UKNETWORK of Environmental Economists



# The future of evidence based environmental policy in the Brexit UK

Summary note from a joint UKNEE & NCI Seminar on 07/02/2017

- Chair: Joan Walley, Chair, Aldersgate Group
- Amy Mount (Head of Greener UK Unit, Green Alliance): Environmental protection and climate leadership
- Edward Lockhart Mummery (Resource Decisions): Opportunities from Brexit
- Brett Day (Professor of Environmental Economics, University of Exeter, Director of Land, Environment, Economics and Policy Institute (LEEP)): Experience with innovative incentive mechanisms that can help in reforming the agri-environmental policy
- **Griffin Carpenter** (environmental economist, New Economics Foundation): Reform options for fishing quotas in the UK
- 115 people registered for the seminar, most within the first few days of announcement. This is the
  biggest turnout for the evening seminars either organisation has ever hosted. The participants
  were economists, environmental scientists and others working for private companies, public
  agencies and NGOs covering a wide variety of sectors including water, agriculture and insurance.

The UK has a proud tradition of evidence based policy making, including for the environment. While there has never been a time evidence influenced all decisions, the pressure on this tradition has been rapidly increasing. Changing policy priorities and the role of public sector in and alongside the markets, and cuts to research budgets cause this pressure. Brexit brings added uncertainty.

Speakers and participants felt that there is a lot of work for us all evidence providers and users; and a lot of principles to uphold for protecting the environment and for a sustainable economy. Those present seem to prefer the positive and dynamic strategy of focusing on the opportunities while being acutely aware of risks over one that focuses solely on risks. For individual policy areas discussed (both agricultural and fisheries can be summed up as payments for public goods), focus on the desired outcomes rather than specific actions and outputs was similarly preferred.

We – the communities the UKNEE and the NCI represent – will be stronger if we produce policy options, not only evidence; if we cooperate and if we speak out.

This note summarises the key risks and opportunities and ideas for next steps and next event(s) discussed during the event, and provided through the feedback survey sent to the participants after the event (there were 10 responses).

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# **RISKS**

#### Governance

- We could fail to ensure that the environment is given centre stage when setting the goal posts for future human activity and resource use.
- The necessary political will to lead environmental policy is lacking.
- Devolution of environmental policy responsibilities (within the UK) is likely to cause confusion especially for business.
- This could lead to a 'post code lottery' for new standards and policies.
- Precautionary Principle is under threat while it can be reformed, the risk is that it is not used at all.
- If political will is lacking, then so will money and other resources needed for environmental policy and management. This comes with unwillingness/failure to implement necessary carrot and stick approaches as appropriate to drive necessary change. For example, there needs to be a system that rewards local authorities for operating a natural capital approach in their area via the planning system in order to ensure that development delivers environmental benefits in a strategic and sustainable way rather than on a project or individual development basis. The same is true for rewards for land managers.
- Environment is increasingly seen as the policy area for Defra alone.

### Institutional capacity

- The UK doesn't have sufficient expertise and/or number of people to:
  - Continue the monitoring and enforcement role of the EU
  - Implement the current chemicals policy (which resides with the European Chemicals Agency ECHA)
  - To make the argument for the environment at all levels of governance and in all arenas
- If the existing (and already limited) civil service capacity is used for Brexit negotiations, other policy areas not directly impacted by Brexit (e.g. climate change policy) could suffer.
- In planning the reforms post-Brexit (e.g. for CAP) the uptake should not be assumed but the ability and willingness of the affected businesses to take up the reform should be considered carefully (e.g. farmers for new agri-environment schemes).
- We the communities UKNEE and NCI represent but also other evidence providers could fail to work together for a more effective environmental policy.
- There could be amismatch between the evidence that will be needed and what is available (or will be in the future) to guide the formulation of (and monitoring of progress with) the strategies, plans and policies that will provide the framework for decision making.

#### The UK in the international arena

• The environment could be a sacrifice made during the trade negotiations.

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If the UK cannot agree on fishing quota allocations, the fish will suffer. This is because all
parties will be incentivised to fish more than the scientifically set quotas. Current quotas
are already above the scientific advice. But the gap had been declining and fish stock
has been increasing.

