

Comprehensive Spending Review (CSR) submission

September 2024

This submission is on behalf of nature and animal welfare coalition Wildlife and Countryside Link ([Link](#)).

Introduction

Alongside stronger regulation, increased investment is clearly essential to meet the Government's legally-binding environmental targets, including the 2030 target to halt the decline of species abundance. Achieving the targets can make an outside contribution to the Government's economic, climate and health missions.

The natural environment continues to decline at an unacceptable rate. The abundance of species studied in the UK has declined by 19% on average since records began in 1970. The Office for Environmental Protection (OEP) has concluded that the Government is not on track to meet its legal obligations under the Environment Act. Multi-year investment is needed in the Government's key natural environmental spending programmes to halt nature's decline, end environmental inequality, and meet Net Zero emissions targets. In particular, there is a clear need and value for money case for:

- Increasing the budget for nature-friendly farming, improving the management of protected sites, and expanding landscape recovery through Environmental Land Management (ELM) and Farming In Protected Landscapes;
- Multi-year renewal of the following funds, or a new strategic funding approach that matches the scale of need to deliver environmental targets;
 - Nature for Climate Fund (DEFRA: ends 2025) - £640 million
 - Farming In Protected Landscapes (DEFRA: ends March 2025) - £100 million
 - Species Survival Fund (DEFRA: one-off in 2024) - £25 million
 - Species Recovery Programme Capital Grant Scheme (DEFRA: ends March 2025) - £18 million
 - England Woodland Creation Grant (DEFRA: ends January 2025) - £25 million
 - The Local Nutrient Mitigation Fund (MHCLG; now closed, bids were due May 2024) - £110 million
- International nature finance to fulfil commitments under the Global Biodiversity Framework;
- Increased investment in the planning system, specifically for environmental and ecological expertise and advice. This should include additional programmes for regulatory compliance; and investment in delivery of Local Nature Recovery Strategy priorities.

DEFRA: a mission critical Department

Achieving DEFRA's environmental objectives is critical to delivery of the Government's missions on Net Zero, economic growth and improving public health. Analysis from the World Economic Forum (WEF) estimates that half of all economic activity is moderately or highly dependent on nature.¹ The WEF's Global Risks 2023 report highlights that these foundations are increasingly shaky due to ongoing environmental decline, reporting biodiversity loss to be one of the top four risks to the global economy over the next 10 years.² Nature recovery and farming support streams within the DEFRA budget are the only public spending commitments which speak to this fundamental threat to economic security.

Increases to both of these budget items would directly support some of the economic sectors and communities that are most exposed to the risks of environmental decline. More money for nature-friendly farming will help farmers to adapt to climate change already limiting food production³, boost yields by increasing pollination and restore soil health.⁴ More funding for habitat restoration across upland landscapes will help absorb much of the force of increasingly common flooding⁵, before it saturates fields⁶ and damages properties.⁷

The restoration of natural habitats will also provide a cost-effective contribution to the UK playing its part in fulfilling its own climate commitments and the global agreements that provide our best hope for preventing further catastrophic climate breakdown. Restored habitats such as woodlands, peatlands, and grasslands constitute the most proven carbon capture technology available to us, capable of providing a third of the climate change mitigation needed to reach Net Zero by 2050.⁸

The economic benefits of nature recovery go beyond preventing and adapting to climate damage and building resilience. People across the UK are united in their love of nature, with millions visiting nature sites every year for recreation, contributing over £12 billion per year to tourism and outdoor leisure.⁹ More restored habitats mean a bigger contribution to tourist spending, and to potential health savings further down the line. Research suggests that spending at least 120 minutes a week in nature leads to a significant increase in wellbeing.¹⁰

¹ World Economic Forum. (2020). *Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy*. Geneva, Switzerland.

² World Economic Forum. (2023). *The Global Risks Report 2023 18th Edition*. Geneva, Switzerland.

³ Lippert, C., Feuerbacher, A., & Narjes, M. (2021). Revisiting the economic valuation of agricultural losses due to large-scale changes in pollinator populations. *Ecological Economics*, 180, 106860.

