for 2009/10 our plans include:

- building on the linkages between GDS and other areas of Fera to improve our capability; and
- ensuring that, as part of Fera, GDS has a stronger cross-government presence to support work on influencing and developing CBRN contingency strategies, and to provide a practical service to Government in the event of a CBRN incident.

For further information about Fera, visit www.defra.gov.uk/fera.

Exotic Animal Disease

Exotic Diseases are diseases that are not typically present in the UK (for example Foot and Mouth, avian influenza, classical swine fever).

The health and welfare of animals is central to Defra's work of protecting and improving livestock as well as controlling and eradicating disease. Government works in partnership with industry on animal health and welfare issues for four reasons.

- To protect human health – 'zoonotic' diseases are those which are transmissible between vertebrate animals and humans.
- To protect and promote the welfare of animals.
- To protect the interests of the wider economy, environment and society – some animal diseases like Foot and Mouth Disease are highly infectious and can move extensively or rapidly through animal populations.
- International Trade – the presence of animal disease, either at the national or regional level, can reduce our ability to trade.

What are we doing?

Defra's Exotic Disease programme aims to reduce the likelihood and impact of exotic disease outbreaks by:

- rigorous risk-based prioritisation;
- a visible shift in responsibility to animal keepers;
- a robust delivery system;

- policies and plans that focus on the right risks and stand up to cost-benefit analysis; and
- effective and efficient response to outbreaks, with animal keepers and wider industry taking the lead where appropriate.

Defra seeks to reduce the risk of exotic disease outbreaks or incursions through various measures including surveillance, import/export controls, publishing guidance for industry on bio-security, preventative vaccination schemes and movement controls. On farm biosecurity measures to prevent the spread of endemic diseases also confers some protection to the undetected spread of exotics. Industry is also applying lessons learned from previous exotic disease outbreaks to business.

Government is also working to continuously improve its own preparedness for exotic disease outbreaks. These measures are aimed at building on capability and capacity to respond. This programme has successfully delivered improved instructions and training programmes, an extensive library of templates for disease declarations, notices and movement licences for high risk diseases, a standard for measuring policy preparedness and cross-team networks to pool knowledge and share resources.

Bluetongue Control Case Study

Bluetongue disease was first confirmed as circulating within the UK in September 2007. The Bluetongue Team and its core group of industry stakeholders worked together to develop the Bluetongue Control Strategy and the 2008 Emergency Vaccination Plan. We were the first country in Europe to underwrite a supply of vaccine, making 28 million doses of vaccine available for use throughout England. This was successfully rolled out, starting with the most at-risk counties. We were the only northern European country to have seen no clinical evidence of disease circulating in 2008.

The success and unprecedented speed of this campaign was largely due to the close working relationship with industry and our delivery partners, and of course the action by farmers to vaccinate. A voluntary vaccination approach enabled us to distribute vaccine quickly and cheaply. We have seen sales of vaccine sufficient to vaccinate 60% of susceptible animals throughout England. Experts believe the high uptake of vaccine in the East and the South effectively controlled circulating Bluetongue Virus 8 (BTV-8) in this area, and protected the rest of England and wider GB from spread of the disease.

Therefore our success has not only been visible from a disease mitigation perspective, but also in terms of responsibility and cost-sharing. A balance has been achieved between the level of Government intervention to establish control zones and movement restrictions (as informed by cost-benefit analysis, underwriting vaccine supply) and industry responsibility for encouraging vaccination to protect livestock and businesses.

Flood and Coastal Erosion Risk Management

Flooding is largely a natural result of severe weather events which are highly variable from one year to another. We can't conclusively attribute any particular event to climate change. However, climate change predictions for the UK do suggest we can expect changes in rainfall patterns including higher winter rainfall and more intense summer storms over the course of the coming century.

The Flood and Coastal Erosion Risk Management programme seeks to promote a broad portfolio of measures for managing the risk from all forms of flooding (river, coastal, groundwater, surface run-off and sewer) and coastal erosion. We are committed to ensuring that the Government's significant investment in this area yields the maximum benefit to society, whilst also ensuring that we are properly equipped to deal with future flooding events.

What are we doing?

We are developing a long-term investment strategy for floods and coastal erosion which will consider the funding needs and pressures for the next 25 years and how the greatest value for money can be achieved in the way that our investment is delivered.

We have published for consultation a draft Floods and Water Management Bill which will consolidate the existing legislative framework, clarify roles and responsibilities for managing risk from all sources of flooding and maximise joint-working between all bodies, agencies and communities.

A consultation was launched in December 2008 on proposals for the National Flood Emergency Framework (NFEF). The consultation paper kicked-off a proactive consultation exercise involving workshops which attracted some 400 responder organisations in the period to the end of March 2009.

Defra is leading on an 18 month Flood Rescue National Enhancement project to improve flood rescue capability and coordination between agencies. This will include putting in place a UK Flood Rescue Operations Framework for all Search and Rescue (SAR) organisations to work within, as well as the further development of team typing and competency based accreditation.

The Thames Estuary 2100 (TE2100) project launched a formal public consultation at the end of March 2009 and is a good example of the application of research, particularly in relation to the understanding of the behaviour of flood risk systems and identification of key risks.

Defra have funded six Local Authorities which have significant surface water flood risk to develop surface water management plans, which will test the draft guidance contained within the draft Surface Water Management Plan guidance. The Pitt review identified an additional £15m of funding to be used by Local Authorities to develop further Surface Water Management Plans, mapping of drainage assets and adoption and maintenance of sustainable urban drainage systems.

Several recent projects have contributed to a better understanding of the costs and benefits of flood and coastal erosion risk management and how these are distributed between different groups. Particular progress has been made on understanding the benefits afforded by property-level flood protection and resilience. This was strongly supported by the Pitt review of the summer 2007 floods and has informed a pilot scheme and led to the launch of a £5m property-level protection grant scheme, announced in December 2008.

The Environment Agency

The Environment Agency (EA) is the leading public body for protecting and improving the environment in England and Wales. With others, it aims to make sure that air, land and water are looked after, so that tomorrow's generations inherit a cleaner, healthier world.

The EA was set up under the Environment Act 1995 and given certain duties and powers. It has around 12,500 members of staff and a budget of just over £1bn. Around 60% of their funding comes from Government, and most of the rest comes from various charging schemes set by Parliament.

Key Achievements for 2008/09 include:

- improved flood defences around the country, including the opening of the Selby Flood Alleviation scheme, an £18m scheme reducing flood risk to 2,500 properties;
- working with industry to reduce greenhouse gas emissions e.g. working with industrial partners to set up the KES Landfill Gas Umbrella Project, a new initiative promoting landfill gas and its potential;
- working with Local Authorities to continue the downward trend in fly-tipping;
- improving river water quality for the eighteenth consecutive year;
- using our risk-based approach to reduce illegal waste activity, for example, stopping 24 consignments of waste being illegally transported to West Africa.

The Environment Agency (*continued*)

For 2009/10 the EA plans to:

- continue to implement Pitt Review recommendations concerning lessons learnt from the 2007 summer floods;
- continue with our programme of work to reduce the flood risk faced by 145,000 houses by March 2011;
- produce 11 River Basin Management Plans for agreement by Ministers in late 2009; and
- contribute to the feasibility study on tidal power in the Severn Estuary towards finding an environmentally acceptable and cost effective means of exploiting the tidal range.

For more information on the EA, visit www.environment-agency.gov.uk.

Forward Look for Priority 1

In addition to continuing with our current work in supporting our Priority to secure a healthy natural environment and deal with environmental risks, in the forthcoming year Defra has the following plans:

Improving Biodiversity

- We will continue to work with Natural England and all our partner organisations to encourage remedial delivery across the SSSI suite to meet the SSSI PSA target of bringing 95% of SSSI land in England into favourable or recovering condition.
- We will complete the 4th National Report to the Convention on Biological Diversity by June 2009.
- We plan to develop and publish our Wildlife Management Strategy.
- We will publish in July 2009 the report on the UK Biodiversity Action Plan: Highlights from the 2008 reporting round.
- The Wildlife Health Strategy, which supports biodiversity, has received expert review and is due to be published on 15 June 2009.
- We will implement more of the recommendations from the Environmental Stewardship review of progress relating to further improving performance for farmland birds.
- In Summer 2009, we aim to develop a Government Strategy for biodiversity conservation in the Overseas Territories.

- Make amendments to the Wildlife and Countryside Act so as to increase protection against the threat from invasive non-native species by restricting the release, planting and sale of certain species.
- We will launch a new environmental volunteering campaign, 'Muckin4Life', a component of the Department of Health's Change4Life campaign focusing on volunteering to improve biodiversity.
- The findings from the second meeting of the AHTEG will feed into the UNFCCC process in Copenhagen in December 2009.

Land and Soil Management

- Ministerial decision on set-aside mitigation will be taken following consideration of the responses to the Environmental Standards in Farming consultation.
- We will continue to implement the objectives of the new Soil Strategy for England.
- We will continue negotiations on the Soil Framework Directive, ensuring its development in line with the principles of better regulation and subsidiarity.
- We will continue work on Defra's Peat Project with the intention of developing new policy options in Winter 2009/10.
- We will continue implementation of the Commons Act 2006 which is contributing towards the SSSI target. This includes the establishment of commons councils, which will help improve the management of common land, and the introduction of powers to stop unauthorised agricultural activities on such land.

Water Availability and Quality

- We will obtain Ministerial decisions on hearing/inquiries and changes to water company Water Resources Management Plans.
- We will consult on changes to the Water Fittings Regulations to improve water efficiency in Summer 2009.
- We will consult on time-limiting of permanent abstraction licences.

Marine

- We will consult on the establishment of Inshore Fisheries and Conservation Authorities.
- We will publish the Strategy for Marine Protected Areas for consultation.
- We plan to ratify the OSPAR amendment to permit all routes for carbon capture and storage.
- We will implement measures to achieve the revised cod recovery plan and to manage the 2009 catch limits.
- We will consult on transposition of the Marine Strategy Framework Directive.

- We will publish the Draft Marine Policy Statement for consultation.
- We plan to deliver the Marine Science Strategy.
- We plan to gain Royal Assent of Marine and Coastal Access Act.

Air Quality

- We will work with Her Majesty's Treasury (HMT) and DfT to deliver the commitment made in the Budget 2009 to encourage the use of Euro V1 HGVs and buses.
- We will continue to work with DfT and HMT to explore the feasibility of incentivising European standards for emissions from cars as announced in the 2009 Budget.
- We submitted in April 2009 the UK application seeking, for small areas of the UK, an exemption from the obligation to apply the limit value for PM₁₀.
- We plan to commence work to develop measures on NO₂ including stakeholder engagement in Summer 2009.
- We will continue negotiations on the Industrial Emissions Recast Directive with a view to possible political agreement in June 2009.
- Substantially complete the review for the first group of Local Authority-regulated industry sectors of guidance on air emissions standards and begin the review for other sectors as part of a three-year programme.
- We will continue negotiations on a revised Gothenburg Protocol under the United Nations Economic Commission for Europe (UNECE) Convention on Long Range Transboundary Air Pollution.
- We will consult on transposition of the new Ambient Air Quality Directive (2008/50/EC) later in 2009.
- We will consult on proposed regulations in 2009 to help implement the EC Ozone-Depleting Substances (Qualifications) (Amendments) Regulation.

Local Environmental Quality

- We will continue to campaign via ENCAMS for behaviour change that will lead to improved local environmental quality – campaigns are planned on tackling littering from vehicles and a further round of the 'Big Tidy Up'; encouraging and enabling communities to play an active role in looking after their neighbourhood and promoting good local environmental quality.
- We will be publishing, following a public consultation, noise action plans for large urban areas, major roads and major railways, which will be designed to manage noise issues and effects, including noise reduction where necessary. Airport operators will do the same for the major airports covered by the Environmental Noise (England) Regulations 2006 (as amended).

- This year we will be holding a series of events to mark the 60th anniversary of the National Parks and Access to the Countryside Act 1949. This landmark Act ensured that our most precious places are accessible to the many rather than the few, by laying the foundations for National Parks, designated Areas of Outstanding Natural Beauty, national and local nature reserves and national trails. We will use the 60th anniversary celebrations to raise awareness of the contribution that our natural landscapes make to local economic prosperity – and the opportunities they provide for people to lead greener, healthier lifestyles.

Local Government Performance Framework

The new performance management framework for local government, which was agreed in 2008, was a step-change in the representation of environmental interests in local government performance management arrangements. The new national indicators set is now the only means of measuring national priorities delivered by local government and local areas. The number of indicators has been radically reduced, from around 1,200 to 198. Thirteen of these cover environmental issues. These include areas which have long been at the heart of local government delivery such as waste management and local environment quality, but for the first time also cover wider environmental issues including climate change, biodiversity and flood management. The new environmental indicators have been widely taken up by local areas in their Local Area Agreements with central Government.

Emergency and Business Continuity Planning

- Defra is one of a number of departments working to make sure that everything possible is done to prepare for and minimise the effects of a possible pandemic in the UK. Teams in Food and Farming Group and Contingency Planning and Security are heavily involved, and have well developed plans, which have been put into action. Defra is working closely with all parts of industry to ensure that Government provides support where required. We are also working within Defra to ensure that services are provided to maintain as far as possible a safe working environment for our staff in relation to any possible pandemic.
- In terms of emergency preparedness, Defra plans to build on our departmental capacity for disease response by introducing a programme of activity across Defra to share experience from event responses and to train staff, including volunteers.
- Defra will also work towards further developing our existing exit strategies from exotic disease outbreaks to facilitate quick and efficient closedown of outbreak recovery phase.

- We will develop our strategies and control measures for the key medium-high risk exotic diseases, building on work done in 2008/09 and focusing particularly on pigs, horses and rabies.

Exotic Animal Disease

- New legislation for Swine Vesicular Disease (SVD) to be laid in June replacing the old outdated legislation for the control of SVD with modern, more proportionate measures.
- We will encourage vaccination against Bluetongue Virus 8 (BTV-8) and prepare for the risk of incursion of other serotypes.