#### **OPPORTUNITIES**

## Maintain what's been good in the past

- Different groups are coming together to cooperate. For example, the consortium of NGOs Green Alliance has brought together in the Greener UK group, and created the pledge signed thus far by 182 MPs from all parties to commit to environmental standards<sup>1</sup>. Another example is the emerging collaboration between the parks and open spaces and public health departments of local authorities to base their funding requests on the evidence of benefits of access to green space on human health.
- Make use of improving analytical capacity, use modelling and create policy options.
- A trade deal with the EU will require continuation of EU regulations at least so far as they
  affect UK exports.

## Do better than the past

- There has been a very large number of environmental regulations, permitting systems and local environmental and other plans. Whilst each regulation serves a purpose, the sum has been difficult to enforce. Post Brexit, we could put together a new framework that has long term goals set in legislation, radically simplified regulations focusing on long term outcomes and a universal duty to safeguard the environment (like the Health & Safety Act), a single process to obtain permissions and stronger enforcement in case of failure. The 25 year Environment Plan has a similar intention but putting it into practice needs help from all.
- The agri-environment reform process is widely acknowledged as an opportunity post
  Brexit. It could provide a chance to address the currently fragmented institutional
  framework for example, through a "Natural Capital Systems Operator". It is also an
  opportunity to increase localisation and participation (subject to the post-code lottery risk
  mentioned above).
- Brexit does not give the UK new powers in regards to fisheries because Member States
  were already responsible for allocation of quotas but the process may allow for
  opportunity to rethink small / large scale fleet allocations. The UK could also use the 200
  nautical mile economic zone as a bargaining chip.
- There is an opportunity to show the world what can be done the UK could have a first rate economy that embraces innovation and leads by example (e.g. Global Britain). We have done this with the Climate Change Act.

<sup>&</sup>lt;sup>1</sup> http://www.green-alliance.org.uk/greeneruk





 Linking environmental quality and public health could be an opportunity to use evidence, create policies that benefit the environment, the economy and human wellbeing. And this can be done without waiting for a catastrophic decline in environmental quality.

#### **NEXT STEPS FOR THE UKNEE AND NCI COMMUNITIES**

- Provide input to the 25 year Environment Plan when it opens for consultation.
- Contribute to the Great Repeal Bill as much as possible.
- Take environmental discussions to departments beyond Defra and take it beyond civil servants to the politicians, and with the help of mainstream and social media and business engagement.
- Policy is politics and politics is people. The environment will have to be framed as an
  emotive issue, but we need to take care to avoid it being portrayed as a liberal elite
  issue; lessons need to be learned from the health and social care campaigns as well as
  previous opponents made allies, such as the farming and industrial sectors.
- Don't feel we have to accept the funding cuts. We can argue against them. We can think
  more innovatively for attracting new money to environmental policy like making a better
  case for business involvement and green bonds, and all conventional sources of funding
  to be considered.
- High resolution data is needed at the local level where the decisions that affect the
  environment on the ground are made. We could draw attention to new funding
  opportunities such as the Community Infrastructure Levy or a separate Natural
  Environment Infrastructure Levy (NEIL).

# POTENTIAL TOPICS FOR FOLLOW ON EVENTS

- Edward Lockhart Mummery talked about the best forums to discuss our issues and to get them to the right audiences. This will need to be revisited.
- There was very little discussion on how environmental management can/will change in the devolved nations apart from a mention by Amy Mount. There is already great variation across devolved administrations which could get bigger post-Brexit. Amy talked about innovation; perhaps how progressive and innovative Wales has been in its new environmental legislation which could be explored further.
- This could have easily been an all-day event. Consider this for future events.
- Discussing responses to the 25 year Environment Plan within the UKNEE and NCI communities, with participation by others.
- More coverage of different sectors and disciplines perhaps through break out groups.
- Future discussions to focus on actions that can influence policy at all levels.

#### **IMPORTANT LINKS**

House of Lords European Union Committee, Brexit, Environment and Climate Change (14 February 2017)

House of Commons Environmental Audit Committee, *The Future of the Natural Environment after the EU Referendum* (4 January 2017)

HM Government, *The United Kingdom's Exit from and New Partnership with the European Union* (February 2017)