⁴ Nature Friendly Farming Network and The Wildlife Trusts. (N.D.). *Farming at the Sweet Spot*.

⁵ The Wildlife Trusts. (N.D.). *How Nature can Help Prevent Flooding*. Newark, UK.

⁶ Energy and Climate Intelligence Unit. (2024). *Winter flood warnings and alerts on grade 1 and 2 farmland in England*. London, UK.

⁷ Environment Agency. (2009). *Flooding in England: A National Assessment of Flood Risk*. Bristol, UK.

⁸ Wildlife and Countryside Link. (2022). *Nature Based Solutions (NBSs): Link briefing note*. London, UK.

⁹ Office for National Statistics. (2021). *Tourism and outdoor leisure accounts, natural capital, UK: 2021*. Newport, UK.

¹⁰ White, M. P., Alcock, I., Grellier, J., Wheeler, B. W., Hartig, T., Warber, S. L., ... & Fleming, L. E. (2019). Spending at least 120 minutes a week in nature is associated with good health and wellbeing. *Scientific Reports*, 9(1), 1-11.

The combination of these mental health benefits, and the physical activity required to access nature, makes for an effective preventative healthcare tool. More access to healthy green and blue spaces means more people in better health for longer, reducing demands on the NHS. It has been estimated that giving everyone in England good access to green space could save the NHS around £3 billion a year.¹¹

The 2024 Comprehensive Spending Review (CSR) comes at a time when essential nature recovery funding pots, such as the Nature for Climate Fund, are coming to their end. Now, important decisions need to be made about the next stages of the Environmental Land Management schemes (ELMS). The nature-friendly farming budget, renewing nature recovery funding streams, and investment in the enforcement functions of the Environment Agency and Natural England should be increased within the CSR whilst significantly increasing support to advisory functions across the third sector. Government funding is an important catalyst for providing private finance, both commercial and philanthropic, and so achieving a viable and sustainable blended finance system. Through this, the Chancellor can make effective interventions to keep the economy stable, smooth the path to Net Zero, and reduce demand on the NHS. Nature recovery is a core component of the Government's missions – allocations for DEFRA and its public bodies in the CSR must reflect this.

Growing the budget and improving spending on nature-friendly farming

With over 70% of the UK designated as farmland, acceleration of the current agricultural transition towards increased delivery of environmental public goods would demonstrate good value for money and provide an effective route to realising significant environmental gains. Conversely, any reductions in the budget for nature-friendly farming (and environmental land management) would seriously put at risk efforts to achieve the Government's nature and climate targets.

The latest report which estimates the scale of investment needed in UK nature¹² concluded that £5.9 billion a year (for at least the next 10 years) is needed for farming and land management to effectively deliver for nature and climate. Specifically, an increase in the farming budget in England to £3.2 billion a year is needed to meet the level of challenge and fund improvements in ELM as subsidies are phased out. This includes the rapid roll-out of more ambitious schemes and targeted packages, to make the scheme work better for farmers and land managers, and deliver for the environment at the scale needed.

Farmers and land managers must also be adequately rewarded for helping nature to recover and tackling climate change, as food production should be through the market place. As such, payment rates must be increased to reflect the outcomes needed for nature and people, such as improved public access and implementation of nature-based solutions. Additionally, the

¹¹ Wildlife and Countryside Link. (2023). *Improving public access to nature*. London, UK.

¹² RSPB, National Trust, and The Wildlife Trusts. (2024). *For farming, nature and climate Investing in the UK's natural infrastructure to achieve Net Zero and nature's recovery on land*.

policies to allow the stacking and blending of other public or private funding streams remain unclear.

Within an increased ELM budget, a significant proportion of funding should be ring-fenced for prioritising those schemes that deliver the most environmental gain and are essential to meeting environmental targets, namely Countryside Stewardship (CS) Higher Tier and Landscape Recovery.