Flood Risk Management

- As recommended by the Sir Michael Pitt report, the final National Flood Emergency Framework (NFEF) will be produced incrementally and be completed by 30 June 2010.
- By May 2009 the Flood Rescue National Enhancement project will have created a multi-agency, national register of flood rescue assets.
- The NFEF and flood rescue capability will be exercised during Exercise Watermark, a national flood exercise scheduled for spring 2011.
- Over the next 2 years we aim to offer an improved standard of protection against flooding or coastal erosion risk for 145,000 more homes, including 45,000 of those at the highest risk.
- We will continue consultation on the new Floods and Water Management Bill.
- We will work with Local Authorities and the Environment Agency to improve management of surface water.
- We will identify options for helping communities adapt to the impacts of coastal change.
- We will publish a new long term investment strategy for flood and coastal erosion risk management.
- Announce results of our new property level flood protection grant scheme and take forward a second round of applications.

Priority 2:

Promote a sustainable, low carbon and resource-efficient economy



Highlights from 2008/09

- A carbon footprinting methodology (PAS 2050) has been developed to enable businesses to assess the impacts of their products (launched in October 2008 by the British Standards Institute, Defra and the Carbon Trust).
- Work continues on improving the energy efficiency of energy-using products. Measures agreed under the European Union (EU)'s Eco-design for Energy-using Products Directive will save just under 7 MtCO₂ per annum by 2020. This will result in average annual savings of around £900m resulting from reduced energy bills, the sale of EU allowances, and changes in other environmental impacts.
- Advice on reducing waste and energy use featured in the 'Real Help' campaign to help businesses best weather the economic downturn.
- Two of ten product roadmap action plans have been launched setting out the commitments to reducing adverse environmental and social impacts across the supply chain (Dairy Supply Chain Forum's Milk Road Map was launched in May 2008 and the Sustainable Clothing Action Plan was launched at London Fashion Week in February 2009).
- More than 7 million tonnes of packaging have been recovered from the waste stream (this is equivalent to about 65% of all packaging), ensuring that we meet the EU Packaging Directive targets for 2008.
- Defra has worked with partners including the Environment Agency and the Waste and Resources Action Programme (WRAP) to monitor markets for recycled materials and to ensure that recycling continues to be a viable option.
- The 'Recycle on the Go' campaign was launched by Defra, which aims to put accessible recycling bins in public places.
- The Carbon Emissions Reduction Target (CERT) commenced on 1 April 2008 and runs until 31 March 2011. Under CERT, suppliers are assigned an individual target to deliver carbon reduction measures in households in Great Britain. An independent review of the scheme has shown that on average, consumers benefit by £9 for every £1 spent over the lifetime of the measures. As part of the Home Energy Saving Programme, the Government proposes increasing the size of the current CERT by a further 20%. This work has currently moved to The Department of Climate Change (DECC).
- The Climate Change Act was given Royal Assent in November 2008 after the creation of DECC. However Defra was responsible for taking this through most of the Parliamentary process.

- The Act On CO₂ marketing campaign launched the Act On CO₂ advice helpline and campaign bursts on TV, press and via online advertising. On 5 June 2008 the Act On CO₂ personal calculator reached a significant milestone with its millionth unique visitor and continues to see a steady flow of visitors eager to calculate their carbon footprint.
- The Climate Change Act included enabling powers for a compulsory charge on carrier bags (around 10 billion issued in 2008). The British Retail Consortium (BRC) made a voluntary agreement with Defra, Welsh Assembly Government and Northern Ireland to reduce the number of single use carrier bags issued by the leading supermarket chains by 50% by the end of May 2009.
- The new KES Landfill Gas Umbrella Project is working with our industry partners to promote the potential of landfill gas. During 2008/09 the Environment Agency (EA) worked closely with industry to audit the top 15 landfill gas producing sites and agree action plans at each to reduce emissions.

Introduction

Our second Priority to promote a sustainable, low carbon and resource-efficient economy focuses on the work of Defra in areas such as sustainable consumption and production, waste management, climate change mitigation and the promotion of sustainable rural communities.

The economic downturn has emphasised the importance of improving resource efficiency for households and businesses as well as our commitment to developing a low carbon, resource efficient and sustainable economy in the longer term. Sustainability and resource efficiency supports our goals on the wider environment, addressing not only greenhouse gas emissions, but also addressing waste and the best use of our resources.

The outcomes we are seeking to achieve through this Priority are reflected in our public commitments which include several of our DSOs as well as work with DECC to deliver PSA 27. Latest performance on our targets can be found in Chapter 4: Our Performance.

Sustainable Consumption and Production

We are working towards an economy where products and services are designed, produced, used and disposed of in ways that minimise carbon emissions, waste and the use of non-renewable resources.

Sustainable Consumption and Production (SCP) is about achieving more with less, finding ways to minimise damage to the natural world and making use of the earth's resources in a sustainable way. This contributes to the wider aim of a more sustainable, low-carbon and resource-efficient economy. Our policies are seeking to achieve the following results:

- encouraging business to produce, market and use more sustainable products and services;
- encouraging consumer demand for sustainable goods and services, and reducing the environmental impacts of household consumption;

- increasing the resource efficiency of business operations and processes;
- leading by example through sustainable public procurement; and
- preventing, reducing and recycling waste, and reducing landfill.

Current consumption, production and waste disposal patterns in the UK are incompatible with sustainable living. They account for a significant proportion of greenhouse gas emissions and are dependent on inputs of non-renewable resource, energy and water. Products and materials are currently landfilled that could be reused, recycled or have energy recovered from them. Current developed country patterns of consumption and production could not be replicated world-wide. Some calculations suggest that this could require three planets' worth of resources.⁶

Considering the drag on the UK's economy and costs to business from inefficient resource use, achieving sustainable consumption and production remains critical during the economic downturn. Our approach is to work with the grain of markets but to help those markets work in ways which give full value to environmental impacts. Central to achieving our goals is reducing the environmental impact of our lifestyles, the products that our economy consumes, and the waste we produce, so that we can live within our environmental means without compromising our quality of life.

What are we doing?

SCP is a cross-Government influencing programme led by Defra. It builds partnerships with key stakeholders to influence and effect changes in the way business operates and how people live their everyday lives. Defra is working to achieve this in three key ways.

1. We are **encouraging best practice** by providing the tools, guidance, and information to help businesses and consumers choose the most sustainable behaviours. Relevant work includes the following:

- helping Government and business understand and assess the lifecycle impacts of products and how to market and differentiate those products. A number of relevant initiatives include the publication of a Progress Report on *Sustainable Products and Materials* which outlined the lifecycle environmental impacts of products, development of Product Roadmaps for ten high impact products, PAS 2050 carbon footprinting methodology, updating the Green Claims Code, and agreeing Government-wide assessment methods and labelling for product lifecycle impacts;
- continuing to provide resource efficiency support for businesses, consumers and the public sector. This work is primarily delivered through our delivery bodies. Following a review of the delivery bodies it was announced that the seven existing bodies would be brought together under the leadership of WRAP, announced on 27 March 2009. Further information on the Waste and Resources Action Programme (WRAP) can be found on page 65;

⁶ World Wildlife Fund (WWF), 2004, *Living Planet Report*.

- ongoing research on consumption and environmental behaviours is being used to ensure continued integration of behaviour change approaches across Defra's work in policy and communications. This has been particularly important for public engagement and developing third sector strategy, such as the new Greener Living Fund of £6m over 2008-11 which aims to support national third sector organisations to encourage pro-environmental behaviours at a community level; and
- Defra are providing financial support for the pilot phase of the 'Reynolds-Cheshire' initiative involving business and the third sector to encourage consumers to choose seasonable and locally grown produce.

2. We are **leading by example** by establishing overarching policy frameworks and ensuring that the government acts in a sustainable way. Relevant work includes the following:

- working with DECC and The Department for Business, Enterprise and Regulatory Reform (BERR) on the Low Carbon Industrial Strategy, which was launched by the Prime Minister at the low carbon economy summit on 6 March 2009. This sets out how we will develop low carbon resource efficient businesses in the UK, and builds on the response to the report of the Commission on Environmental Markets and Economic Performance (CEMEP) *Building a low carbon economy: unlocking innovation and skills* published in May 2008; and
- developing challenging, but achievable, UK Government and EU-wide frameworks for the sustainable procurement of products. An evidence base and policy approach will be developed by December 2010, with a view to publication and use of standards by the UK Government by December 2011.

3. We are **setting standards** through EU regulatory frameworks and industry guidance to ensure that minimum requirements are implemented in product design, production, use and end of life considerations. Relevant work includes the following:

- the sustainability of energy-using products is being raised through EU wide minimum energy performance and energy labelling standards, and engagement with the supply chain and with our international partners;
- Defra continues to work with industry to introduce more energy efficient light bulbs, ahead of an EU-wide mandatory phase out of incandescent light bulbs;
- Defra took a lead role with BERR to advocate and successfully develop an EU Action Plan for Sustainable Consumption and Production and Sustainable Industrial Policy in July 2008 (this includes new proposals to improve the environmental performance of products and their uptake);
- as required in the Climate Change Act, Defra is preparing guidance on how organisations should measure and report their greenhouse gas emissions for publication later this year; and

- Defra, in collaboration with the European Commission's Joint Research Centre, launched the voluntary European Code of Conduct on Data Centres in November 2008. Use of the Code by Data Centres in the UK alone over the next six years could save 4.7MtCO₂, equivalent to taking more than a million cars off the road, and £700m (note that the savings presented here will overlap to some degree with other related policies, and are therefore not entirely additional).

An important aspect of more sustainable consumption and production is the impact of products at their end of life as waste. Following the Waste Strategy for England 2007, Defra is working to:

- secure better integration of treatment for municipal and non-municipal waste;
- secure the investment in infrastructure needed to divert waste from landfill and for the management of hazardous waste; and
- meet and exceed the Landfill Directive diversion targets for biodegradable municipal waste in 2010, 2013 and 2020.

The Waste Infrastructure Programme continues to support local authorities to build infrastructure. For example, 10 new Private Finance Initiatives (PFI) projects were approved in 2008, practical support on the procurement of major waste infrastructure was provided to 43 Local Authorities, a procurement advice pack with guidance documents to help all waste infrastructure projects has been produced and two, well attended, Solid Recovered Fuel (SRF) market stimulation events have been staged. A minimum standard for SRF which is included in the Renewables Obligation Order came into force on 1 April 2009.

Defra has been working with the Business Resource Efficiency & Waste Centre for Local Authorities to support 6 Local Authorities in piloting 'Zero Waste Places' across England ranging in size from a residential street to an entire region.

The Environment Agency (EA) has reduced overall reliance on landfill as a result of successful ongoing implementation of the Landfill Directive. Since 2001, the number of landfill sites located within England and Wales has reduced from over 2,000 to approximately 450 in 2009.

Waste and Resources Action Programme

1) Food Waste

The Food We Waste report, launched by the Waste and Resources Action Programme (WRAP) in May 2008, estimated that UK households throw away 6.7 million tonnes of food every year, most of which could have been eaten had it been planned and managed more effectively. Each tonne of food waste avoided saves about 4.5 tonnes of CO₂ equivalent greenhouse gas emissions. WRAP has helped to reduce food waste by 137,000 tonnes, saving 600,000 tonnes of CO₂ equivalent greenhouse gas emissions.

Waste and Resources Action Programme (continued)

WRAP's 'Love Food Hate Waste' campaign is working with the UK grocery sector, food industry, Government and organisations such as the Food Standards Agency to encourage behaviour change by making it easier for consumers to get the most from the food they buy and waste less of it.

In January 2009 the signatories of the Courtauld Commitment agreed to work together to help reduce the amount of food the nation's householders throw away by 155,000 tonnes by 2010, against a 2008 baseline.

2) Closed Loop plastic bottle recycling

WRAP's funding has supported the creation of a unique reprocessing plant, Closed Loop in London, to convert waste plastic bottles back into recovered plastic resins suitable for food grade applications. These resins are used for the manufacture of new plastic bottles for drinks and milk as well as thermoformed packaging in the UK. The plant opened in 2008 and will take 35,000 tonnes per year of mixed plastic bottles from municipal and office collections, saving 50,000 tonnes of CO₂ equivalent greenhouse gas emissions each year.

3) Halving construction waste to landfill

WRAP is helping the construction industry to achieve the Government-industry target of reducing by half construction, demolition and excavation waste going to landfill by 2012, through the voluntary agreement – *The Construction Commitments: Halving Waste to Landfill*. Over 100 leading organisations representing all parts of the construction supply chain have already signed up to the agreement.

Also assisting the construction industry to reduce waste to landfill is the Aggregates Levy Sustainability Fund (ALSF). A total £24m of ALSF funding was distributed in 2008/09 with the aim of reducing the environmental footprint of aggregates production and delivering benefits to communities in areas where aggregates are extracted.

4) Achievement of the first Courtauld Commitment target

The Courtauld Commitment brokered by WRAP achieved its first objective of halting the growth in packaging used in the retail supply chain. Without this agreement it is estimated that packaging used would have increased by around 2% per annum. Absolute reductions in packaging waste are planned by 2010.

Waste and Resources Action Programme *(continued)*

5) Work on market conditions

With the aim of improving the availability of market information within the recycling and re-processing sector, WRAP developed the Market Knowledge Portal, which summarises key market trends and pricing information and directs users to other key data sources. Additionally, WRAP produces regular Materials Pricing Reports and published market situation reports on organics, glass and china. This is particularly relevant in current economic conditions and volatility in commodity prices.

For more information on reducing your individual or business waste contributions, visit www.wrap.org.uk.

Envirowise

Envirowise⁷ launched a new practical online packaging indicator tool for eco-design. The tool is aimed at helping businesses reduce the environmental impact of their packaging designs. This has been piloted by Mars Snackfood, Diageo and other major companies and 800 businesses have registered for the toolkit.

