

Greening the post-Covid recovery inquiry

Evidence for the Environmental Audit Committee by Wildlife and Countryside Link

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Wildlife and Countryside Link (Link) is the largest environment and wildlife coalition in England, bringing together 57 organisations to use their strong joint voice for the protection of nature.

Introduction

1. The current crisis has seen the global economy brought to its knees by an ecological problem, caused by the way that we interact with nature. We know with increasing certainty that human actions like the illegal wildlife trade, industrial farming and deforestation can all turn our planet into a petri dish for new diseases, as well as degrading the natural assets and defences our economy relies on. A green recovery is the only response to this crisis that is viable in the long term, offering lasting economic stability and helping to address the climate and ecological crisis. The World Economic Forum has identified that the top five risks to the global economy now are all environmental risks and that over half of global GDP is exposed to environmental risk. No green recovery means that these environmental risks will go unaddressed, guaranteeing further economic crises in future.
2. The makings of future crises are already discernible globally and in our own country. According to the State of Nature report “the abundance and distribution of the UK’s species has, on average, declined since 1970. Many measures suggest this decline has continued in the most recent decade. There has been no let-up in the net loss of nature in the UK”¹. 15% of species we know about are threatened with extinction in the UK. Meanwhile, only 16% of English water bodies are in good ecological condition, the UK failed on 11 out of 15 indicators needed for healthy oceans, and only 39% of Sites of Special Scientific Interest are in favourable condition. More invasive species and plant diseases become established in this country each year. These failings, alongside the additional impacts from climate change, pose direct economic risks, including vulnerability to flooding, heat waves, drought, crop failure and ill health from air and water pollution. As frameworks like “one health, one welfare, one planet” recognise, environment, welfare and human health and prosperity are inextricably linked.
3. A truly green recovery would recognise the importance of a healthy natural environment to economic prosperity and help address these developing risks, both curing the current crisis and preventing future ones. If it is not a green recovery, it is not a recovery at all - it is simply continuation down the same path to long-term economic weakness that we have experienced so far.
4. There are three main components of a green recovery: investment in the low-carbon economy; investment in natural capital; and the creation of greener law and policy to set a trajectory for

¹ <https://www.rspb.org.uk/our-work/state-of-nature-report/>

environmental improvement (along with a corresponding avoidance of environmentally risky deregulation). As England's largest nature coalition, we have focussed on the second and third components in our response.

Responses to questions posed by the Committee

Q1: How can any fiscal and economic stimulus packages be aligned with the UK's ambitions on net-zero, biodiversity, the circular economy, and Sustainable Development Goals?

5. It is important to highlight that a stimulus package which neglects environmental NGOs would undermine the UK's environmental ambitions.
6. Environmental NGOs urgently need support. During lockdown, eNGOs faced collective gross losses in excess of £35 million per calendar month. For the environment sector, this is a hugely significant sum of money resulting from loss of retail revenues, visitors' fees, charitable giving and a fall in membership income. In some ways the situation could worsen over the coming months. So far, the Government has made no provision for financial support after the furlough scheme has ended, yet ongoing losses from reduced membership income alone are expected to exceed £100million this year and next year (these figures are from Link research).
7. These financial losses have a direct effect on delivery of the UK's environmental ambitions. Environmental NGOs are key delivery partners with Government and its agencies in climate change mitigation, ecological restoration and the delivery of the 25 Year Environment Plan. eNGOs are major land owners and manage significant areas of land that are designated as of national and international importance, including over 365,00ha or 14% of England's SSSI by area. eNGOs wholly or jointly manage 76 of England's 222 National Nature Reserves which are home to some of our most important habitats, species and geology and provide 'outdoor laboratories' for research and education, as well as forming the core of the Nature Recovery Network. The sector's ability to manage that land effectively and to contribute to improvement of the wider landscape will, without stimulus package support, be compromised by coronavirus losses. Many tree-planting, river-restoration and habitat-creation projects have already been cancelled or delayed because of coronavirus financial losses.
8. Specific ambitions that would be undermined as a result of environmental NGO cut backs include the target of achieving net zero emissions by 2050, which depends on large-scale tree-planting and other habitat creation and restoration (e.g. peatland restoration). For example, The Woodland Trust has consistently been responsible for creating a significant proportion of all new broad-leaved woodland in England ensuring benefits for people, nature and carbon sequestration. The Trust has also been an active partner in the design of the Woodland Carbon Code, drawing in significant private finance for woodland creation as a nature-based solution. This has led to multi-million pound partnerships with leading businesses in the retail, banking, manufacturing and services sectors. This work could be significantly set back if coronavirus losses are not addressed.