While the Sustainable Farming Incentive (SFI) scheme should play an important part in creating the foundation for sustainable food production and broad environmental gains, achieving long-term environmental security relies more on higher-ambition schemes that can protect and enhance precious natural assets at the scale needed. However, there remains a backlog of expiring Higher Level Stewardship agreements and growing numbers of farmers are unable to access the new Higher Tier scheme. The CSR should ringfence increased budget to allow the swift scaling up of CS Higher Tier to 3,000-4,000 agreements per year. This would boost ambition,¹³ meet farmer demand, support farmers who will be most impacted by the post-Europe changes to UK farming policy, and mitigate the risk of many hundreds of farms going out of business where most able to deliver the greatest gains for nature.

This must be supported by adequate advice and clearer guidance around funding arrangements for high-ambition actions on Sites of Special Scientific Interest (SSSI) and a commitment to greater Natural England resourcing and prioritisation to ensure that CS Higher Tier can be effectively accessed where land contains a SSSI.¹⁴

Similarly, a commitment to the long term financing of the Landscape Recovery scheme is needed, not only to secure future rounds but also underwrite the transition of projects from their development to implementation whilst private finance is sought and secured. For those projects currently locked in the development phase, where significant public money has already been spent, a boost is needed to reach delivery and start to produce the outcomes for the public. Long term financing of the Landscape Recovery scheme would give farmers and land managers the certainty needed to access the scheme, but also safeguard some of the greatest potential gains for nature and climate this country has ever seen with 55 projects approaching implementation.¹⁵

This shift towards increased funding of higher ambition schemes should build on improvements in how the current farming budget is spent through the SFI scheme and rectifying underspending due to slow roll-out of other schemes. This is an essential step to

¹³ Farming UK. (2023). *Over 400 upland farmers sign petition calling for more support*
https://www.farminguk.com/news/over-400-upland-farmers-sign-petition-calling-for-more-support_63293.html

¹⁴ Currently land containing SSSIs are not eligible for some mid-tier CS options (the Woodland Offer) and SFI options. The Government may wish to address these barriers alongside higher tier.

¹⁵ Wildlife and Countryside Link. (2024). *Five Asks for the Environmental Land Management Schemes*. London, UK.

bringing the Government's climate and nature missions back on track and achieving value for taxpayers' money. Any reductions in funding, however short-term, would undermine the potential of more ambitious schemes, put farm businesses at greater risk of suffering from the impacts of climate change, and would lead to greater economic costs in the long term - a strategic risk to mission delivery.

It is widely recognised that the implementation of the SFI scheme has led to increased regulatory gaps¹⁶ as baseline requirements (e.g. waterbody pollution buffers) have moved from being a condition of funding to actions being paid for by the taxpayer. Coupled with the existing trend of reduced enforcement and penalties, this not only jeopardises the genuine adoption of sustainable farming principles (with environment at the heart of a farm's business model) but also the move towards more nature-friendly farming.

In addition to using public money to reward farmers for positive actions, it is important to have a regulatory baseline to ensure farming activities do not lead to environmental harms. Compliance with this baseline as a precondition for receipt of public money is good for both the environment and the taxpayer. The frequency of Rural Payments Agency inspections is low and involves very little post cross-compliance, and there is now no conditionality element for receiving public money that previously drove the penalty regime. To maximise effectiveness of regulation and value for money, the CSR should ringfence funds to increase the monitoring and enforcement capacity of regulatory bodies (Environment Agency, Rural Payments Agency and Natural England), while improving the effectiveness of public spending by exploring what baseline actions currently rewarded through SFI can be transitioned into regulation.

Funding released up by these regulatory reforms should be made available to fund free, trusted, local advice for farmers to help businesses navigate the ongoing agricultural transition. This will ease the second half of the agricultural transition, as well as benefit farm business. The 'Farming at the Sweet Spot' report revealed how farming in a more environmentally sustainable way is better for nature and more profitable for the farm business.¹⁷

Renewing nature recovery funding streams

DEFRA is a mission critical Department for all of Labour's aims. Findings by the Green Finance Institute suggest that ongoing nature degradation could cause a 12% loss to UK GDP. Strategic funding for DEFRA's nature recovery work is essential to meet Labour's manifesto commitment to growing nature-rich habitats.

¹⁶ Wildlife and Countryside Link. (2023). *The Agriculture (Removal of Cross-Compliance and Miscellaneous Revocations and Amendments, etc.) (England) Regulations 2023 (SI 2023/816)*. London, UK.

¹⁷ The Wildlife Trusts and Nature Friendly Farming Network. (2023). *Farming at the Sweet Spot*.

Over recent years, the Nature for Climate fund has supported The England Trees Action Plan and wider habitat creation through the provision of over £675 million. It also funded the Trees for Climate programme, which created five new community forests and 555 new woodland sites since 2020. It has also funded the Woodlands For Water partnership that generated 2500 hectares of applications, with a further 1500 hectares in development. These applications led to high-value tree planting opportunities along rivers and across catchments in six pilot areas utilising existing delivery networks.¹⁸ For every £1 of investment made in year three of the Trees for Climate programme, there is at least £22 of benefits provided, including public access, natural flood management, biodiversity enhancement, and carbon sequestration.¹⁹ This fund has been the main contributor to progress against the woodland creation targets. Importantly, trees, as well as peatland, are the best nature-based solution to sequestering carbon on land.

The Nature for Climate fund is, however, set to finish in March 2025. Future woodland creation and habitat restoration grants are then set to be delivered by ELMs. However, relying on ELMs to ensure that the right trees are planted in the right places is not a viable option to meet targets for woodland expansion. ELM funding would not be ringfenced and would not fund key activities needed to make habitat creation and restoration successful. As set out above, the ELM budget needs to be increased to deliver its sustainable farming and land management core purposes – there is absolutely no slack to accommodate wider habitat restoration. Habitat restoration activities run the risk of becoming substantially underfunded.

Long-term woodland management is essential. Increased funding for the Forestry Commission is needed to recruit and retain experienced advisors to undertake its functions, and to train new entrants into the organisation to ensure improvements in woodland management over the long-term. Less prescriptive funding would further help to enable greater natural regeneration, creating more climate-resilient woodlands with a strong emphasis on ensuring they are managed well for ecosystem services.

There must be a continuation or equivalent developed of the Nature for Climate Fund, matching the £640 million of previous provision, covering woodland, grassland, peatlands, wetlands, and a range of other habitats. This would help incentivise landowners to continue planting trees and restoring habitats in the right places, and achieve high quality, biodiverse ecosystems. The environment sector continues to suffer from significant skills shortages.²⁰ To meet woodland targets, bolster ecosystem services, and restore a range of habitats critical to fighting climate change and biodiversity loss, habitat restoration and ecological skills need a boost. This includes all aspects of forestry (such as VETCert for veteran and specialist trees, and Deer Stalking), invasive species control, practical restoration, waste management and more. The CSR should earmark funds to scale up forestry and other green skills training to at

¹⁸ The Rivers Trust. (2024). *Woodlands for Water*. <https://theriverstrust.org/our-work/our-projects/woodlands-for-water>.

¹⁹ England's Community Forests. (2023). *Trees for Climate 2022-2023 Impact and Achievements*. Bedford, UK.

²⁰ Institute of Chartered Foresters. (2021). *Forestry skills crisis puts climate targets at risk*. Edinburgh, UK.

least £10 million, which could be delivered through Skills England. This would help the sector develop the skills and employment pipeline needed to meet woodland targets.

DEFRA's current species support funds are also near expiry. These should also be renewed and expanded, without which the legally binding species abundance targets set under the Environment Act 2021 will not be achieved. The OEP's assessment of 40 individual environmental targets found that the government is largely on track to achieve four, a mere 10%.²¹ The expansion of species support funding should include a £6 million per year increase in funding to combat the spread of invasive non-native species, such as Japanese knotweed (*Reynoutria japonica*) and Asian hornets (*Vespa velutina*). This modest investment in national defences against the establishment of invasive species would effectively tackle a threat to species recovery and to the wider economy.²² Critically, species support schemes should be made more accessible to a wider range of organisations. The Species Recovery Capital Grants Scheme fund was largely limited to organisations that own land, and had a short-sighted requirement for delivery within a year. By making species support schemes readily available to more organisations, the funding can efficiently contribute to the depth and breadth of species recovery actions needed to meet national and international targets.

A strategic nature investment fund

Although previous funds for nature recovery have been positive, they have typically been short-term and not strategic. Too often, funds like the Green Recovery Challenge Fund were announced on unrealistic timescales, and with a “cliff-edge” end to funding. This led to “stop and go” investment in nature recovery, leading to sub-optimal outcomes and poor prospects for job creation and retention.

The Treasury should treat investment in the natural environment and natural infrastructure in a more strategic and long-term fashion. There is strong scientific evidence of the need for more, bigger, better and joined-up sites within the landscape, as set out in The Lawton Review.²³ The Government should treat these natural assets as “Critical Natural Infrastructure” and dedicate the long-term, strategic, and predictable investment needed over a Spending Review period to maintain and enhance those assets and the services they provide.

To do this, we recommend a new Strategic Nature Investment Fund—or a Critical Natural Infrastructure Fund—to complement or combine previous funding schemes. The fund should be established on a long-term basis, with the express objective of achieving the targets set under the Environment Act 2021 and Climate Change Act 2008, and delivery of the Environmental Improvement Plan.

²¹ Office for Environmental Protection. (2024). *Progress in improving the natural environment in England 2022/2023*. Worcester, UK.

²² Wildlife and Countryside Link. (2023). *Stemming the flood of invasive non-native species in the UK*. London, UK.

²³ DEFRA. (2010). *'Making space for nature': a review of England's wildlife sites published today*. Press release.

A portion of the fund should be dedicated to the delivery of the priorities identified by Local Nature Recovery Strategies (LNRSs). The Government, Local Authorities, and local businesses and communities are already investing millions of pounds in the production of LNRSs, which offer a community-driven approach to identifying nature recovery priorities. However, there is currently no funding available to act on the priorities. The Government should commit to LNRS delivery investment, as well as establishing mechanisms within Biodiversity Net Gain and ELMs to target investment in LNRS priorities. Formalising the link between LNRS and Catchment Plans from catchment partnerships and providing funding associated with catchment resilience, such natural flood management, water industry national environment programme and nutrient neutrality, would bring water company spending and flood funding into the nature recovery space. This would boost funding for delivery and match government spending.

Efficiency for a new Critical Natural Infrastructure Fund could be maximised by combining long-term public funding with “polluter pays” private finance. This would enable larger and more cost-effective projects to take place, which could also attract further private finance, as the scale of nature projects is typically cited as a barrier to private finance by major investors.

Public and private finance, working together, will be essential. This needs Government sponsorship and leadership to make it happen and then grow. Setting standards, creating and endorsing official metrics, and setting up accreditation schemes all need direct Government intervention to succeed. Regulation may also be needed in some situations. The result of following this track will be investor and participant confidence, from which transactions and bold activity flow. The only functioning ecosystem market to date is Biodiversity Net Gain and it is underpinned by these Government actions.

The strategic nature investment fund should adequately cover research needs associated with environmental causes such as nature restoration. Relying on EU funding would not cater for the richness and world-leading standards of research that the UK has to offer. The fund could also include an element of promoting the growth of a sustainable blue economy in the UK. Ocean recovery projects that could be supported by this fund, from seagrass planting to sustainable aquaculture practices, could provide a range of socio-economic benefits for coastal communities. Successful examples of this can be drawn from case studies around the world. For instance, US spending on coastal restoration as part of the recovery from the 2007/2008 financial crash led to the creation of 15 – 30 jobs per \$1 million spent.²⁴

Investing in the Environment Agency

The Environment Agency workload is increasing due to new freshwater pollution pressures and the requirement to upscale activity to achieve targets set under the Environment Act 2021. However, the Agency’s workload is not matched with financial support. Enforcement

²⁴ Marine Conservation Society. (2023). *The Government can promote ocean recovery: here’s how*. Ross-on-Wye, UK.

action by the Agency has declined by 84% from 2012-2022. This is driving poor environmental, social, and economic outcomes such as agricultural and wastewater pollution, chemical cocktails, and unsustainable abstraction. Collectively, these factors contribute to the fact that not a single river in England is rated as healthy.²⁵

To address current capacity and resourcing gaps faced by regulators, the Government should commit to restoring the Environment Agency budget to 2009-10 levels in real terms, with an increased proportion ringfenced for revenue expenditure. This will provide regulators with sufficient budgets to maintain robust and comprehensive advisory, monitoring and enforcement regimes. This funding should be sustained over multi-year spending cycles, with automatic uprating for inflation, to address the lingering consequences of historic funding restrictions.

This would be further supported by the expansion of the Catchment Based Approach (CaBA), a ready-made but under-funded national framework. It delivers catchment-scale, holistic water management, including managing invasive species, collaboratively through local Catchment Partnerships. However, these partnerships are being underfunded and under-resourced, so their full potential is not realised. CaBA Catchment Partnerships have endured a real terms funding cut every year since their formation 10 years ago.

The CaBA budget should be increased by £3.68 million annually to support catchment monitoring to further the Government's commitment to clean up England's freshwaters.²⁶ This could be further boosted through allowing funding from the Flood Defence Grant to be utilised through CaBA, working with Local Authority Flood Risk Teams. This would reduce flood risk through natural flood management and river restoration approaches. These nature-based approaches can offer greater value for money than traditional 'grey' solutions, delivering multiple wider benefits and unlocking further funding streams.²⁷

Natural England also urgently needs a funding uplift

Years of under-resourcing of Natural England has also left it lacking the sufficient resources, capacity, and expertise to fulfil its statutory functions, as well as promote sustainable growth and development. From 2010 to 2019, Natural England's funding saw a decline of 72%. Natural England has not been able to properly fulfil its statutory duties such as the monitoring of SSSIs, leading to 78% of SSSIs having not been monitored in the last six years. Similarly, Natural England's regulatory tools to secure the good management of SSSIs have not been

²⁵ The Rivers Trust. (2024). *State of Our Rivers Report*. Cornwall, UK.

²⁶ The Rivers Trust. (N.D.). CaBA Business Case.

²⁷ Wildlife and Countryside Link. (2023). *Working with nature to build resilience to flooding and drought*. London, UK.

utilised; these tools have been used on nine occasions in the last 20 years, covering 0.2% of SSSIs. Currently, only 40% of SSSIs are in good condition.²⁸

Increased funding and ecological expertise are urgently needed for Natural England in order to properly and confidently apply and enforce environmental regulations and site protection rules.

Natural England also plays a critical role in the land use planning process. Without additional funding for expert environmental and landscape advice and scrutiny, the Government will not be able to fulfil its development ambitions, including building the renewables needed to meet Net Zero. Currently, a lack of ecological and landscape capacity and expertise is causing delays in the planning system. Between 2022-2023, Natural England did not meet the statutory deadlines on Nationally Significant Infrastructure Project (NSIP) applications in 17% of cases. In over a fifth of these cases, it was due to under resourcing and workload issues.²⁹ Similarly, for local infrastructure and development project applications, Natural England missed nearly 20% of its statutory deadlines, with capacity and higher-than-normal levels of staff churn responsible for 83% of these delays.² It is essential that Natural England and Local Authority planning departments (and associated functions such as ecology) are well-funded and resourced. This would enable them to ensure Biodiversity Net Gain is well-designed and successfully delivered, and that developments add value to local areas by achieving improvements in Biodiversity Net Gain alongside social benefits.

As ambition for renewables deployment, house building and sustainable transport rightly increase, pressure on an already creaking system will continue to mount. Immediate action is needed to invest in environmental planning, primarily through uplifts in the Natural England budget and funding for Local Authorities. If not, central government and Local Authorities will fail to drive forward sustainable development, including renewables development and homes for people and wildlife, as well as their Biodiversity Net Gain & Marine Net Gain ambitions.

Funding certainty for the Office for Environmental Protection

The Office for Environmental Protection (OEP) is an important new body, set up by the Environment Act 2021 to provide expert statutory advice and scrutiny on the Government's environmental plans and laws. When it was established, both Government and Parliament recognised the importance of providing the watchdog with sufficient funding to fulfil its functions. This was done via a five year indicative budget, with a ringfenced budget for each spending review period, an approach agreed with HM Treasury to give the OEP the greatest possible certainty over its finances. We propose that this commitment is repeated in the current spending review.

²⁸ Natural England. *SSSI Feature Condition Summary*.

<https://designatedsites.naturalengland.org.uk/ReportFeatureConditionSummary.aspx?SiteType=ALL>

²⁹ Natural England Freedom of Information Request.

A Nature Recovery Obligation

We recognise that the Government is facing a challenging financial situation. The case for increased public spending in nature remains compelling, and the benefits of meeting environmental targets far outweigh the costs. Nevertheless, we consider that the need for additional public investment could be reduced by increasing measures to require private investment in nature.

The Government has said that it is committed to a “polluter pays” approach. This should combine hypothecated sanctions for infringements of environmental rules (such as water company fines) with requirements for key industries to invest in nature recovery.

We recommend a Nature Recovery Obligation on key sectors, comprising:

- (1) An obligation to disclose nature-related risks and sector/business-level impacts on nature;
- (2) A requirement to produce nature-positive³⁰ transition plans (alongside Net Zero transition plans);
- (3) A duty to pay a Nature Recovery Obligation, scaled according to impacts on nature, that is in addition to other enforcement actions where necessary.

In the short term, we recommend:

- a) The Government should review the level of gain requirement by Biodiversity Net Gain, to consider the case for increasing requirements beyond 10% where appropriate; and set out an expedited timescale for NSIP and Marine Net Gain; and
- b) Establish a workstream for the new Environmental Improvement Plan to co-develop a Nature Recovery Obligation plan with businesses and environmental charities.

The Government’s financial challenges could also be eased by further regulatory reform. A default policy of matching or exceeding new EU environmental standards for products would allow for greater efficiencies and value for money, avoiding the extra demands that creating and maintaining bespoke standards from scratch imposes on public finances. This approach could be initially extended to chemical protections, an area where attempts by the previous Government to create a bespoke UK REACH system has resulted in additional costs, additional delays and additional chemical pollution. In doing so, the Government could trial this cost-effective approach to product and public safety.³¹

Conclusion

The Government’s environmental commitments are essential in their own right and for the delivery of its social and economic missions.

³⁰ IUCN. (2023). *Nature-Positive*. <https://iucn.org/our-work/biodiversity/nature-positive>

³¹ Chem Trust. (2024). *Review of UK REACH: three years on*. London, UK.

There is clear evidence that environmental decline is already slowing economic growth and that growth could be seriously dented if environmental decline continues. By contrast, investing in critical natural infrastructure could enhance the lives of millions of people, boost economic growth and resilience, and enable the UK to meet its climate goals.

In the past, Governments have treated investment in nature as non-essential, with short-term and not strategic investments. The scientific evidence is clear that this approach is failing; more investment is needed in the UK's critical natural infrastructure.

Alongside stronger regulation and polluter pays obligations, the Government should commit more public funding to the essential task of rebuilding nature in the UK. This needs a focus on doubling nature-friendly farming funding and boosting strategic investment in nature-based solutions. By taking a more long-term and strategic approach to investment in delivering the Environmental Improvement Plan, maximum gains can be achieved with the economic and environmental rewards far outweighing any cost to the public purse.

Wildlife and Countryside Link (Link) is the largest nature coalition in England, bringing together over 80 organisations to use their joint voice for the protection of the natural world and animals.

For questions or further information please contact:

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The following organisations have inputted into this submission:

Bat Conservation Trust
Bumblebee Conservation Trust
Campaign for National Parks
Forest Stewardship Council
Floodplain Meadows Partnership
Friends of the Earth
Marine Conservation Society
National Trust
People's Trust for Endangered Species
RSPB
Soil Association
The Rivers Trust
The Wildlife Trusts
Woodland Trust
WWF-UK