The Food and Drink Federation (FDF) and Envirowise launched the Federation House Commitment in January 2008 as a response to the challenges in Defra's Food Industry Sustainability Strategy. The Commitment aims to contribute to an industry-wide 20% reduction in water use (outside of that embedded in products) by 2020 against a 2007 baseline. A total of 36 companies (including 30 FDF members) have signed up to the Commitment with nearly 200 food and drink manufacturing sites across the country working on reducing water usage under the Commitment. Actions under the initiative have so far resulted in a 1.7% reduction of absolute water use (not embedded in products) since 2007, equating to more than 475,000 cubic metres of water saved during 2008.

More on Sustainable Consumption and Production can be found under the performance reporting for DSO 3 in Chapter 4: Our Performance.

⁷ More on Envirowise can be found at www.panda.org/news_facts/publications/general/livingplanet/index.cfm.

Climate Change Mitigation

Climate change is the greatest environmental challenge facing the world today. Rising global temperatures will bring changes in weather patterns, rising sea levels and increased frequency and intensity of extreme weather.

Climate change presents a significant challenge to the UK and to the international community. However, there are also opportunities if we are willing to take action. Government, business and individuals all have a part to play both in mitigation (reducing greenhouse gas emissions to help prevent climate change) and adaptation (more on Adaptation to Climate Change can be found under Cross-cutting objective 2, page 108).

What is Government doing?

DECC was created on 3 October 2008 to tackle the twin challenges of energy security and climate change. Defra is working closely with the new Department to reduce greenhouse gas emissions and protect the UK and global environment.

The Climate Change Act came into force on 26 November 2008 and requires Government to reduce greenhouse gas emissions to 80% below 1990 levels by 2050. In order to achieve this, the Government has set the first three UK carbon budgets spanning 2008-22 into law on 22 April 2009. These carbon budgets require a 34% reduction in greenhouse gas emissions by 2020. Defra's contribution to achieving the carbon budgets will be determined during the course of 2009, and will build on our action to reduce emissions in sectors such as agriculture, forestry, land management, and waste, and our programmes on sustainable consumption and production and the food chain.

Government commissions a wide range of scientific research on climate change and funds a number of programmes to encourage business to reduce emissions and to find cost effective measures to tackle climate change including the Climate Change Levy and Climate Change Allowances and emissions trading schemes. Government also funds the Carbon Trust and the Energy Saving Trust, who provide advice and help for businesses and the public.

DECC and Defra

Until October 2008 Defra led on climate change policy (mitigation and adaptation) across Government, but with the relevant Departments leading their individual climate-related policies. DECC now leads on all mitigation, and international adaptation. Defra retains the lead on UK adaptation.

This means Defra's role on mitigation is now like that of DECC's other key partner Departments, such as the Department for Transport (DfT), and Communities and Local Government (CLG). Defra leads on specific policies to reduce greenhouse gas emissions in areas we influence, primarily: agriculture, forestry, and soils; waste; some industrial gases (particularly fluorinated gases); sustainable consumption and production; and the food chain.

Our other key role is to ensure that all of the Government's mitigation policy takes account of sustainability and environmental impacts.

Some of the major policies that Defra used to lead on and that are now the domain of DECC include:

- all EU and international negotiations on all aspects of climate change including the EU Emissions Trading Scheme;
- all energy-related domestic policies; and
- carbon budget policies.

What are we doing?

Defra's 'Save Money, Save Energy, Act On CO₂' campaign will provide long term assistance to households to help them tackle rising energy prices and save up to £300 every year on energy bills, through improved energy efficiency and other measures.

Defra provided a cash boost of £450,000 in 2008/09 to the Regional Climate Change Partnerships and made a further funding commitment covering 2009-11.

The highly successful Climate Change Champions initiative, focused specifically on inspiring young ambassadors within each of the regions to raise awareness around climate change and to promote action to reduce individuals' carbon footprints. It ran in 2008/09 and, thanks to the efforts of one young ambassador, the Duke of Edinburgh Awards will be incorporating climate change in its awards programme.

Defra helps the agriculture sector to play its part in mitigating greenhouse gas emissions. This includes the development of a policy framework for reducing emissions from the agriculture, forestry and land management sector, our continued work to promote the uptake of anaerobic digestion and also to fund the 'Farming Futures' communications project until March 2010.

In order to protect the large store of carbon in our soils (about 10 billion tonnes in the UK), Defra is working jointly with Devolved Administrations and public sector partners on peat protection, developing best practice for protecting peat soils from degradation as well as seeking to understand the trends and status of our peat soils. We have also commissioned a literature review into the possibility of using biochar, a charcoal-like substance created from biomass, as a means of sequestering carbon in our soils in a more permanent way.

Defra completed a major consultation in October 2008 on further proposed regulations and measures to implement controls and underpin European Community (EC) legislation on fluorinated gases.⁸ The revised regulations came into force in early March 2009.

At the international level, Defra/UK took part in negotiations under the Montreal protocol in November 2008 that led to a successful replenishment of the Multilateral Fund (\$490m for 2009-11) that will help developing countries accelerate their phase-out of hydrochlorofluorocarbons (HCFC) as well as the complete phase out of other substances. The UK's contribution will be almost \$11m a year over the three year period. Accelerated HCFC phase-out will deliver ozone layer and climate benefits, as ozone-depleting substances are also powerful greenhouse gases.

Defra is working closely with The Department for International Development on the environmental sustainability of increased global food production, including climate impacts. Our food chain programme is also exploring the greenhouse gas emissions resulting from the international links in the UK's food chain.

Funding for Low Carbon Technologies will support low carbon development, clean technologies, climate resilience and sustainable forests management in developing countries. The UK element of the Environmental Transformation Fund⁹ has been increased to £400m over the next three years.

⁸ Fluorinated greenhouse gases are covered by the Kyoto protocol and have high global warming potential. They are widely used in commercial refrigeration and air-conditioning systems and other more specialised uses. Emissions of these gases amounted to just under 2% of UK emissions in 2007.

⁹ www.defra.gov.uk/environment/climatechange/uk/energy/fund/index.htm

Evidence: Research & Development

Our Evidence team supports the work of Defra across our purpose and three priorities. Our work on bio-lubricants, a carbon emissions indicator and product roadmaps contribute to the promotion of a sustainable, low-carbon and resource-efficient economy.

Concrete made from non-toxic, biodegradable material will take the UK one step closer to manufacturing products in more carbon-friendly ways, thanks to Defra-funded researchers. Scientists have developed a technique that uses bio-lubricants made from vegetable oil to mould concrete. This reduced the amount of greenhouse gas emissions released by more than half compared to mineral-oil based lubricants. There is increasing demand to make concrete environmentally friendly, especially where it comes into contact with people, water and food. Bio-lubricants can help reduce the carbon-footprint of many products made by the chemicals industry, such as soaps, paint and paper.

A carbon emissions indicator was published in the summer of 2008 and represented a key piece of research for Defra policy. The indicator shows global impacts of products, and helps underpin the scope of some of the policy projects in sustainable production and consumption.

Defra is piloting the development of ten 'product roadmaps'. Product roadmapping was conceived as an approach for facilitating collaboration between Government, business and other stakeholders to achieve improvements in the sustainability of products. Various research projects have helped in identifying the environmental impacts and where targeted action is needed across the lifecycle and supply chain of roadmap products, such as cars, televisions, toilets, domestic lighting and oxy-degradable plastics. Over the next year, we are funding projects to inform the development of the action plan for the clothing roadmap.

The outputs of a food manufacturing waste mapping survey, commissioned jointly by Defra and the Food and Drink Federation (FDF), have provided a snapshot of the level of food and packaging waste occurring across FDF's member companies. The survey results will help inform Defra's, FDF's member companies and WRAP's work, to continue improving food and packaging waste prevention in the food manufacturing industry.

Socially and Economically Sustainable Rural Communities

Supporting and promoting socially and economically sustainable rural communities contributes to all of our priorities as well as to the work with our delivery partners.

What are we doing?

To support the promotion of socially and economically sustainable rural communities, the Prime Minister invited Matthew Taylor MP to conduct a review on how land use and planning can better support rural business and deliver affordable housing. Many rural communities are faced with a combination of higher-than-average house prices and lower-than-average local wages. This can create challenges for individual families, the local economy and the wider sustainability of the community.

The Taylor review was presented jointly to CLG and Defra on 23 July 2008. It made a number of recommendations for how these issues can be addressed within the context of existing protection for the natural environment through the application of land use and planning policy. The Government response was published on 25 March 2009 and the Government accepted most of the recommendations of the report.

A major focus of our work in relation to affordable rural housing has been in supporting delivery of the Government's target for affordable housing in rural areas. That target commits the Housing Corporation to deliver at least 10,300 affordable home completions in settlements of less than 3,000 inhabitants over the period 2008/11. Initial numbers on completions in the period 2008/11 have been promising. However, given current market conditions, it is too early to predict outputs with certainty over this time period.

With the support of CLG, Defra is funding a research and good practice project which will support the new Homes and Communities Agency to actively promote delivery of this target in light of the current challenging economic context.

We have continued to engage with DfT on its plans to make changes to the Bus Subsidy Operators Grant (BSOG), which currently provides £413m a year to support marginal bus services, many of them in rural areas. We accept the need to improve the current subsidy arrangements, but we have been clear that any changes should not adversely affect people living in rural areas. We have also engaged with DfT on proposals to replace some rural buses with taxis and an emerging EU directive on the rights of bus and coach passengers.

We have continued to work with BERR and CLG over the digital agenda, ensuring that rural areas are taken into account in broadband policy development. The Government's Digital Britain Interim Report was published in January and gave a commitment to develop plans to make broadband a universal service by 2012.

More on Rural Affairs can be found under Cross-cutting objective 3: Rurality and performance reporting for DSO 8 in Chapter 4: Our Performance.

Forward Look for Priority 2

In addition to continuing with our current work in supporting our priority to promote a sustainable, low-carbon and resource-efficient economy, plans for the forthcoming year include:

Sustainable Consumption and Production

- We will update and publish the Green Claims Code in 2009, which provides guidance and principles for the responsible use of product information in green marketing. A sector specific document will be published in 2010.
- Define new environmental standards for key products and services purchased by Government and develop an agreed EU framework for Green Public Procurement. Robust UK and EU minimum procurement standards are to be developed and rolled out by the UK Government by the end of 2011.
- Further work to develop pilot product roadmaps to reduce the environmental impacts of products with a significant environmental impact. Cross-government and industry decisions are to be made in 2009 on roadmaps for cars, plastics, palm oil and tourism.
- £6m Greener Living Fund projects and partners are to be launched, with projects completed by the start of 2011.
- The second phase of the 'Real Help' campaign for businesses is to be developed and implemented, with completion planned for 2009/10.
- A research centre on sustainable behaviours is due to be established in 2009, to continue to build the evidence base on consumer environmental behaviours.
- The Low Carbon Industrial Strategy is expected to be published in Summer 2009. Defra will continue to focus on the opportunities to help the UK transition to a low carbon economy from improved resource efficiency in the use of materials, water and other resources, and through waste reduction.
- Defra will also update the carbon footprinting methodology (PAS 2050), publish guidance in 2009 on corporate reporting of greenhouse gas emissions as required under the Climate Change Act, and publish jointly with BERR a strategy document setting out the Government's vision for optimising packaging and increasing the recycling of packaging waste.
- In terms of further reducing waste, Defra plans to help consumers avoid food waste by working with the FSA to clarify food labelling, establish producer responsibility schemes for the collection and recycling of used portable batteries, transpose the revised EC Waste Framework Directive and work closely with the EA, WRAP and the Local Government Association to monitor markets for waste and materials and the effects of the recession to maintain public confidence in recycling.

- We will influence further ambitious agreements under the Eco-design of Energy-Using Products Directive. The first phase is to be completed by end 2010, with the second phase commencing in early 2011.

Climate Change Mitigation

- Defra has developed with other departments an international strategy statement on sustainable biofuels, focused on the need to avoid indirect greenhouse gas emissions as well as wider environmental and food security impacts from these intended mitigation measures. This will be integrated into a wider Government policy statement on biofuels at the UK, EU and international levels.
- Defra is contributing to a new government project on palm oil to help reduce greenhouse gas and biodiversity impacts.

Socially and Economically Sustainable Rural Communities

- Defra in partnership with BERR, the Commission for Rural Communities (CRC) and the Regional Development Agencies (RDAs) will continue to monitor the impact of the economic downturn on rural communities. This is to have a focus on any risks that may be particularly relevant to rural areas such as issues affecting small and medium sized enterprises (SMEs) or those on low wages or in seasonal or part-time work.
- We have commissioned a number of research projects in support of our *Socially and Economically Sustainable Rural Communities* DSO. These include projects looking at educational attainment and choices, house values and their effect on rural communities, health inequalities and social capital in rural communities. These particular projects are due to conclude in Summer 2009 but the portfolio is a dynamic one and other projects will be commissioned as necessary.
- Fuel poverty is an important issue for rural areas. The nature of housing stock and lack of access to gas mains means that people living in rural areas face particular difficulties. It can be difficult to make the necessary improvements to older housing stock, of which there are high numbers in rural areas. To make housing stock more fuel efficient we are working with DECC and the CRC to better understand these issues and their possible solutions.