9. Many core Government environmental delivery programmes rely directly on Environmental NGOs. The Environment Agency's 2020/21 Environment Programme comprises 261 projects of which 216 (83%) are partner-led, largely by eNGOs. Only 7 projects within the programme are delivered solely by the EA. The estimated total value of the 2020-2021 Environment Programme is c.£30M of which the EA funding contribution is c.£10M. Partner contributions are expected to be c.£10M and they in turn aim to draw in another £10M of external funding (eg lottery/grant funding).
10. In summary, the environmental sector is the lynchpin securing the delivery of all of Government's most important environmental ambitions. The sector's ability to deliver that role effectively for the foreseeable future has been compromised by the coronavirus crisis.
11. To fill the financial gap left by coronavirus, support jobs and contribute to delivery of the 25 Year Environment Plan, Wildlife and Countryside Link members have proposed a compendium of "shovel ready" projects to government that, amongst other things, would support thousands of existing eNGO jobs, create 5,000 new jobs directly, create or restore 200,000 hectares of priority habitat, "level up" access to nature across the country and sequester millions of tonnes of carbon. The cost of including these projects in a fiscal stimulus package would be c.£315million – the effect would be to enable environmental NGOs to deliver key initiatives and thereby contributing to keeping current UK environmental ambitions on course.
12. The Government announced a £40million Green Jobs Challenge Fund in July, as part of the Chancellor's Plan for Green Jobs. Of course, £40m is welcome, but it falls far short of the sums needed to set the delivery of environmental ambitions back on their previous trajectory. In addition, this Fund is just money brought forward from existing budgets for green projects and falls way short of what is required for nature's recovery.

Q3: In what areas should interventions be targeted to deliver both economic and environmental benefits in the short and long term?

13. A targeted injection of investment in natural infrastructure will deliver immediate economic benefits and make us more resilient to future environmental risks. To secure these benefits into the long term, this investment needs to be complemented by a robust regulatory framework that builds environmental resilience into our economic system.

Intervention through investment in natural capital and nature-based solutions

14. The Government should be looking at a natural investment package of around £8 billion. New Zealand has recently allocated nearly NZ\$1.3 billion² to environmental projects, which are expected to create around 11,000 jobs. An equivalent proportion of spending in the UK, relative to the size of our economy, would be an investment of around £8 billion.

² <https://www.mfe.govt.nz/funding/jobs-for-nature>

15. This investment package could be delivered in two stages. The first stage, around £315 million, would - as set out in our response to question one - deliver the immediate support environmental NGOs need to keep on delivering the UK's environmental ambitions. This would help keep the UK on track to meet the goals set out in the 25 Year Environment Plan. The second stage would allow for a significant upping of these existing ambitions, and the creation of a significant number of new jobs to deliver the additional work required.
16. This second stage of targeted nature investment could see a transformation in the UK's landscape through delivering a Nature Recovery Network and large-scale action that allows nature to recover and thrive. Pocket parks and tiny forests would be created in urban areas, targeting the areas where financial deprivation overlaps with nature deprivation, to restore people's quality of life in our inner cities. Our wetlands, peatlands and upland habitats would be enhanced to reduce flood risk and to sequester carbon. New woodland would be created across our countryside, along with other habitats that are often overlooked, including ponds and species-rich grasslands. On the coast, intertidal habitat, salt marshes and coastal waters would be brought back to health, replenishing the economic stocks of our fisheries and marine wildlife.
17. In addition to helping deliver on the goals of the 25 Year Plan for the Environment, such large scale habitat recovery would also result in an increase in the provision of access to high-quality green space, which would help improve mental wellbeing and physical health. We know that enhanced nature leads to enhanced health – to give a specific example, reducing pollution in inland and coastal waters through nature recovery work will have significant benefits to human health both in spread of less bacteria and viruses but also improved recreation. The benefits of the 'Natural Health Service' are becoming increasingly clear, with evidence from the lockdown period showing inequalities in access to green space³. Over 2.6 million live more than a ten minute walk from green space. In areas where over 40 per cent of residents are from ethnic minorities, there is 11 times less public green space than in areas where residents are largely white, and it is also likely to be of poorer quality. The expansion and improvement in green space created by large scale habitat recovery would 'level up' these inequalities in access to green space, boosting public health.
18. The additional work required to meet this increased environmental ambition, delivered in part by a new National Nature Service, would create thousands of new jobs. We discuss these new jobs in more detail in response to question six.