Priority 3:

Ensure a thriving farming sector and a sustainable, healthy and secure food supply



Highlights from 2008/09

- The Machinery of Government changes in October 2008 gave Defra a coordinating role in food policy. This will require us to work with other departments on wider issues, in addition to our lead responsibilities on farming, the food industry and their environmental impacts, for example social impacts (including health, wellbeing and food poverty) and international activity on global food security and sustainability.
- In December 2008 the Secretary of State announced Uplands Entry Level Stewardship (ELS), a new strand of Environmental Stewardship designed specifically for upland farmers. The scheme will replace the Hill Farm Allowance from 2010, rewarding farmers for the provision and maintenance of landscape and environmental benefits in the uplands.
- Following the announcement by the Secretary of State on 6 December 2007 that a commemorative badge and certificate would be awarded to the Women's Land Army (WLA) and Timber Corps, during 2008/09 Defra awarded over 33,500 badges to veterans and organised a special ceremony hosted by the Prime Minister at Downing Street, at which 50 ladies received their badges personally from the Prime Minister, in recognition of the contribution to the war effort of all those who served in the WLA. Defra has also been working with Lord Lieutenants around the country to support them in hosting further events to celebrate the award of the badge.
- Additional resources totalling £4.3m were announced on 21 January 2009 for bee health measures. £2.3m is targeted at implementing the first stage of the 'Healthy Bees' plan which was launched on 9 March 2009.¹⁰
- On 3 November 2008 a new Bovine TB Eradication Group was launched. The Group has met regularly since 27 November 2008.
- Defra collaborated with cross-Whitehall teams to publish the UK's first cross-government international pandemic preparedness strategy in October 2008. The strategy recommends how we might best encourage engagement and research across veterinary and human health sectors globally in support of a 'One World, One Health' approach.

¹⁰ Out of a new total research and development budget of approximately £600,000 p.a., some £500,000 p.a. will be channelled into a new research programme with other funding bodies on threats to pollinators, including honey bees, and the remainder will be available for urgent honey bee issues. (The new £600,000 p.a research and development budget has been set for the next 5 years and is some £400,000 p.a larger than the current budget).

Introduction

Our third Priority – to ensure a thriving farming sector and a sustainable, healthy and secure food supply – focuses on the work of Defra in areas such as future farming policy and practice, the impacts of climate change in the farming sector, food security, rural development and animal health and welfare.

Food security is a complex issue, one that is at the same time global and local, an immediate challenge and a far reaching one, a threat to be dealt with and perhaps also an opportunity. Defra has the lead on food security across Government; to ensure a reliable and resilient food supply. Alongside this, it is essential to support a thriving farming sector; a farming sector that is competitive, profitable, adapted to climate change and sustainable. These aims will help us promote and protect our environment.

The outcomes we are seeking to achieve through this Priority are reflected in several of our DSOs, in particular DSO 6 and DSO 7. Latest performance on these targets can be found in Chapter 4: Our Performance.

A Sustainable, Secure and Healthy Food Supply

UK food security means consumers having access at all times to sufficient, safe and nutritious food for an active and healthy life at affordable prices. To enable this, our food supply must be reliable and resilient to shocks and crises; food must be produced sustainably, and our food security needs to sit alongside our other, urgent priorities of tackling climate change, securing a healthy natural environment, helping consumers make the transition to healthier diets as well as ensuring the long-term sustainability of the food and farming industries.

What are we doing?

Defra published a discussion paper on ensuring food security in July 2008 and contributed to the development of a report by the Prime Minister's Strategy Unit entitled *Food Matters: Towards a Strategy for the 21st Century* (published in July 2008). Together these papers set the scene for the Government's approach to food policy – joining up the economic, health, social and environmental challenges in the food system with long-term security.

The Council of Food Policy Advisors was established in December 2008 for two years with a remit to provide independent advice to the Secretary of State on all areas of food policy. The Council's initial priorities are: defining healthy and sustainable diet; looking at how to increase fruit and vegetable consumption; and advising Government on public procurement and demand modification.

Defra has continued to carry out research into the environmental impacts of food, in particular on greenhouse gas emissions. This work contributed to the development (with BSI and Carbon Trust) of a standard methodology for measuring greenhouse gases in goods and services (PAS 2050). This has provided indicative greenhouse gas emissions data for certain foods throughout the supply chain and provided indicators of the relative merits of different potential food supply systems.

Defra is introducing regulations to protect the £4bn per annum Scotch Whisky industry to tackle fraudulent and deceptive practices estimated to be costing industry approximately £150m per annum.

Defra is responsible for the Public Sector Food Procurement Initiative (PSFPI) launched in August 2003 to help deliver the Government's Sustainable Farming and Food Strategy. A progress report covering PSFPI work in the regions during 2008/09 will shortly appear on the the Defra web site.

An evaluation of the PSFPI in March 2009 identified how best to build on the progress already made and work will begin on implementing the recommendations approved by Ministers in the financial year 2009/10. Defra is also working with the Department of Health to develop a Healthier Food Mark – a recommendation in the Cabinet Office report *Food Matters: Towards a Strategy for the 21st Century*. The mark will include both nutritional and sustainability criteria and will be piloted during 2009/10.

Defra has worked closely with the Office of Government Commerce and the Department for Children, Schools and Families over the last year to link the PSFPI and embed sustainability into the Collaborative Food Strategy. The latter was established to help public sector organisations work more closely together in their procurement of food and catering services.

Defra has funded a consortium led by Dame Fiona Reynolds and Ian Cheshire to direct work on reconnecting people with seasonal eating habits and growing their own food. The 'growing your own' phase of the campaign was launched in March 2009. The second and main part of the campaign, that encourages people to eat more in-season food, was launched on 28 May 2009.

The United Kingdom Export Certification Partnership was established as a joint government/industry pilot project in October 2008 on a three-year trial. Defra is investing and working jointly with the UK meat, livestock and genetics industry to reopen third country exporting markets for their products.

Covent Garden Market Authority (CGMA)

LowHub provide an eco-friendly service delivering fruit, vegetables and flowers from New Covent Garden Market direct to customers using vehicles fuelled either by biofuel or electricity. They were the winners of: a 'green gong' at the City of London Corporation's annual Sustainable City Awards in the Traffic and Transport category; the prestigious Sustain magazine Award for Leadership in Sustainability; and Wandsworth Council's Green Business Award in the Innovation category.

CGMA, in partnership with the South East England Development Agency, are working to increase the volume of produce grown in the South East used by the food service sector in London. In addition to appointing a full time Business Development Manager, a number of events have been held at New Covent Garden Market bringing producers together with wholesalers and buyers to showcase local food. A series of monthly visits has been established linking producers with suppliers and end users.

More on Food Security can be found under the performance reporting for DSO 7 in Chapter 4: Our Performance.

Common Agricultural Policy Reform

The European Union's Common Agricultural Policy (CAP) provides financial support to farmers for a range of farming, environmental and rural development activities as well as controlling EU agricultural markets.

Despite important changes in recent years, the CAP is more in need of reform than ever. Currently, the CAP is highly ineffective in achieving its objectives and results in significant costs to EU taxpayers and consumers. Europe needs a fundamentally reformed CAP to deal with the key challenges of the 21st Century, including globalisation, tackling climate change, creating a sustainable environment and protecting natural resources. In 2005, the UK set out a radical blueprint for the future of the CAP in the document *A Vision for the Common Agricultural Policy*. This CAP Vision represents our long-term policy position on the CAP.

What are we doing?

Our CAP Vision set out a blueprint for the future, envisaging the abolition of Pillar 1 of the CAP by 2015-20. Our model for sustainable European agriculture specified that the industry should be rewarded by the taxpayer for producing societal benefits that the market cannot deliver. Remaining expenditure would be based on Pillar 2 with rural development measures gaining a central rather than a peripheral role under a future CAP.

In January 2009, the EU agreed, as a result of the CAP health check, to further decouple subsidy from production, reduce market-distorting intervention measures, reduce red tape in direct farm payments, and increase the focus on delivering public benefits including environmental benefits. The UK would have preferred to go further, by phasing out all the remaining coupled payments and ending all forms of market intervention, while greatly increasing the focus on environmental benefits.

The European Commission is now developing Implementing Regulations. The Government is likely to consult publicly this year on some aspects of implementation, such as those where there are options for Member States, including minimum single farm payments, and Good Agricultural and Environmental condition standards under cross-compliance.

The Rural Payments Agency (RPA) is responsible for the delivery of CAP Pillar 1 and Pillar 2 payments and the administration of Pillar 1 schemes. RPA also administers the Hill Farm Allowance and the British Cattle Movement Service.

RPA met its formal target of making 96.154% of payments by value under the 2007 Single Payments Scheme (SPS) by the end of the EU payment window of 30 June 2008.¹¹ This was achieved two weeks ahead of target.

Payments of 2008 SPS claims started at the beginning of December 2008, earlier than in previous years, and ministerial targets were met ahead of schedule. Figures published on 13 May 2009 showed that just over £1.56bn (96.18%) has been paid.

More on the CAP Health Check and SPS can be found under the performance reporting for DSO 6 in Chapter 4: Our Performance.

¹¹ In 2005, the Single Payment Scheme replaced 11 Common Agricultural Policy schemes which the RPA previously administered. It is paid in recognition of claimants' stewardship of the land. To receive payment farmers are required to meet environmental, public health, animal and plant health and animal welfare standards.

Rural Payments Agency

The Rural Payments Agency (RPA) administers CAP support payments, and manages related schemes itself or through other delegated delivery bodies. The Agency tracks livestock and carries out inspections to help deliver Defra's priorities.

A three-year strategy document, published in June 2008, sets out what the Agency plans to achieve over the period 2008/09 to 2010/11. It focuses on the needs of customers and stakeholders, Defra, the Network, other government departments and international bodies.

An electronic channel using third party farm management software was successfully tested for SPS 2008 applications. Subject to further testing and roll out, all farmers and their agents will be able to apply for payment using the on-line system from the 2010 scheme year.

The Agency's priority is to continue to improve performance on paying SPS claims so that more farmers can be paid as early in the payment window as possible. RPA aims to pay at least 95% (by value) of valid claims by 31 March 2011, for the 2010 scheme year.

The Agency is committed to supporting the Department's aim of reducing the customer administrative burden, or 'red-tape', by 25% by 2010. Reducing the administrative burden of SPS on customers is a priority for RPA.

The Rural Land Register is undergoing a mapping update which will provide up-to-date and accurate maps for farmers helping to ensure that their CAP payments are correct. The Agency is working with the farming industry to help manage the change. The update will also support future electronic channels and reduce the risk of EC financial corrections (disallowance) associated with inaccurate land data.

Disallowance can be applied by the European Commission, if, in its view, there has been a failure or partial failure to meet scheme rules. Stronger disallowance management processes in 2009/10 will take account of bilateral meetings with the Commission and its audit teams, and will focus on the identification and management of potential risks of financial correction.

For further RPA plans, reports and other key documents visit www.rpa.gov.uk.

Farming for the Future

In support of our Priority to ensure a thriving farming sector, the Defra Farming for the Future programme (FFF) aims to ensure that by 2020 English agriculture is competitive and profitable without subsidy, makes a net positive environmental contribution and manages sustainably the landscape and natural resources that underlie it.

The FFF programme proposes to achieve this by creating a coherent policy and regulatory framework to drive up farming's environmental performance and help the sector to re-skill and re-structure itself in support of both its competitiveness and improved environmental performance.

The programme is aimed at delivering the behavioural change necessary to realise that vision, at the same time setting a new direction for the relationship between Government and the farming sector.

What are we doing?

Since the Farming for the Future Conference in November 2007, Defra has worked with key agriculture and land management stakeholders to identify a long-term vision for English farming and the action needed over the next three to five years to move us in the right direction. We are aiming to secure partners' agreement in the near future to a document called *Farming for a Changing Future*, which will set out key priorities for early action.

More on FFF can be found under the performance reporting for DSO 6 in Chapter 4: Our Performance.

Evidence: Economics

Defra's Food and Farming analysts have developed the evidence base and contributed to the development of policy across a range of issues.

As part of their ongoing contribution to Defra's evidence based policy-making, economists have been working recently on analysis of the potential for and robustness of estimates of **greenhouse gas** abatement potential in the agriculture sectors to inform Defra's position in the carbon budget setting process. We are also examining the ability of various types of policy instruments to unlock this abatement.

Economic evidence underpinned the UK's negotiating position for the wide-ranging **Health Check** reform of the EU's Common Agricultural Policy (CAP), agreed in November 2008. State of the art analysis and economic modelling identified the most distorting CAP policies and generated options for reform, informing our stance in the negotiations. The reform takes us a step closer to the UK's vision for a competitive and market-orientated EU farming sector, eliminating more than €4bn of trade-distorting agricultural support by 2013.

Evidence: Economics *(continued)*

An analytical assessment of UK **food security** is being compiled. This will cover many dimensions, reflecting the complex and cross-cutting nature of food supply. The assessment will provide a structured compendium of key evidence about our food security now and in the medium term. It will be published in the Autumn.

Farming has a wide range of complex, significant and long-term impacts on the environment. These impacts can be beneficial as well as damaging and many of the impacts are external to farming so that the costs or benefits are met by other sectors or the general public. The **environmental accounts** for agriculture have been further developed to improve the estimates made of the values of these physical impacts and to track changes over time, so that the environmental impacts can be compared with each other and aggregated together to give a measure of the net overall impact of the sector.

The aims of the research **Estimating the Environmental Impacts of Pillar I Reform** were to estimate the likely effects of Pillar I reform on agricultural production. This included possible changes in land use intensity and farm practices, estimating the likely environmental impact of these changes in agriculture on environmental objectives, including landscape, biodiversity, water quality, greenhouse gas emissions as well as flooding. It also provided advice on the potential budgetary requirements for delivering a specified level of environmental quality through agri-environment measures under Pillar II.

The **Farm Business Survey** has continued to be developed as a valuable microdata source for analysis of the sector. Data has been collected through new modules on energy use and management practices to analyse the distribution and interaction of economic and environmental farm performance.

Skills for Farming

To ensure a thriving farming sector, we also work with industry and stakeholders towards delivering an appropriately skilled farming industry, which is fully competitive in the marketplace, without subsidy, and delivers against a demanding agenda for the mitigation of and adaptation to climate change with an improved environmental performance.

What are we doing?

The first phase of this project has been completed successfully and the first, annual, industry led Agri-Skills Forum was held on 9 September 2008. The agenda will continue to be taken forward by the Agri-Skills Forum's Management Group, which includes the National Farmers Union, Lantra, Landex and the Agricultural and Horticultural Development Board.

An Agri-Skills round table meeting was held on 2 April 2009 with the Secretary of State and all of the key government and industry players to consider how to accelerate progress in training and skills development in farming. As a result of the meeting, the Agri-Skills Forum is developing a plan to set out what industry stakeholders will do, and how Government can help, to improve tailoring the provision of training to match industry needs and to provide the required amount of training.

The development of the virtual Lantra Skills Manager (formerly on-line Competency Framework) is being undertaken by Lantra, the Sector Skills Council for the environmental and land-based sectors. Defra has led with funding, providing £645,000 over 3 years up to the end of the 2008/09 financial year. From 2009/10 the Skills Manager will be self-financing.

Evidence: Research & Development

Collaborative research that Defra co-funds with industry investigated the suitability of different breeds of wheat for bread making. Targeted wheat breeding provided improved understanding of raw material functionality and processing and facilitated development of methods for objectively assessing final product quality for UK bread. The research provided information to enable wheat breeders to target breeding programmes.

Defra continues to keep farmers well informed through its quarterly news magazine *Farming Link*. A readership survey in 2008 found that approximately nine in ten (88%) felt that the magazine was good. Face-to-face communication on a variety of topics was consolidated through an extensive roadshow at over 80 livestock markets and a number of key county shows, around England. An innovative low-carbon stand at the Royal Show emphasised Defra focus on adaptation, recycling and sustainability.

Agriculture and Climate Change

In order to promote a sustainable economy, healthy environment and thriving farming sector, we need to focus on mitigating some of the harmful impacts of agriculture on climate change.

Anaerobic Digestion is a proven renewable energy technology. It can reduce greenhouse gas emissions by capturing methane from the decomposition of organic materials enabling production of biogas that can be used as a renewable energy source for both heat and power, or the carbon dioxide and other impurities can be removed to produce biomethane which can be used as a transport fuel or added to the gas grid.

What are we doing?

The Government sees anaerobic digestion as a technology with significant potential to contribute to our climate change and wider environmental, economic and social objectives. We wish to see a much greater uptake by local authorities, businesses and farmers.

Defra published the paper *Anaerobic Digestion – Shared Goals* in February 2009 developed jointly with stakeholders from the anaerobic digestion industry, agriculture, energy and water utilities, the waste management sector, regulators, and local and regional government. We now need to drive forward the development of practical ways to achieve a major increase in the use of anaerobic digestion. An Anaerobic Digestion Task Group has been set up to develop an Implementation Plan. This will set out the practical measures that Government and stakeholders will take individually and collectively to achieve a major increase in the use of anaerobic digestion.

The Chancellor announced funding in the 2009 Budget of £10m to increase food waste processing capacity, including anaerobic digesters, which is additional to the £10m identified in 2008 to fund an Anaerobic Digestion Demonstration Programme.

'Farming Futures'¹² is working to raise awareness of climate change among farmers. It promotes on-farm adaptation and mitigation and encourages good practice, using face-to-face and media channels. In March 2009 the Farming Futures Project phase 2 concluded. It produced very positive outputs including work to communicate climate change responsibilities to farmers, land managers and advisors and promoting behaviour change. Both Government and stakeholders involved are keen to ensure the long-term future of the project. Defra will be providing further funding until March 2010, while its long-term future is being decided.

The Secretary of State announced in August 2008 that the Rural Climate Change Forum should be reappointed for a further two and a half years, up to March 2011. All eight existing member organisations were reappointed, and three new members were invited to join – the Soil Association, the Agricultural Industries Confederation and the Agriculture and Horticulture Development Board.

On the international level, in November 2008 Hilary Benn and the Chinese Agriculture Minister signed a Memorandum of Understanding on Sustainable Agriculture and formally launched the China-UK Sustainable Agriculture Innovation Network (SAIN).

More on Climate Change and Agriculture can be found under the performance reporting for DSO 6 in Chapter 4: Our Performance.

¹² Farming Futures is a collaborative communications partnership between the National Farmers' Union (NFU), Country Land and Business Association (CLA), Agricultural Industries Confederation (AIC), the Agricultural and Horticultural Research Forum (AHRF), Forum for the Future and Defra.

Nutrient Management

Another aspect of ensuring a thriving farming sector is the effective management of nutrients. The current high price of inorganic fertilisers is impacting on the farming industry, creating the opportunity for farmers to source alternative and environmentally friendly substitutes (i.e. switching from Ammonium Nitrate to Urea).

What are we doing?

The Nitrate Vulnerable Zones (NVZ) Action Programme completed in October 2008 with extended NVZ coverage across England and new measures to ensure farmer compliance with the Nitrates Directive. Extended closed periods for fertiliser application will limit nutrient losses and encourage best practice for on-farm management of manures/slurries.

The updated Code of Good Agricultural Practice (CoGAP) was published in January 2009. This provided the farming industry with best practice advice and guidance on a range of on-farm activities. It also includes a comprehensive summary of all legal/regulatory obligations on farmers.

A Nutrient Management Plan has been developed by industry (National Farmers' Union, Country Land and Business Association, Linking Environment and Farming, Agricultural Industries Confederation and Farming and Wildlife Advisory Group) in partnership with Defra and the Environment Agency (EA) to deliver a broad range of Defra objectives including developing best practice within the sector for management of nutrients.

More on Nutrient Management can be found under performance reporting for DSO 6 in Chapter 4: Our Performance.

Responsibility and Cost Sharing for Animal Health and Welfare

The work of the Responsibility and Cost Sharing (RCS) Programme aims to reduce the frequency and severity of animal disease outbreaks and, by extension, to improve the sustainability of livestock farming in England.

RCS is part of a wider agenda aimed at establishing a new framework to reshape the relationship between the livestock industry and wider society. It will establish mechanisms through which the responsibilities and costs of animal health activities are shared more equitably between industry and the taxpayer.

The current financial arrangements for dealing with animal disease outbreaks are unsustainable, and the Government is committed to ensuring that costs are better shared between main beneficiaries and risk managers. In addition, shared responsibility offers the chance for improved decision making and, ultimately, a reduced risk of animal disease outbreaks.

What are we doing?

In addition to working up detailed proposals with industry for the public consultation (30 March 2009 – 30 June 2009), Defra has continued to develop its partnership-working in the field of animal health, expanding, where appropriate, the principles of disease core groups.

This consultation process is again supported by a number of regional events aimed at engaging directly with grass roots farmers and others with an interest. The key proposals developed in line with the UK Responsibility and Cost Sharing Consultative Forum include developing a new independent body for animal health policy, together with sharing the cost of exotic disease surveillance and preparedness via a registration-based levy. Less well developed in this consultation is a proposal to share the cost of *actual* exotic disease outbreaks via compulsory insurance or an extension of the levy. Any development of the insurance model will be supported by a consultation later in the year.

We received 78 written responses to our last consultation in April 2008, and over 300 people attended last year's events. It is hoped that this year's events and consultation will attract even more interest.

More information on RCS can be found on the Defra website.¹³

Core Groups

Core Groups were established to allow government and stakeholders to reach decisions on animal disease policy and controls by mutual consent and contribute to joint policy development. Members of Core Groups are selected for their knowledge of particular sectors and their standing with wider stakeholder organisations, but not as representatives of particular organisations. It is hoped and expected that this way of working provides a basis for further steps on responsibility sharing between Government and stakeholders.

Core Groups are given access to as much information on current situations, expert views and risk assessments as possible by government. This equips them to give advice on favoured approaches and responses (including to Ministers). The objective in all cases is to ensure that government reaches decisions which the Core Group is able to inform, endorse, support, and advocate with wider industry.

¹³ www.defra.gov.uk/animalh/ahws/sharing/index.htm

Bovine Tuberculosis

Bovine tuberculosis (bTB) is one of the most difficult animal health problems that the farming industry currently faces in Great Britain. Defra's bTB Programme recognises the need to look closely at how the current strategy might be improved. The Government recognises that working in partnership with the farming industry and strengthening the current programme of research and development will bring about a sustainable improvement in controlling bTB in England with measures tailored to reflect regional variation in disease risk and emerging evidence. (The Welsh Assembly Government and Scottish Government have their own programmes focused on combating the disease.)

At the end of December 2008 around 9% of herds in England were under bTB restriction due to a bTB incident. The problem is more severe in the South West and West of England with 18.1% of West region herds under restriction. The estimated GB herd incidence for 2008, based on confirmed breakdowns was 4.7%, with an average of 5.9 bTB reactors per 1,000 animals tested, compared to confirmed breakdown of 3.8% with an average of 4.4 bTB reactors per 1,000 animals tested in 2007.

What are we doing?

After considering the wide range of evidence, including the final report of the Independent Scientific Group on Cattle TB (ISG), the Secretary of State announced in July 2008 the Government's policy that no licences would be issued for culling badgers to prevent the spread of bTB in cattle. The Government remains open to the possibility of revisiting this policy under exceptional circumstances or if new scientific evidence were to become available.

In November 2008 the TB Eradication Group for England was set-up to make recommendations to the Secretary of State on bTB and its eradication. The membership of the group includes representatives from Defra's Food and Farming Group, Animal Health, the farming industry and the veterinary profession. The Group's priority is to develop an effective and deliverable programme for eradicating bTB in England as well as to contribute to a UK Eradication Plan for submission to the European Commission. For more information including highlights of the TB Eradication Group's meetings, visit the animal health and welfare section of the Defra website.

Compensation for bTB continues to be a controversial and complex issue. The current system, based primarily on table valuations (compensation paid equates to the average contemporaneous open sales price for same category cattle), was successfully challenged in the High Court in June 2008. In April 2009, the Court of Appeal upheld Defra's appeal against the Court's decision that table valuations discriminated against owners of high value cattle.

Vaccination of either cattle or wildlife is considered to be a potential future policy option for reducing the risk of bTB in England. Since 1998, investment in vaccine development has reached more than £23.1m and on 7 July 2008 the Secretary of State announced that £20m will be spent on bTB vaccine research and development over the next three years. Real progress has been made and there are currently seven research projects underway. An injectable Bacillus Calmette-Guérin (BCG) badger vaccine will be licensed in 2010 and consideration is currently being given to how best to use injectable vaccines, including through a badger vaccine deployment project. The earliest projected date for a licensed BCG oral badger vaccine is late 2014 and the earliest projected date for the use of a BCG cattle vaccine with a differential diagnostic test (DIVA) is mid to late-2015.

More on bTB can be found under performance reporting for PSA 9 in Chapter 4: Our Performance.

Veterinary Medicines Directorate

The aim of the Veterinary Medicines Directorate (VMD) is to protect public health, animal health and the environment, and promote animal welfare by assuring the safety, quality and efficacy of veterinary medicines. This aim is met through proportionate regulation, providing high quality services to our stakeholders and clear agreements with service providers.

In 2008/09, the VMD successfully completed the change programme aimed at ensuring the VMD is in a good position to deal with developments over the next five to ten years. It continued to work with stakeholders on the Pollution Reduction Programme, which accumulates evidence to determine whether the risks posed to the environment by pollution from cypermethrin sheep dips could be reduced to acceptable levels. The VMD set up a project to ensure that implementation is efficient and effective, both for staff and stakeholders.

Looking forward, the VMD Business Plan is available on the VMD's website and sets out the strategy for the VMD over a three-year period, which is taken forward and delivered by a series of projects directed towards continuously improving the VMD's efficiency and effectiveness with particular recognition of the increasing importance of the VMD's work in the EU.

To view the VMD's business plan 2008/09 – 2011/12, visit www.vmd.gov.uk.

Veterinary Science

The Veterinary Science Team (VST) was established to reduce the impact of animal conditions on the economy, society and the environment, through:

- timely, evidence-based, up-to-date veterinary and scientific advice;
- detecting and assessing new and changing threats to animal and public health, wider society (including ensuring sustainability and biodiversity) and the economy;
- horizon scanning, international networking, surveillance, and risk analysis; and
- delivering policy to deal with relevant threats to public health and the economy, and supporting animal health and welfare, and international trade in animals and their products.

What are we doing?

VST has worked closely with the Department of Health and the Food Standards Agency (FSA) through a range of formal and informal networks to assess new threats to public health from animal diseases and infections.

A multi-criteria decision support tool has been introduced to help prioritise where resources are directed for maximum benefit in enhancing veterinary surveillance of new health threats. This ensures that the greatest threats are identified and intervention is prompt.

Publicity campaigns have been launched to raise awareness of animal product import rules. For example, the UK Border Agency (UKBA) was launched on 1 April 2008, and is working closely with Defra, HMRC and the FSA to help raise travellers' awareness of the rules on personal imports of animal origin.

Veterinary Laboratories Agency

The Veterinary Laboratories Agency (VLA) helps deliver the Government's requirements for animal and public health and sustainable agriculture and food industries by providing veterinary research, surveillance, consultancy, laboratory and epidemiological services, and an emergency response capability. The Agency's main customer is Defra although work is also delivered to other Government Departments, the EU and the private sector.

Veterinary Laboratories Agency (*continued*)

Over the past year VLA's key achievements include the following:

- The Brucellosis 2008 International Research Conference, organised by the VLA, took place at Royal Holloway, University of London, from 10 to 13 September 2008. The meeting, co-sponsored by VLA, Defra, the World Health Organisation and the Technical Centre for Agricultural and Rural Cooperation, attracted over 300 delegates from 60 countries. It covered many areas of brucellosis ranging from applied aspects of surveillance and control programmes through to the latest cutting-edge research.
- VLA worked closely with the Institute for Animal Health by providing testing for bluetongue virus by PCR-ELISA (a technique for virus detection) for pre-movement and export purposes.

Progress on TB research includes:

- generation of safety and efficacy data in collaboration with Fera, required for the licensing of BCG as an injectable vaccine for badgers;
- identification of vaccines that improve the efficacy of BCG in cattle and improve the sensitivity of tests that differentiate between infected and vaccinated animals (DIVA tests); and
- development of home-range maps for *Mycobacterium bovis* genotypes and a web-based molecular epidemiology information system, 'SPIDA', both helping Animal Health target resources for bTB control.

VLA continues to support Defra in the implementation of EU legislation to control zoonoses in livestock production. Evidence will be used to support the setting of EU targets for pathogen reduction and informing the development of National Control Programmes.