Intervention through good regulation (and by eschewing risky deregulation)

19. The environmental abundance and economic stability that natural capital investment would create will only be locked in for the long term by robust regulation. The Environment Bill has the potential to do this, by providing a robust framework to arrest the decline of the natural world through coordinated, evidenced and monitored action to meet ambitious nature restoration targets.

³ https://www.wcl.org.uk/assets/uploads/files/Rooting_Recovery_in_Resilience.pdf (p5)

20. Enhancements to the Bill are required to ensure it fulfils its true potential, including legally binding targets to restore nature on land and at sea, supported by contributory targets to reverse species loss and improve the extent and condition of habitats and by the establishment of a cohesive environmental information infrastructure.
21. Similarly, whilst the net gain planning condition created by the Bill could help protect and deliver biodiversity-rich green space, these benefits could easily be undermined if there are gaps in the system. The Bill currently excludes major infrastructure from the net gain system, despite the opportunities that major infrastructure projects offer for achieving biodiversity improvements at scale. In addition, permitted development and some brownfield sites are also exempt from the requirement to deliver biodiversity gain, which would both undermine the delivery of biodiversity gain as a whole (as a substantial amount of brownfield land is brought forward for housing development) and could result in loss of or damage to brownfield land of high environmental value. To avoid this, the Bill should be amended to lose these loopholes and ensure that development exemptions from biodiversity net gain are strictly limited.
22. The Bill should also be amended to strengthen the duty on Local Nature Recovery Strategies (LNRSs), which help to map out important environmental constraints and opportunities. At the moment, the Bill only includes very weak duties for the use of LNRSs; an authority simply has to have regard to a relevant LNRS in making plans and policies under an amended duty to enhance biodiversity. This risks making LNRSs functionally redundant, as there is no clear requirement to factor them into planning and spending decisions from the outset or give them equal weight to other planning considerations. To maximise the potential for LNRSs to improve implementation of the planning system, the Bill should be amended to make sure that LNRSs apply in day-to-day decision-making and that they directly inform statutory planning documents.
23. These interventions, delivered by positive changes to the Environment Bill, would lock in long term environmental and economic benefits.
24. We are concerned that the Environment Bill may be seen as a convenient legislative vehicle to take forward some of the government's proposed planning reforms which could undermine the intent and purpose of the bill. The Environment Bill was proposed as a flagship bill and as "an essential step to put environmental ambition and accountability at the heart of government". Were it to become a vehicle for deregulation in the planning system, the government's objectives for the bill would be severely compromised.
25. Good regulation leads to good outcomes; cleaner air and water, healthy and abundant food, and a flourishing natural environment. Such enhanced natural capital boosts the economy – every £1 spent by businesses to comply with environmental regulations generates a benefit of at least £3 to society⁴. Such outcomes improve everyone's quality of life. As highlighted in the interim report of the Dasgupta Review, our entire economy is founded on natural capital, which good regulation protects.

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/406225/defra-regulation-assessment-2015.pdf

26. The case for reversing these beneficial outcomes through deregulation is extremely shaky, offering limited returns by solving problems that don't really exist. The National Audit Office looked at the five-year deregulation programme that the Government undertook between 2010 and 2015, and found that the average saving for business was just £400⁵. A succession of reviews—including the 2019 Oliver Letwin-led Red Tape Challenge, EU-mandated reviews of the Birds and Habitats Directives (2015), and the 2012 Review of the Implementation of the Birds and Habitats Directives in England— has found that well-implemented environmental planning laws are compatible with successful development.
27. Instead of setting off on another deregulatory wild goose chase, and introducing proposals which could undermine the purpose of the Environment Bill, the Government should concentrate on strengthening the foundations for good regulation already in the Bill. Such good regulation will lock in the economic benefits provided by natural capital investment, rooting the benefits of a green recovery into the coming decades.