A new statutory control programme was introduced to control *Salmonella* Enteritidis and *S. Typhimurium* in egg laying flocks. A UK target has been set to achieve a minimum 10% annual reduction in the prevalence of these serotypes over a three-year period. VLA has provided expert consultancy on the development of the national control programme and is providing laboratory testing through the *Salmonella* National Reference Laboratory.

For further information on VLA activities and reports, visit www.vla.gov.uk.

The Central Science Laboratory (Food and Environment Research Agency since 1 April 2009)

The Central Science Laboratory (CSL) is an Executive Agency of Defra. It provides research and information services covering agriculture, food and the environment to Defra, other UK Government Departments and industry and to governments and industry around the world. Its primary aim is to provide Defra with an efficient and competitive service in scientific support, research and advice to meet both statutory and policy objectives and Defra's PSA targets. The work programme of CSL is divided between four main areas:

- a healthy environment;
- sustainable land use;
- a safe food supply chain; and
- resilience against contingency events.

Key developments in 2008/09 include:

- successful completion of a programme to create and launch a new Defra Executive Agency, Fera, by merging CSL with the UK Government Decontamination Service (GDS), Defra's Plant Health and Seeds Inspectorate (PHSI), Plant Health Division and the Plant Varieties and Seeds Division (PVS);
- a collaborative project between CSL and Defra's PHSI won the prestigious 2008 Whitehall & Westminster World Civil Service Award for Science and Technology; and
- provision of rapid, high-level testing, expertise and advice to the Department of Agriculture, Fisheries and Food (DAFF) in the Republic of Ireland following the finding of unusually high polychlorinated biphenyl (PCB) toxin levels in Irish pork and beef.

Fera was launched on 1 April 2009 with a starting complement of around 900 staff and a budget of approximately £72m. For 2009/10 our plans include:

- building on the synergies and opportunities for innovation and exploitation created by the formation of the new Agency;

The Central Science Laboratory (Food and Environment Research Agency since 1 April 2009) *(continued)*

- management of a £25m, five-year programme to manage and contain the risks of two plant diseases, *Phytophthora ramorum* and *Phytophthora kernoviae*, from spreading further, following a scientific review and stakeholder consultation; and
- playing a key role in the implementation of a £10m programme to undertake more research into the health of bees and other pollinators.

For further information about Fera, visit www.fera.defra.gov.uk.

Animal Welfare

Improved standards of animal welfare are important for society, the economy, the environment and sustainability. The development of animal welfare policy involves understanding the relevant scientific evidence and practical experience and takes account of the wide range of views held by stakeholders. Recent progress in farm animal legislation provides not only protection from cruelty and suffering but also introduced a duty of care on keepers to take steps to protect animal welfare. The Animal Welfare Act 2006 provides protection to all vertebrate animals kept by man.

What are we doing?

Our work on animal welfare involves meeting EU proposals and regulations. For example, Defra issued a public consultation document in January 2009 on our proposals for new regulations for meat chickens and a code of practice to implement EU legislation on the welfare of meat chickens. The EU rules come into force in June 2010.

The Department has also issued a public consultation document on new EU proposals in January 2009 on the protection of animals and birds at the time of slaughter or killing. The new EU proposals will replace the current 1993 Directive on welfare at slaughter to take account of recent developments in the slaughter industry.

In June 2008, Defra produced general guidance on the control of dangerous dogs, and has issued more detailed guidance on the dangerous dogs legislation for enforcement authorities.

The Farm Animal Welfare Council (the Government's advisory body on farm animal welfare matters) issued its report in June 2008 on: castration and tail docking of lambs; on the welfare standards for pigs; and its opinions on the welfare of farmed gamebirds.

Animal Health

Animal Health (AH) is an Executive Agency which plays a key part in delivering the Animal Health and Welfare Strategy for Great Britain. AH works to prevent, control and eradicate exotic and endemic notifiable diseases, minimise the economic impact of animal disease, ensure high standards of welfare in farmed animals, and guarantee the safety of the food chain.

AH does this in a range of different ways: responding to suspected cases of exotic notifiable disease; providing advice and guidance to end user customers; monitoring the occurrence and incidence of different diseases; checking compliance with legislative requirements; issuing approvals and licences; and supporting enforcement action where appropriate to ensure compliance.

In 2008/09 AH successfully dealt with the following:

- An incident of rabies in a quarantine facility in Essex in May 2008.
- An outbreak of highly pathogenic avian influenza in poultry in Banbury, Oxfordshire in June 2008.
- Suspect cases of Bluetongue throughout GB and promoted with others the vaccination campaign.
- A consignment of wheat feed with low-level contamination with material of animal origin.

In addition, AH:

- began the centralisation of transactional customer services, including the centralisation of international exports, management of cross compliance and the control of ID cards for our field officers; and
- celebrated the Wildlife Licensing and Registration Service (WLRS) achieving the Government's 'Customer Service Excellence' standard.

Animal Health (*continued*)

For 2009/10 AH plans to:

- restructure to align with Government Office regions in England, and appoint Directors in Scotland and Wales;
- continue to build its expertise in state veterinary medicine and delivery;
- continue to overhaul its processes and enhance its new core IT system (SAM);
- assume responsibility for the provision of advice and guidance to its end user customers; and
- continue to work with partners and customers to assure its readiness and resilience to deal with outbreaks of exotic animal disease through exercises, independent assessment and review.

For further Animal Health reports and publications, visit www.defra.gov.uk/animalhealth.

Forward Look for Priority 3

In addition to continuing with our current work in supporting our Priority to ensure a thriving farming sector and a sustainable, healthy and secure food supply, Defra plans to carry out the following over the forthcoming year:

Sustainable, Secure and Healthy Food Supply

- Over the next 6 months we will be engaging with a wide range of stakeholders to develop a shared understanding of what we mean by a sustainable secure food system, and on how we might get there. This will be aligned with analytical work streams to assess emerging evidence, and build upon existing statistical and economic analyses.
- We will also seek to ensure that cross-Government efforts on food policy reflect the four strategic objectives set out in *Food Matters*.
- The Government response to the Public Sector Food Procurement Initiative (PSFPI) evaluation will be produced and recommendations taken forward in 2009/10 to align the initiative with the strategic objectives set out in *Food Matters*.
- The Healthier Food Mark will be piloted later in 2009.
- The UK's food security is strongly linked to global food security. The Government's Chief Scientific Adviser, Professor John Beddington's, Foresight project on the Future of Food and Farming is looking to 2050 and examining how we will feed a global population of nine billion healthily, equitably, and sustainably, and what implications this has for UK policy.

CAP Reform

- Defra will continue to press for further steps in the CAP to the benefit of farmers, consumers, taxpayers and the environment. Defra is taking forward work to flesh out our vision for a future, environmentally-focused Pillar 2 of the CAP, working closely with stakeholders and other member states.

Farming for the Future

- The document *Farming for a Changing Future* will be a platform on which we can build further collaborative action.

Agriculture and climate change

- Over the next year Defra will continue to develop a policy framework on greenhouse gas mitigation from agriculture. This will include developing a cost-effective package of policy instruments to reduce greenhouse gas emissions from the agriculture, forestry and land management sector.
- Defra will work with stakeholders in delivering the 'Shared Goals' through a new Task Group.
- The Anaerobic Digestion Demonstration Programme will be delivered. This is being managed by WRAP.
- Over the next year Defra will continue to develop a policy framework on adaptation measures for the agricultural sector and land managers. This will include a programme of advice, information, communications and incentives.

Nutrient management

- Defra will be publishing The Fertiliser Manual (RB209) that provides farmers with a sound framework for decision-making on nutrient inputs to meet crop requirements, taking account of all sources of nutrient supply.
- Defra will be launching PLANET V3 which is an electronic version of Defra's *Fertiliser Recommendations (RB209)* publication.
- Defra will use a database of suitable mitigation options aimed at reducing nutrient oversupply, to help develop practical tools for farmers and land managers to deliver better nutrient management.

Responsibility and Cost Sharing for Animal Health

- Following further public consultation on specific proposals, Defra intends to publish a draft bill for pre-legislative scrutiny during the course of the 5th Session of the current Parliament.

Bovine Tuberculosis

- In 2009, Defra will continue working with stakeholders to bring sustainable improvement in the control of bTB. The TB Eradication Group for England will be a key part of this and development of an eradication plan for submission to the European Commission will be an important milestone.
- The Government will publish the results of its review of the gamma interferon test policy and, with stakeholders, will consider how the conclusions of the review might inform further policy development around use of the gamma interferon test in an eradication plan.
- A review of pre-movement testing has begun and the outline scope of the review has been discussed with the TB Eradication Group for England. The review will gather information on the impacts of pre-movement testing and make any recommendations for amendments to the regime to improve its disease control objectives and minimise any negative impacts on the livestock sector.

Animal Welfare

- Over the next year, Defra will prepare input into the EU's review of its current rules on the protection of animals during transport; issue guidance on various species under the Animal Welfare Act 2006; and introduce regulations and guidance to protect the welfare of racing greyhounds under the Animal Welfare Act 2006.
- The Farm Animal Welfare Council will publish its reports on a long-term strategy for farm animal welfare in Great Britain as well as opinions on the welfare of dairy cattle and on the welfare implications of bone strength in laying hens.

Cross-Cutting Objective 1: Sustainability



A key element running through all of the Department's priorities is to ensure that **Sustainable Development** (SD) is integral to the development of new policies and delivery of intended outcomes. This applies both to the way in which the Department operates (through work that we are doing within Defra and across our delivery network in the form of our Sustainable Development Action Plan) and the way in which we support the UK Government to drive sustainability, both domestically and internationally (through the cross-government *Securing the Future* strategy published in 2005).

Defra, in its champion role, convenes the cross-government Sustainable Development Programme with a specific role of engaging with key policies and processes across all-levels of government. This programme encourages and enables taking an SD approach, and ensures delivery of the SD strategy, *Securing the Future*. This programme works with four main groups, within Defra itself, with local and regional government, across Government in Whitehall and internationally.

Defra also acts as sponsor of the Sustainable Development Commission (SDC) which combines advice and capability building with a government "watchdog" role. For example, it has convened the Regional Champion Bodies for sustainable development and published the *Sustainable Development in Government 2008* watchdog report. On 1 February 2009, the SDC's official status changed from an *advisory* Non-Departmental Public Body (NDPB) to an *executive* NDPB. This change completes a Government commitment made in the 2005 UK sustainable development strategy to review the SDC's formal status in order to enable it to fulfil its expanded remit.

Progress toward SD is measured through the sustainability indicators which Defra publishes annually as *Sustainable Development Indicators in Your Pocket*. It includes indicators covering a wide range of factors from health, education and employment to greenhouse gas emissions and various measures of environmental quality. The 2008 edition demonstrated that 53 indicators show improvement over their position on the base year of 1999 (over half of those it is possible to make an assessment of), while 30 show little or no change. Those measures showing improvement include renewable electricity, emissions of air pollutants, crime, housing conditions and fuel poverty.

Highlights from 2008/09

Within Defra

Defra's credibility as a champion of SD depends on its ability to act as an exemplar. The Department is currently implementing new policy making and assurance processes. A key element of this work is to ensure that SD is integral to the development of new policies and intended outcomes. As part of this we have also been promoting the use of, and training for, an online tool to assess the sustainability of a policy, called 'Stretching the web', and its accompanying guidance.

All Government Departments (and some NDPBs) have Sustainable Development Action Plans (SDAPs). Defra plans to publish its next SDAP in early Summer 2009. This will include high-level priority actions showing how Defra will deliver SD through its programmes, and contribute to the commitments of *Securing the Future* over the next two years. The plan covers Defra's policy as well as other parts of the way we work covering the themes of people, communications, operations, procurement, IT, etc.

Working across government in Whitehall

The Sustainable Development Programme and *Securing the Future* are cross-government owned and delivered. Oversight of progress is undertaken by the cross-government Board with representatives from a number of Government Departments, focusing on a set of sustainable development measures agreed between Defra, SDC and HMT. Other departments have been working closely with SDC to embed sustainability into their policies, notably Department of Health and Department for Children, Schools and Families. The SDC has also undertaken capability building with departments including CLG and HMT. Full details of SDC activity are contained in their annual report to be published in Summer 2009.

1. Sustainable procurement and operations across Government

Data collection, performance measurement arrangements and commitments have been strengthened by the setting up the Centre of Expertise in Sustainable Procurement (CESP) in the Office for Government Commerce (OGC). CESP, reporting the newly created post of government Chief Sustainability Officer now leads on oversight of the delivery of the Sustainable Operations on the Government Estate (SoGE) targets and implementation of other commitments in the Sustainable Procurement Action Plan. Defra transferred its resource to CESP to enable it to undertake this work, which is also supported by all other Government Departments. OGC published a comprehensive set of delivery trajectories for the government estate targets. Other work includes integrating sustainability into all major collaborative procurements. For the first time, all Permanent Secretaries had SoGE objectives in their 2008/09 performance contracts. Defra continues to lead on overall policy toward the SoGE targets and will be leading the review of them in 2009.

2. Housing, planning, transport and the Thames gateway

Future housing developments, transport strategies and planning reforms are strategically important policy areas for the achievement of SD. Defra has worked to ensure SD is taken into account in a number of new policy developments under these banners across Whitehall. For example the consultation on the Eco-towns Planning Policy Statement sets out the toughest green standards ever applied to development in this country, agreement of strict environmental conditions for 21 second round New Growth Points and publication of the Thames Gateway Eco-Region Prospectus.

We worked closely with CLG to develop the Thames Gateway eco-region prospectus,¹⁴ an ambitious plan to make the Gateway an exemplar for a holistic set of environmental interventions. We are currently working across Government with a wide range of partners to deliver the plans covering sustainable water and wastewater management, innovative approaches to flooding, waste management, air quality and biodiversity protection and enhancement, and protecting and enhancing the Gateway's biodiversity and greenspace resources. These provisions will help to make the Gateway a more attractive and healthier place to live and work in.

3. Olympics

The Government's Olympic Games Legacy Action Plan, published in June 2008, confirmed Defra's role in leading work on the Games as an inspiration for sustainable living. London 2012 published an update to its Sustainability Plan in December 2008, providing a snapshot of the progress made over the last 12 months and showing that London 2012 is on track to achieve its goal of being a truly sustainable Games. In late March Defra convened a workshop of stakeholders, Olympic delivery bodies, commercial sponsors and other government departments to take forward the "inspiring sustainable living" promise.

Local and Regional

The draft Local Democracy, Economic Development and Construction (LDED) Bill will bring into being a Single Integrated Strategy at regional level to replace the Regional Spatial and Regional Economic Strategies. Defra has successfully influenced a number of clauses and is now monitoring the Bill's passage through parliament closely. Work has commenced on the National Core Sustainability Framework, a guidance document against which all emerging Single Integrated Regional Strategies will be appraised. Defra's Permanent Secretary, Helen Ghosh, led a session of Permanent Secretaries and Local Authority Chief Executives on sustainability against a backdrop of recession at the annual Local Government "Sunningdale" in January.

¹⁴ The prospectus can be downloaded at: www.communities.gov.uk/documents/planningandbuilding/pdf/ppsecotowns.pdf

1. Regional Development Agencies and Government Offices

During 2008, Defra initiated a series of Strategic Dialogues with Regional Development Agencies (RDAs) leading to the co-development of a Defra/RDA Strategic Partnership Agreement. In their Corporate Plans (2008-11), RDAs are now required to demonstrate regard to the cross-cutting principles of sustainability and equality in delivery of the Regional Growth Objective. Defra has also negotiated a new Strategic Agreement with the Government Offices, which will see them act as champions of SD in the regions and take an active role in helping partners integrate social, economic and environmental outcomes within their plans and programmes.

2. Comprehensive Area Assessment (CAA)

Through its close working relationships with CLG and the Audit Commission, Defra was able to influence the new system of assessing Local Authority (and wider services) delivery, which was launched in February 2009. The CAA has sustainability as a core theme and requires service providers within an agreed area to explicitly demonstrate evidence of integrated outcomes. The SDC has worked to train Audit Commission Inspectors on how to make the "sustainable use of resources" judgement which is a key part of the CAA.

Internationally – the Sustainable Development Dialogues

Defra has a wide ranging programme to ensure the delivery of Defra's objectives internationally. In particular, the SD Programme lead on the cross-Government Sustainable Development Dialogues with China, India, Brazil, Mexico and South Africa. An external evaluation reported in December 2008 that the Dialogues had succeeded in adding value by improving cross-Whitehall policy coordination, broadening and deepening bilateral relations with the five countries and securing tangible impacts for those countries in terms of improved knowledge, expertise, capacity and changes to policy.

Highlights under the Dialogues over the last year include the following:

- China: The Secretary of State visited China in November 2008 and agreed the extension of the Sustainable Dialogue for a further three years and the addition of a fifth theme on 'Financing for Sustainable Development.' We have established a Sustainable Agriculture Innovation Network, jointly funded by the UK and Chinese Governments, which aims to promote joint-research and the sharing of policy and research experience on issues such as the impact of climate change on agriculture. The network will ensure that policy-making in agriculture is better informed by research;

- Brazil: Lord Hunt visited Brazil in November 2008 and agreed the extension of the Sustainable Development Dialogue. This decision has since been announced by the Prime Minister and President Lula, who welcomed the role of Dialogue in developing cooperation between our countries in their joint-statement of 26 March 2009 during the Prime Minister's state visit to Brazil. Key areas include collaboration on climate change and energy, sustainability of biofuels, forestry, food security biodiversity, sustainable consumption and production, and international environmental governance; and
- Mexico: The Secretary of State and Environment Minister Elvira agreed an extension of the dialogue for another two years during the Mexican President's state visit in March 2009. The next phase of the dialogue aims to deepen strategic elements around governance for sustainability and sustainable consumption and production. Sustainable Development Commission Chair, Jonathon Porritt, visited Mexico in February under the auspices of the dialogue and addressed a meeting of senators in the Mexican Parliament on the theme of sustainability governance. There has been good progress across all Defra funded projects, for example, our work to support the sustainable closure of municipal waste sites has already reduced methane emissions by 25,000 tonnes of CO₂-equivalent. This will increase to 34,000 tonnes of CO₂-equivalent when all sites are closed.

Progress in India and South Africa has been slower than expected but we reached agreement at senior official level to extend the UK–India Sustainable Development Dialogue for a further three years and have recently received confirmation of this extension. In South Africa we have agreed the priorities under the Sustainable Development Dialogue, which are climate change and energy, greening of the 2010 FIFA World Cup, implementing the national framework for SD and environmental governance and enforcement. On the latter, a project led by the Environment Agency to build capacity of pollution inspectors has led to the first ever prosecutions and fines under South Africa's national environmental legislation.

Sustainability Operations in Defra

As part of the government-wide campaign to reduce government emissions and improve energy efficiency, known as Sustainable Operations on the Government Estate (SoGE), Defra has completed a number of high profile refurbishment projects over the past few years which have all been acclaimed for sustainability in design, build and operation. For example, 3-8 Whitehall Place achieved a Building Research Establishment's Environmental Assessment Method (BREEAM) rating of excellent and also won the Royal Institution of Chartered Surveyors (RICS) Sustainability Building of the Year Award 2005. The Nobel House refurbishment completed in 2006 achieved the then highest ever BREEAM rating for a project of its type and was awarded the RICS London Regional Award for Sustainable Building.

Measures taken to improve the energy performance of Nobel House included the installation and operation of natural ventilation, a Combined Heat and Power (CHP) plant, automatically dimmed energy-efficient lighting, PIR controls added to toilets and offices, sheep wool insulation and the replacement of ICT equipment with more efficient alternatives (LCD flat screen monitors & laptop computers).

The newest addition to the Defra portfolio is the new office at Alnwick which has been designed to operate as carbon neutral, incorporating a number of low and zero carbon technologies. These include three wind turbines, photovoltaic panels, a biomass boiler and a solar thermal system.

Defra's Environmental Management System (EMS) is certified to ISO14001. The standard requires commitment to the prevention of pollution, legal compliance and continual improvement as part of the normal management cycle. This year's SoGE report cited progress against this target as excellent, with 90% of the staff within Defra currently covered by its EMS.

Defra's proactive approach to improving the energy efficiency of its estate was recognised through accreditation to the Energy Efficiency Accreditation Scheme (EEAS) in July 2007. Defra Estates Office portfolio was one of only 12 UK organisations to achieve the Carbon Trust Standard in April 2008. The Carbon Trust Standard is awarded to organisations that have genuinely reduced their carbon footprint and that are committed to making further reductions year on year.

Defra is currently on target to exceed the 2010 SoGE target to reduce carbon emissions by 12.5%, relative to 1999/2000 figures.

On Travel, Defra's aims are to raise awareness of travel choices and ensure that travel decisions are both efficient and low carbon. The latest trajectory on Defra's performance on CO₂ emissions from business travel indicates that Defra is close to meeting the 2010/11 SoGE target, to reduce carbon emissions from road vehicles used for government administrative operations by 15% relative to 2005/06 levels, and forecast to exceed it. Defra is working towards a new fleet emissions average of 130 g/km by 2010 and is exploring the use of Portable Video-Conferencing (PVC) as a means to effective travel management.

Bin-the-bin

Defra 'walked the talk' and rolled out its own behavioural change programme aimed at staff to increase recycling rates across the Defra estate. The department went "binless" in both London and York which was supported by a considered and comprehensive staff engagement and awareness campaign.

Bin-the-bin rolled out in London on 28 April 2008 and as a result, London recycling rates have increased from 65% in 2007/08 to 78% in 2008/09. In York recycling rates increased from 56% to 90% and in Alnwick when the new building opened, recycling rates increased from an average of 58% in 2007/08 to 92% in 2008/09 thanks to the Bin-the-bin programme.

Procurement is a lever for achieving more sustainable outcomes and Defra has publicly committed to be a leader by example in sustainable procurement. As well as directly influencing procurements, we are also working closely with suppliers to identify their major impacts and help them reduce their footprint. Defra successfully piloted the Carbon Disclosure Project, selecting 20 of its key suppliers for disclosure, which has enabled us to have a better understanding of our suppliers' emissions and will give us the opportunity to work together to reduce them. Our supplier engagement activity has received a lot of interest and we will continue to work with our suppliers.

The Government's Timber Procurement Policy was introduced in Summer 2000, and has since developed into an internationally recognised policy tool. Defra is taking forward efforts to implement the step change policy on public timber procurement by 1 April 2009.

The policy is aimed at both providing market incentives for legal and sustainable timber as well as for partner countries signed up to a Voluntary Partnership Agreement (VPA) or Forest Law Enforcement Governance and Trade (FLEGT) license, and also to tackle illegal logging and deforestation and improving forest governance. From 1 April 2009 only timber and timber products originating from independently verifiable legal and sustainable sources, or from a licensed FLEGT partner will be demanded for use on the Government estate, appropriate documentation will be required to prove it. From 1 April 2015 only legal and sustainable timber will be demanded.

Cross-Cutting Objective 2: Adaptation



The Government has set up the Defra led, Adapting to Climate Change (ACC) Programme to bring together work already being done within Government and across the public sector on adaptation, and to help drive it forward. Further information can be found in the document *Adapting to Climate Change in England: a Framework for Action*, published in July 2008.¹⁵

The ACC Programme is being taken forward in two phases. Phase 1 (2008–11) will lay the groundwork necessary to implement Phase 2, a statutory National Adaptation Programme, as required by the Climate Change Act 2008. The Government's intention is to have the Phase 2 statutory Programme in place by 2012, to fulfil the requirements of the Climate Change Act. The Programme will then report progress to Parliament on a regular basis.

The work within the Programme seeks to deliver on the overarching aim of a well adapting society. Within the principles of sustainable development, the Government considers that sustainable adaptation should be the goal of the Programme.

What does Sustainable Adaptation look like?

- **Society:** where people, particularly the vulnerable, are protected from being disproportionately affected by the impacts of climate change, and there is an equitable distribution of the burden of climate change.
- **Economy:** businesses are prepared for risks and able to take advantage of the opportunities from climate change.
- **Environment:** we maintain a healthy, sustainable and resilient natural environment.

In this way, Defra's work on cross-cutting objectives 1 and 2 is linked and complementary. Effective sustainable development means being well-prepared for the future climate. Adaptation needs to be sustainable if it is to be as effective as possible.

Phase 1 of the ACC Programme has four workstreams with the following objectives.

1. To develop a more robust and comprehensive evidence base about the impacts and consequences of climate change on the UK.

The key element to this workstream is the launch of new UK Climate Projections in early summer 2009, which will give organisations evidence to help them take informed, cost-effective and timely decisions on preparing for a changing climate.

¹⁵ www.defra.gov.uk/environment/climatechange/adapt/pdf/adapting-to-climate-change.pdf

Projects under this workstream also include the production of a National Climate Change Risk Assessment (as required by the Climate Change Act) and the Adaptation Economic Analysis. These will tell us about the likely impacts of climate change and help resolve some of the uncertainty around future benefits, providing decision makers with a more robust and reliable evidence base.

2. To raise awareness of the need to take action now and help others to take action.

The ACC Programme is working with a range of organisations from the public, private and third sectors to raise awareness of the need for action, provide and promote the information and tools needed to take action, and build capacity and capability within organisations to understand the impacts of climate change and take action. The work of the UK Climate Impacts Programme (UKCIP) organisation is a key part of this (www.ukcip.org.uk/). Defra contributes around £900,000 a year to UKCIP.

The Government's Adapting to Climate Change website (www.defra.gov.uk/adaptation) also helps people to find the information, tools and advice they need.

The new UK Climate Projections, and the training programme that will accompany them, are a key part of the raising awareness process.

The impacts of climate change will vary, even within regional and local areas. The Programme is therefore working closely with a range of organisations at the local and regional level, including the Government Offices, the Regional Development Agencies, Local Government and the Regional Climate Change Partnerships.¹⁶

The work in this stream also involves helping to adapt national infrastructure. In a changing climate with increased risk of extreme weather events it is important that our new and existing infrastructure is resilient to the long-term impacts of climate change. Recognising that effective adaptation responses will be needed (e.g. by commissioners and operators of infrastructure) to ensure a more robust and resilient new and existing nationally significant infrastructure, a two-year cross-departmental project, under the ACC Programme, has been set up (from April 2009), focusing on transport, water and energy sectors.

3. To measure success and take steps to ensure effective delivery.

Under the Climate Change Act, the Government has a new power – the Adaptation Reporting Power – to require any public body or statutory undertaker (e.g. a utility company) to produce a report on how they have assessed and are addressing the risks from climate change to the delivery of their objectives. The Programme is currently developing the strategy for the use of this power, in consultation with stakeholders.

¹⁶ Each English region has already established an independent Regional Climate Change Partnership (RCCP). The RCCPs are made up of local stakeholders, ranging from the Regional Development Agencies through to small local charities, and work very closely with UKCIP. They investigate and advise on the impacts of climate change regionally, assessing how this may affect regional economic, social and environmental well-being.

In addition, as required by the Climate Change Act, the Government is setting up an Adaption Sub-Committee of the independent Committee on Climate Change, that will provide external scrutiny of the Programme.

Defra and the Devolved Administrations have recently announced the appointment of Lord John Krebs as the Chair of this Committee.

Adaptation Indicators

The Government has already made “Leading the global effort to avoid dangerous climate change” one of thirty cross-government priorities (PSA 27). The existing six indicators for this overall climate change priority include one measure of success related to adaptation. The existing indicators will be a useful benchmark of success. However, because there are many other areas of life where we need to adapt, we will need to develop additional indicators.

Government has also set out, as part of the local government performance framework, an indicator for all English local authorities on embedding adaptation in the full range of their work, National Indicator (NI) 188. All local authorities will need to report on their progression through different levels of the indicator, and this will be assessed by the Audit Commission, the auditor for local government. In order to help Local Authorities respond, the ACC Programme team, working with a range of partners, has put in place targeted support for Local Authorities and their partners in Local Strategic Partnerships.

4. To work across Government in order to embed adaptation into Government policies, programme and systems.

Work, coordinated by the ACC Programme team based in Defra, is being undertaken on a number of cross-Government projects to ensure that Government systems which guide investment decisions, planning, and the efficient use of public resources have adaptation considerations embedded within them. This includes the Government’s own appraisal guidance, the Green Book, which is being updated to ensure that policy and investment decisions incorporate adaptation, as well as work on the Government Estate (i.e. the Office of Government Commerce and other Government Departments) on increasing the estate’s long term resilience to the impacts of climate change.

Adapting the Marine Environment to Climate Change

Ocean acidification is emerging as a major global environmental issue. Ocean acidity caused by increased amounts of carbon dioxide (CO₂) in the oceans, has risen 30% in the last 200 years, faster than at any time in the last 65 million years. This will have significant and far-reaching consequences for marine ecosystems and the industries that depend on them (e.g. fishing), and the capacity for our oceans to act as sinks to store further CO₂.

Climate change is happening now and has already caused changes in plankton abundance, fish distribution and species composition in the seas around the UK. However we need to understand much more about the scale and nature of the effect CO₂ is having on our oceans and marine life and so we are supporting marine research to support our decisions on mitigating and adapting to climate change. In April 2009, Defra and Natural Environment Research Council announced support for a five-year £11m study into the effects of climate change and ocean acidification on biodiversity, habitats, species and wider socio-economic implications in the North East Atlantic, Antarctic and Arctic oceans.

Defra is working with the fishing industry to ensure that the fishing management systems, established through the Common Fisheries Policy and our inshore fisheries arrangements, maintain the flexibility and resilience needed to adapt to changing circumstances and maximize economic and environmental sustainability.

The Marine Bill will provide flexible management tools to ensure appropriate use of the marine environment to mitigate and adapt to the effects of climate change. The combination of licensing reforms, clearer marine planning, a single delivery organisation (the Marine Management Organisation, MMO) and better data management will simplify licensing applications for projects supporting climate change mitigation e.g. offshore renewable projects.

Plans to implement an ecologically coherent network of marine protected areas aims to maintain and support the role marine biodiversity plays in supporting the ocean's role in absorbing CO₂ and minimising climate change.

Highlights from 2008/09

Climate Change Bill received Royal Assent

The Climate Change Act 2008 creates a framework for building the UK's ability to adapt to climate change.

Introducing the Adaptation Indicator (NI 188) in to the Local Government Performance Framework

A new Local & Regional Climate Change Adaptation Partnership (LRAP) Board, drawing the support for Local Authorities together, met for the first time in July 2008. The Board's members include the Local Government Association, Improvement and Development Agency (IDeA) and the Nottingham Declaration Action Partnership. To date, the LRAP partners have already delivered two series of nine regional workshops through Autumn 2008 and Spring 2009, targeted at Local Authorities who have chosen NI 188 as a priority in their Local Area Agreement and produced guidance for how to go about meeting the requirements of NI 188. The Board currently has several further projects ongoing ranging from guidance for practitioners in specific professional disciplines through the evaluation of tools to help organisations measure their progress.

In addition, the ACC Programme provided a cash boost to the Regional Climate Change Partnerships of £450,000 in 2008/09. Topics covered by funding provided by the Programme include biodiversity, economic development (such as workshops on the business and technology opportunities of adaptation), assessing regional resilience and vulnerability, capacity building and community engagement and guidance on adaptation for schools and transport.

Helping people to find information about adaptation

Defra have launched the ACC Programme website www.defra.go.uk/adaptation. The website is constantly updated with the latest developments and news as well as providing an additional platform to distribute ACC Programme publications including *Adapting to Climate Change in England: a Framework for Action*, published in July 2008.

Scoping stage of the Risk Assessment and Adaptation Economic Analysis complete

The Risk Assessment is one of the most ambitious assessments to be undertaken worldwide, and will need to take some important steps forward in developing the methodology for such studies.

Adaptation Partnership Board

The ACC Programme has set up a new Adaptation Partnership Board consisting of key stakeholders. The Board will provide advice to the cross-Government Programme, and will also help to spread messages about adaptation. The Partnership Board met for the first time on 10 March 2009.

Response to Royal Commission on Environmental Pollution (RCEP) study on adaptation

Defra submitted, on behalf of Government, full and comprehensive evidence to the RCEP's study on the institutional arrangements for adaptation in the UK.

Developing work on adaptation indicators

The ACC Programme has carried out some initial scoping work to identify the issues relating to the establishment of new performance measures on adaptation. This is a complicated task, because some of the most important outcomes will not be measurable for decades to come, for example reducing deaths in heatwaves and floods in the 2040s. It is therefore important to develop intermediate measures too which will also need to measure success on a local level.

For more information visit the ACC Programme website.¹⁷

Forward Look

Over the next year work undertaken by the ACC Programme will include the following:

The launch of new UK Climate Projections in 2009

The UK Climate Projections are the most comprehensive package of future climate information to made available for the UK to date. They provide information on current and future climate change for the UK up to 2099 over both land and sea, down to 25 km grid squares. They are an important step forward for us all in understanding our complex climate and how it might change in the decades ahead. They begin to quantify uncertainty and help us understand the relative risks in the future.

The projections will be accompanied by a comprehensive roll-out programme of advice and training for organisations on how they can use the projections, in Autumn 2009. The events and training sessions will help to raise awareness of adaptation across a wide audience, and illustrate how the projections can be used to support adaptation planning.

Establishing the Adaption Sub-Committee for Summer 2009

The Adaptation Sub-Committee of the Committee on Climate Change will scrutinise progress on the ACC Programme and advise on the risk assessment. The Chair of the Sub-Committee has already been appointed. Members are currently being recruited and the full Committee is expected to be set up by Summer 2009.

Consultation on the use of the Reporting Power and on the Statutory Guidance

A public consultation on the use of the Reporting Power and the Statutory Guidance will be launched in early summer 2009, before the strategy and list of reporting authorities are laid before Parliament in November 2009. Reporting authorities are expected to be directed to report during early 2010.

¹⁷ www.defra.gov.uk/environment/climatechange/adapt/programme/objectives.htm#success

Tendering for the National Climate Change Risk Assessment and Adaptation Economic Analysis

Now that the scoping study has been completed, the full tender exercise will begin in summer 2009. The Risk Assessment will be presented to Parliament in 2011, and will provide an important basis for the development of the statutory programme. The Adaptation Economic Analysis will be produced to the same timescale.

Expanding our programme of working with Local and Regional Government

We will work with the 56 Local Authorities that have made the ACC Indicator (indicator NI 188) a priority for their Local Area Agreement, to complete the first comprehensive area assessment on the indicator in Summer 2009.

The Programme has also made a further funding commitment to the Regional Climate Change Partnerships covering 2009-11.

Propose options for adaptation performance indicators

The ACC Programme is committed to proposing a basket of indicators in Autumn 2009 for consultation that reflects the breadth of the adaptation agenda.

Cross-Cutting Objective 3: Rurality



Rural Affairs, in addition to being core to Defra's remit, partially delivers through the over-arching *Rural Development Programme for England 2007-13*. This involves the work of many delivery partners, including other departments, Defra Non-Departmental Public Bodies (NDPB) and the Regional Development Agencies (RDAs). In addition, Defra champions the equitable treatment of rural areas and communities across England in national, regional and local public policies and programmes. Defra also works with other Government Departments to encourage them to "rural proof" their policies. "Rural proofing" is the policy tool to ensure that the principle of rural mainstreaming is observed, namely that domestic policies across government take account of rural circumstances and needs, and also do not discriminate against the rural population in favour of urban or suburban populations. Defra's resources are deployed in three ways:

- promoting the effective mainstreaming of rurality within government;
- working with national, regional and local government to ensure that they understand and address their rural responsibilities; and
- maintaining strong links with organisations representing rural communities to ensure they have a voice that is heard by national Government.

One important contribution to this work is in improving the evidence base, in terms of data collection and analysis, specifically rural research and development that is made available to other Government Departments, to help them better understand the rural context for their policies. This work follows from the *Rural White Paper 2000* and is managed in part through Defra's sponsorship of the Commission for Rural Communities (CRC) to act as a rural adviser, advocate and to challenge Government, to the tune of £6.4m in 2008/09.

Highlights from 2008/09

The Rural Advocate's Report on Rural Economies

In the summer of 2007 the Prime Minister asked Stuart Burgess, the Rural Advocate, to undertake an analysis of the impact of flooding and Foot and Mouth Disease on the rural economy, and to advise on how rural economies might be further strengthened. In compiling his report, Stuart Burgess analysed the rural economy as a whole and in June 2008 published his recommendations in *England's rural areas: steps to release their economic potential*. The recommendations set out a package of proposals to improve support for people and enterprises in rural areas. The Prime Minister broadly welcomed the report shortly after publication and asked Defra to work with others across Government to reflect upon it and to take forward actions in response to its recommendations. To do this, a cross-Whitehall working group (including HMT, BERR, CLG, DIUS, Defra and DWP) was brought together under the chairmanship of Defra to

develop a joint response to the recommendations. On 5 February 2009, the Secretary of State published a response on behalf of the Government, setting out the Government's rural agenda. The central messages of the Government's response are that:

- rural areas already make an important economic contribution, more so than has perhaps been historically recognised;
- the best way to support and enhance this contribution is to recognise the dynamic, diverse nature of economic activity in rural areas, and to avoid out-dated assumptions about the nature of rural businesses; and
- in recognising rural areas as places of economic opportunity we also need to recognise that they can provide a range of public goods over and above their economic contribution.

Environment, Food and Rural Affairs Committee report on the potential of England's rural economy

The Environment Food and Rural Affairs Select Committee's report on the potential of England's rural economy, published on 29 October 2008, suggested that Defra was not taking the rural agenda seriously enough (by having a Departmental Strategic Objective rather than a Public Service Agreement on rural communities and by reducing available resources), not being pro-active enough in rural-proofing Government policies and needed a better strategy for working with RDAs and local bodies.

The Government's response was published by the Committee on 21 January 2009. It addressed all of the issues in the report. One of the Committee's recommendations that Defra accepted was to rename the DSO as "Socially and Economically Sustainable Rural Communities" (from "Strong Rural Communities"). Defra also responded to the recommendation of a more proactive approach to rural-proofing and mainstreaming by setting up a joint initiative with the CRC. The report and Government reply may be viewed at:

www.publications.parliament.uk/pa/cm200708/cmselect/cmenvfru/544/544i.pdf

www.publications.parliament.uk/pa/cm200809/cmselect/cmenvfru/155/155.pdf

Mainstreaming

The CRC and Defra officials worked during the year on a joint project to reinforce the rural mainstreaming message and refresh the rural-proofing tools available to policy-makers. This involves a clear statement of the principles underpinning the concepts and their meaning (at national, regional and local levels), the launch of a revised rural-proofing tool-kit, and the development of a plan for closer working with key Government Departments, regional offices and others to support them in improving their mainstreaming and rural-proofing performance. The project was due to complete its first phase with the launch of a new rural-proofing during 2009/10.

Organisation for Economic Cooperation and Development (OECD)

During the year we invited OECD to conduct a study into rural policy in England. This will be one in a series of studies carried out by the organisation, principally on member countries. They will bring to bear their extensive international experience in examining the approach we have taken to rural affairs and make recommendations that we can consider taking forward in the longer term. The fieldwork for the study started in March 2009.

The Rural Community Action Network (RCAN)

Defra is funding RCAN over 2008-11 (£10.35m in total) to deliver socially and economically sustainable rural communities. Funding of £3.45m was made available in 2008/09 and was managed and distributed through Action with Communities in Rural England (ACRE). The grant is intended to ensure that the RCAN network (made up of Rural Community Councils at County level across England) are able to work with Local Authorities, regional bodies and central Government to ensure that the needs of rural communities are understood and addressed at the local and regional levels. Defra works closely with ACRE over management of the RCAN contract. Separately, Defra has commissioned Capacitybuilders to provide an independent assessment of ACRE's delivery of the programme, drawing on its experience as a funder of third sector support services.

Defra and the East of England Development Agency (EEDA) (lead Rural Development Agency on rural issues), on behalf of the RDA network signed a Joint Strategic Partnership Agreement. The Agreement sets out how Defra and the RDAs will work together in partnership and some priority areas for joint action over the next 12 months as we help businesses and people in all communities through the economic downturn.

Forward Look

Defra in partnership with BERR, the CRC and the RDAs will continue to take an overview of intelligence received by the Government (and in particular the National Economic Council) on the impact of the current economic situation to ensure that it is effectively rural-proofed. This will take a particular focus on any risks that may be particularly relevant to rural areas such as issues affecting Small and Medium-sized Enterprises (SMEs) or those on low wages or in seasonal or part-time work.

We will continue with the joint Defra/CRC project to restate and refresh the Government's commitment to mainstreaming and rural-proofing. One element of this involves supporting a major conference on 19 May 2009 to clarify and promote mainstreaming and rural-proofing to representatives of all levels of government and to their stakeholders. During 2009, Defra and CRC will be developing a long-term engagement plan to promote the mainstreaming and rural-proofing messages to raise their profile with Government Departments, regional, sub regional, local bodies and agencies, to increase and improve compliance with rural-proofing responsibilities.

We will maintain an active participation in the OECD rural working party of its Territorial Development Committee. The OECD will complete its rural policy study on England during the coming year. We anticipate a draft report in Autumn 2009 with sign off and publication in 2010.

Defra will undertake work to better understand the potential impact of reform of the Common Agricultural Policy on rural communities.

Defra will continue to sponsor the CRC to act as rural adviser and advocate, and to continue to challenge Government. Their work plan for 2009 includes many projects including work on the Uplands Inquiry, Rural Summits, Rural Experience days and continuing work on issues facing disadvantaged people.