Q4: How could the Autumn budget be used to shift taxation from economically beneficial things, such as jobs and incomes; to environmental harms, such as pollution and waste?

28. We would direct the Committee to Green Alliance's 'Transform Tax' project, which explores how VAT reform could encourage environmentally beneficial spending decisions.

Q5: What sustainability conditions should be attached to Government bailouts for high-carbon industries?

29. The Government should no longer invest in high carbon, environmentally damaging infrastructure, such as new road building projects. We do not believe that the Government should be bailing out high-carbon industries and instead the funding should be used to reduce emissions and deliver a green recovery. Bailouts should be 'biodiversity proofed' to ensure that they avoid harmful nature impacts.
30. The Government should make any bailout payments and recovery investment conditional on compatibility with the net zero target and with the aim of ecological recovery, setting clear, binding and measurable goals for each individual bailout decision. For example, any additional road building should be first required to demonstrate that there is a clear need that cannot be met by alternative investment in active transport provision. All new infrastructure should be required to deliver at least 10% biodiversity gain, with a priority placed on avoiding damage to existing biodiversity.
31. As proposed by Greenpeace, all financial support for North Sea oil and gas companies should be conditional on transitioning away from oil and gas as soon as possible, and supporting oil and gas workers through that transition.

⁵ <https://www.wcl.org.uk/assets/uploads/files/Project Speed - Link Briefing 2.pdf>

Q6: How can the economic recovery stimulus be used to deliver green jobs at a time of potentially high unemployment?

32. The £315 million investment we have proposed in shovel ready nature projects (see response to questions one and three) would secure current jobs at risk in the environmental sector (which currently employs 15,000 to 20,000 people), as well as creating around 5,000 new jobs.
33. The second stage of natural capital investment, as proposed in our response to question three, would represent a significant increase in the UK's environmental ambitions, involving the creation of tens of thousands of new jobs. National Trust research⁶ has found that £5.5bn focused on making urban areas greener would deliver £200billion in health benefits and secure 40,000 jobs in initial construction and over 6,000 permanent jobs for ongoing maintenance.
34. Link has proposed delivering this work, and wider nature restoration, through a National Nature Service. This concept is inspired by the Civilian Conservation Corps, formed in the United States after the Great Depression, where people were employed in creating national parks and conserving nature. By the time the programme ended at the start of World War II, President Roosevelt's "Tree Army" of 3 million men had planted more than 3.5 billion trees on land made barren from fires, natural erosion, agriculture or lumbering. The Manpower Services Commission, introduced by Edward Heath's government in the 1970s, also provides a precedent in the UK context.
35. If given sufficient support to expand their management and training capacities, Environmental NGOs stand ready to lead a National Nature Service fit for the present day, and to work with local authorities and land owners to provide tens of thousands of jobs, as well as meeting the growing need for the skills required to restore nature and deliver nature based climate solutions. In a National Nature Service employment programme, accompanied by a funded project pipeline and investment in personnel management in partner organisations, could employ and train thousands of young people, protect homes and businesses from environmental and economic threats and help turn round nature's decline.
36. As noted in Aldersgate research into a green recovery, the nature recovery projects a National Nature Service would deliver would be quick to get operational - nothing is more shovel ready than a tree. NNS projects could also be concentrated in the regions that have taken the worst economic hit from Coronavirus. The NNS could be targeted at school and college leavers, recent graduates, young people looking for a career in the environmental sector and those out of work as a result of the economic crisis (particularly from hard hit sectors such as retail, entertainment and aviation). Newly employed NNS rangers could get work to quickly, on projects that are very much shovel ready and require few skills to complete, including tree planting, hedge restoration and environmental data collection. This initial labour would be combined with training, giving the rangers skills in more advanced fields (such as habitat management and sustainable tree harvesting), which would open doors to good quality, sustainable careers.

⁶ <https://www.nationaltrust.org.uk/press-release/new-research-shows-55bn-fund-needed-to-level-up-access-to-urban-green-space-as-part-of-uks-green-recovery>

37. This NNS training would provide skills for the ecologists, planners, green civil engineers and other green jobs we will need. The demand for these specialist skills is growing, and will increase still further as the Agriculture and Environmental Bills pass into law – the NNS can play a critical role in filling this growing skills gap.

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This response is supported by the following Link members:

