

House of Commons
Environment, Food and Rural
Affairs Committee

**ANNUAL REPORT OF
THE COMMITTEE 2002**

Second Report of Session 2002–03

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The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Environment, Food and Rural Affairs and its associated public bodies.

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No.152. These are available on the Internet via www.parliament.uk. The Committee has the power to appoint two Sub-committees.

Current Membership

Mr David Curry (Chairman) (*Conservative, Skipton and Ripon*)
 Ms Candy Atherton (*Labour, Falmouth and Cambourne*)
 Mr David Borrow (*Labour, South Ribble*)
 Mr Colin Breed (*Liberal Democrat, South East Cornwall*)
 David Burnside (*Ulster Unionist, South Antrim*)
 Mr David Drew (*Labour, Stroud*)
 Patrick Hall (*Labour, Bedford*)
 Mr Michael Jack (*Conservative, Fylde*)
 Mr Mark Lazarowicz (*Labour, Edinburgh North and Leith*)
 Mr David Lepper (*Labour, Brighton Pavilion*)
 Mr Austin Mitchell (*Labour, Great Grimsby*)
 Diana Organ (*Labour, Forest of Dean*)
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 Mrs Gillian Shephard (*Conservative, South West Norfolk*)
 David Taylor (*Labour, North West Leicestershire*)
 Paddy Tipping (*Labour, Sherwood*)
 Mr Bill Wiggin (*Conservative, Leominster*)

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet on its website:

http://www.parliament.uk/parliamentary_committees/environment_food_and_rural_affairs.cfm

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SECOND REPORT

The Environment, Food and Rural Affairs Committee has agreed to the following Report:

ANNUAL REPORT OF THE COMMITTEE 2002

A New Department, A New Committee

1. The Department for Environment, Food and Rural Affairs (Defra) was created after the General Election of 2001. It brought together the responsibilities of the former Ministry of Agriculture, Food and Fisheries, the 'green' parts of the former Department of the Environment, Transport and the Regions, and some aspects of the Home Office. The House of Commons on 5 July 2001 established a new Environment, Food and Rural Affairs Committee to oversee Defra. The new Committee has seventeen Members, and the power to set up two Sub-committees.¹ With the demise of the Transport, Local Government and the Regions Committee, we are now the largest Departmental Committee in the Commons.

2. Our remit is broad. In seeking to cover as many aspects of it as possible, our workload has been heavy. During 2002 we have undertaken eight inquiries which have led to Reports, and also held 'one-off' sessions of oral evidence on eight occasions. In addition, we have begun four inquiries which will lead to Reports in the New Year, and published three Reports based on evidence taken during 2001. An overview of our work is set out in Box 1 below.

The Liaison Committee

3. On 14 May 2002 the House of Commons considered the First Report of the Modernisation Committee which dealt with *Select Committees*.² The House approved the Report, and in particular agreed that the Liaison Committee should be invited to "establish common objectives for select committees". The Liaison Committee subsequently reiterated the four principal objectives of Select Committees: to examine and comment on the policy of the Department, to examine the expenditure of the Department, to examine the administration of the Department, and to assist the House in debate and decision. It disseminated a template for Annual Reports of Committees, such as this. The template proposed that Committees identify inquiries carried out into (a) Government policy proposals, (b) areas seen by the Committee as requiring examination because of deficiencies, (c) departmental actions, (d) associated public bodies (of the Department), (e) major appointments, and (f) implementation of legislation and major policy initiatives. It also proposed that details be given of the examination of any draft legislation, expenditure, and Public Service Agreements.

¹ See *Votes and Proceedings*, 5 July 2001, p 92; see also Standing Order No.152

² *The Select Committees*, First Report of Session 2001-02, HC 224-I.

Box 1: Subjects covered by the EFRA Committee, 2002

<i>Subject</i>	<i>Evidence sessions in 2002</i>	<i>Sub-committee</i>	<i>Outcome</i>
The Impact of Foot and Mouth Disease	-	No	Report, Jan 2002
Work of the Countryside Agency	-	No	Report, Feb 2002
Radioactive Waste Policy	-	Yes	Report, Feb 2002
Future of UK Agriculture	11	No	Report, Nov 2002
Disposal of Refrigerators	3	Yes	Report, June 2002
Genetically Modified Organisms	2	Yes	Report, June 2002
Illegal Meat Imports	2	Yes	Report, July 2002
Hazardous Waste Disposal	3	Yes	Report, July 2002
Bovine Spongiform Encephalopathy	1	No	Mins of ev, July 2002
DEFRA Departmental Report 2002	1	No	Report, July 2002
Role of DEFRA	3	No	Report, Nov 2002
FMD: Lessons Learned Inquiry	1	No	Mins of ev, Sept 2002
FMD: Royal Commission Inquiry	1	No	Mins of ev, Nov 2002
Water Framework Directive	6	No	Report to come
Reform of the Common Fisheries Policy	3	Yes	Report, Nov 2002
Mid-Term Review of the CAP	4	Yes	Report to come
FMD: Follow-up inquiries	1	No	Mins of ev, Dec 2002
Rural Payments Agency	-	Yes	On-going
Horticulture Research International	Rapporteurs		On-going
Waste Management	-	-	On-going
Delivery of Education in Rural Areas	-	-	On-going

4. The list of possible inquiries identified by the Liaison Committee in its template is extensive. Each Committee remains free to decide how best to carry out its responsibilities to the House. Nevertheless, we have tried to follow the template in this section of our Annual Report. Analysis of our work in tabular form is included as an Annex to this Report. Another Annex sets out all of the recommendations we have made during 2002, and the Government's response to them, and an appendix sets out selected recommendations from Reports of our predecessor Committees, together with the Government response and an update on further developments.

Identification of inquiries

Government and European Commission policy proposals

5. Defra did not publish any White or Green Papers during 2002 – although in the Queen's Speech in November 2002 three Bills within the competence of the Department were announced (see *Draft Legislation*, below). Thus we were not able to examine specific Government policy proposals. The Department did, however, publish other documents which were considered during the course of our inquiries. We also addressed the proposals made by the Policy Commission on the Future of Farming and Food, which had been set up by the Government, as part of our inquiry into the Future of UK Agriculture.³

6. We have been very active in examining proposed European legislation. We have visited the European Commission in Brussels twice this year, and have taken evidence in London from the Commission on three occasions,⁴ from the German Ministry of Consumer Protection, Food and Agriculture, and from the Irish Minister for Agriculture and Food. Two of our inquiries – into the Mid-Term Review of the Common Agricultural Policy and Reform of the Common Fisheries Policy – have centred on proposals made by the European Commission prior to their consideration by the relevant European Councils. The aim of our work in these inquiries was to inform the House, and to advise Ministers prior to negotiations in Council. We have also asked witnesses and others on a number of occasions about forthcoming environmental legislation, such as the Waste Electrical and Electronic Equipment Directive and the Vehicle End-of-Life Directive.⁵

Areas seen by the Committee as requiring examination because of deficiencies

7. One of our inquiries specifically addressed deficiencies in the activities of Government. It was brought to our attention that consideration given by Government to waste – particularly the review of waste undertaken by the Strategy Unit – did not take account of the particular difficulties of chemical and other hazardous waste.⁶ A particular concern was the effect of the Landfill Directive on the disposal of such waste. In our Report into Hazardous Waste we drew attention to the issue and made recommendations for action to Government. Another inquiry, into the Disposal of Refrigerators (see *Implementation of legislation*, below), looked at deficiencies in preparing for the implementation of a European Regulation.⁷ And our inquiry into the Role of Defra looked at whether or not

³ See HC (2001-02) 550-1, for example para 155

⁴ In relation to our inquiries into the Future of UK Agriculture, Disposal of Refrigerators and the Water Framework Directive.

⁵ Proposal for a Waste from Electrical and Electronic Equipment Directive contained in COM (2000) 347, and the End-of-Life Vehicle Directive 2000/53/EC.

⁶ See *Hazardous Waste*, HC (2001-02) 919

⁷ HC (2001-02) 673, paras 34 ff

there were deficiencies in the direction adopted by the Department, or in the ability of the management team to deliver change.⁸

Departmental actions

8. Most of our work, inevitably, examined the work of the Department. For example, our inquiry into the Disposal of Refrigerators looked at the role of Defra in negotiating, interpreting and preparing for a European Council Regulation on substances which deplete the ozone layer. Our Report into the Impact of Foot and Mouth Disease was largely devoted to looking at the actions taken by the Department in response to the outbreak of the disease.⁹ Our inquiries into Radioactive Waste Policy and into Genetically Modified Organisms both addressed proposals for consultation processes intended to help to shape Government policies.¹⁰ Both consultation processes have subsequently been announced by the Department.¹¹ Our inquiry into Illegal Meat Imports primarily looked at the work of the Department in drawing up and implementing an 'action plan' to deal with such imports.¹² And in taking evidence on Bovine Spongiform Encephalopathy we sought to keep up-to-date with the work of Defra in responding to the disease.

Associated public bodies

9. There is a plethora of public bodies associated with Defra: six Executive Agencies, 52 non-departmental public bodies, two public corporations, and fourteen other bodies.¹³ We take our responsibility to oversee their work very seriously. In the past year we have published a report into the work of the Countryside Agency, and begun inquiries into the Rural Payments Agency (an Executive Agency) and Horticulture Research International. In addition we have regularly taken written and oral evidence from other associated public bodies about their views and aspects of their work, including the Veterinary Laboratories Agency, English Nature, the Environment Agency, the Radioactive Waste Management Advisory Committee, and the Joint Nature Conservation Committee. **We are committed to continuing each year to examine the work of public bodies associated with Defra.**

Major appointments

10. This year we did not take evidence from any individual recently appointed to a post, or due to be appointed in future. **We have not this year been specifically informed by Defra of any forthcoming appointments to posts in non-departmental public bodies or elsewhere. We recommend that the Department put in place structures which would allow us to be informed in advance of all major appointments pending and/or made, in line with the recommendation of the Liaison Committee.**

⁸ HC (2001-02) 991

⁹ HC (2001-02) 323

¹⁰ HC (2001-02) 407 and HC (2001-02) 767

¹¹ See *Public to choose issues for GM debate – Beckett*, Defra Press Notice 309/02, published on 26 July 2002, and *Margaret Beckett announces next steps on managing radioactive waste*, Defra Press Notice 315/02, published on 29 July 2002.

¹² HC (2001-02) 968

¹³ See <http://www.defra.gov.uk/corporate/agencies.asp>

Implementation of legislation and major policy initiatives

11. Our principal activity in examining the implementation of legislation has centred on European Regulations and Directives. We have already mentioned our inquiries into Hazardous Waste and the Disposal of Refrigerators, both of which addressed the way that European legislation has been enacted in the United Kingdom. Our inquiries into the Future of UK Agriculture, Reform of the Common Fisheries Policy and Mid-Term Review of the Common Agricultural Policy all, at least in part, examined the implementation of European legislation in this country. Above all, our inquiry into the Water Framework Directive looked at the way that a major piece of European legislation would be translated into actions in this country.

Draft legislation

12. We did not this year examine legislation in draft. Other than the Animal Health Bill, on which we undertook scrutiny between First and Second Reading in Autumn 2001, Defra has not had primary legislation before Parliament. It was announced in the Queen's Speech in November 2002 that there would be legislation in three areas within Defra's remit: "legislation on the conservation and proper management of water", a Waste and Emissions Trading Bill, and "a Bill ... to enable Parliament to reach a conclusion on hunting with dogs".¹⁴ **We regret that the Government seems to have no intention of allowing pre-legislative scrutiny into any of these matters.** It is, however, worth noting that the former Environment, Transport and the Regions Committee looked at a draft Water Bill in 2001,¹⁵ and that our current examination of the Water Framework Directive is pertinent.

Expenditure

13. To an extent all of our work looked at the way money was spent by the Department and by its Agencies and other associated public bodies. For example, our Report into the Disposal of Refrigerators commented on the £40 million cost to the United Kingdom of mishandling the implementation of European legislation.¹⁶ The inquiry which specifically addressed expenditure was that into the Departmental Annual Report,¹⁷ in which we commented particularly on spending on scientific research. **But our efforts to carry out the vital work of financial oversight were undermined by the way in which financial data was set out in the Report, by the fact that some information was missing and by errors in what was provided.**¹⁸ We are confident that Defra will publish much more, and much clearer, financial data next year. As well as considering the Departmental Report we also examine Estimates and Supplementary Estimates throughout the year.

14. Defra's Agencies and other associated public bodies are responsible for the expenditure of considerable sums of money. Our Report into the Countryside Agency set out how it spent its annual budget of £53 million.¹⁹ Our forthcoming inquiries into Horticulture Research International and the Rural Payments Agency will also address their expenditure, amongst other matters.

¹⁴ See HL Deb, 13 November 2002, col 2; <http://www.parliament.the-stationery-office.co.uk/>; and HL Deb, 13 November 2002, col 3

¹⁵ See HC (2000-01) 145-I

¹⁶ See HC (2001-02) 673, para 44

¹⁷ *The Departmental Annual Report 2002*, HC (2001-02) 969

¹⁸ See HC (2001-02) 969, paras 13 ff

¹⁹ HC (2001-02) 386

Public Service Agreements

15. As part of our inquiry into the Defra Departmental Report 2002 we looked at the performance of the Department against its Public Service Agreement targets. We raised particular concern about three targets, and made recommendations relating to them.²⁰ Specifically we recommended that the Department recommit itself to achieving Public Service Agreement targets relating to the condition of nationally important wildlife sites and the secondary treatment of sewage, and set a new target relating to the implementation of the Countryside and Rights of Way Act 2000. We also commented that the most useful parts of the Departmental Report were those which provided “information about performance against measures such as Public Service Agreements”, and urged the Department to continue to measure its performance against existing measures, even if new ones were agreed as part of the Spending Review.²¹ **We reiterate our previous comments: a major part of each annual Departmental Report should be an analysis of Defra’s performance against each of its Public Service Agreement targets.**

Detailed analysis of our conclusions and recommendations

16. We have attached as an annex to this Report a list of the conclusions and recommendations we made during 2002, together with the Government responses to them. We have also gone back to the last Parliament and identified a number of conclusions and recommendations made by our predecessor Committees, and have asked Defra to update us on developments in regard to them. The Department’s response is also attached.

The Way We Work

17. The extent of our workload, the breadth of our remit and the size of our Committee has prompted us to be innovative in the way that we operate in order to get the most out of our resources. In particular we have sought to make good use of our power to set up two Sub-committees; we have taken evidence from witnesses from overseas; we have made use of *rapporteurs*; we have employed the resources of the new Scrutiny Unit; and we have begun an experiment under the auspices of the Liaison Committee into the use of laptop computers and other electronic equipment during Committee meetings.

Sub-committees

18. We decided very soon after our establishment that we would make use of our power to set up Sub-committees, and would seek to do so in as flexible a fashion as possible. For that reason we decided to establish *ad hoc* Sub-committees to investigate specific subjects, and to appoint to them only Members interested in the subject. We also decided to appoint different Members as Chairmen in each case. Details of each Sub-committee is given in Box 2 below.

²⁰ See HC (2001-02) 969, paras 27 ff

²¹ HC (2001-02) 969, para 12

Box 2: Subjects covered by Sub-committees, 2002

<i>Subject</i>	<i>Number of Members</i>	<i>Number of public sessions</i>	<i>Chairman</i>
Radioactive Waste	9	3*	Rt Hon David Curry MP
Disposal of Refrigerators	10	3	Rt Hon Michael Jack MP
Genetically Modified Organisms	7	2	Mr Mark Todd MP
Illegal Meat Imports	10	2	Paddy Tipping MP
Hazardous Waste Disposal	10	3	Rt Hon Michael Jack MP
Reform of the Common Fisheries Policy	6	3	Mr Colin Breed MP
Mid-Term Review of the CAP	11	4	Rt Hon David Curry MP
Rural Payments Agency	4	1†	Paddy Tipping MP
* evidence taken during 2001. † evidence to be taken in 2002.			

19. During the course of the year it became clear that we faced an administrative difficulty in relation to our Sub-committees. Traditionally Sub-committees are not discharged until they have reported to the main Committee. But a number of weeks might pass between the end of oral evidence and the agreement of a Report. Since we are restricted in the number of Sub-committees we can establish the effect would be that Sub-committees would be 'blocked' for that period, unable to be used for the consideration of another topic. For that reason **we have formally adopted rules which have the effect of allowing Sub-committees to move immediately to a new subject as soon as evidence on an inquiry has ended. This procedural innovation has allowed us to retain flexibility in the use of Sub-committees, and to make the most productive use of them.**

Foreign witnesses

20. Much of policy-making in agriculture, fisheries and the environment is done at the European level: the importance of the Common Agricultural Policy and the Common Fisheries Policy is immediately apparent, and there is an ever-increasing amount of environmental legislation emanating from Brussels. We are therefore careful to take account of the European dimension in many of our inquiries. For that reason, in addition to visiting the European Commission regularly, we have taken evidence in London from the

Commission on a range of subjects,²² as well as from representatives of the German and Irish Governments about agriculture.²³ We also undertook an intensive but extremely instructive visit to New Zealand during the course of the year. We have found such meetings and visits extremely enlightening, and intend to take evidence from relevant foreign witnesses in future.

Rapporteurs

21. In its Report into *Select Committees* the Modernisation Committee recommended that Select Committees experiment with making one of their number a *rapporteur* for a specific task.²⁴ The Liaison Committee subsequently endorsed the proposal.²⁵ We have followed the recommendation, and we decided in October that two of our number should act as joint *rapporteurs* in an inquiry into Horticulture Research International. One of those involved was subsequently discharged from the Committee. The other Member will report back to us in the New Year.²⁶

Use of the Scrutiny Unit

22. A central Scrutiny Unit was set up in the Committee Office in November 2002. The Unit was first recommended by the Liaison Committee in 2000,²⁷ and it was endorsed by the Modernisation Committee and subsequently the House earlier this year.²⁸ We have already made use of the resources and skills of the Unit: it has prepared for us a background note and briefing material relating to the Rural Payments Agency, and has examined on our behalf the Winter Supplementary Estimates as they relate to Defra. **We strongly welcome the support of the Scrutiny Unit, which complements the work of the Committee's own staff.**

Use of electronic equipment

23. In November 2002 we asked the Liaison Committee for its support for an experiment in our Committee in which Members and staff would be permitted to make use during public sessions of electronic devices such as laptop and hand-held computers. We believe that using such equipment will help Members in their work, since they allow rapid access to lengthy documents – one of our number has downloaded the Water Framework Directive to his machine, which he is now able to refer to more easily than in hard copy. We will report back to the Liaison Committee on the success or otherwise of our experiment by Easter 2003.

²² On 23 January 2002 on the Future of UK Agriculture, on 26 March 2002 on the Disposal of Refrigerators, and on 23 October 2002 on the Water Framework Directive.

²³ On 17 April 2002 from Mr Erhard Schwinne, Director-General, EU and International Affairs, German Federal Ministry of Consumer Protection, Food and Agriculture, and on 3 December 2002 from Mr Joe Walsh TD, Minister for Agriculture and Food, Government of Ireland.

²⁴ HC (2001-02) 224-I, para 34

²⁵ *Select Committees: Modernisation Proposals*, HC (2001-02) 692, para 18

²⁶ The Members concerned were Rt Hon Michael Jack MP and Mr Mark Todd MP; Mr Todd was subsequently discharged.

²⁷ HC (1999-2000) 300, paras 71 ff

²⁸ HC (2001-02) 224-I, para 28; HC Deb, 14 May 2002, cols 648 ff

Conclusion

24. The Environment, Food and Rural Affairs Committee has had a busy year. We have sought to oversee as much as possible of the work of Defra and its associated public bodies. In doing so we have made innovative use of new procedures and practices. **We have been ably supported by our team of staff and by our Specialist Advisers. We are most grateful to them, to the Department, other witnesses and those who have supported our work in other ways during the past year.**

List of conclusions and recommendations

1. **We are committed to continuing each year to examine the work of public bodies associated with Defra (paragraph 9).**
2. **We have not this year been specifically informed by Defra of any forthcoming appointments to posts in non-departmental public bodies or elsewhere. We recommend that the Department put in place structures which would allow us to be informed in advance of all major appointments pending and/or made, in line with the recommendation of the Liaison Committee (paragraph 10).**
3. **We regret that the Government seems to have no intention of allowing pre-legislative scrutiny into any of these matters [the legislation announced in the Queen's Speech] (paragraph 12).**
4. **Our efforts to carry out the vital work of financial oversight were undermined by the way in which financial data was set out in the [Departmental Annual] Report, by the fact that some information was missing and by errors in what was provided (paragraph 13).**
5. **We reiterate our previous comments: a major part of each annual Departmental Report should be an analysis of Defra's performance against each of its Public Service Agreement targets (paragraph 15).**
6. **We have formally adopted rules which have the effect of allowing Sub-committees to move immediately to a new subject as soon as evidence on an inquiry has ended. This procedural innovation has allowed us to retain flexibility in the use of Sub-committees, and to make the most productive use of them (paragraph 19).**
7. **We strongly welcome the support of the Scrutiny Unit, which complements the work of the Committee's own staff (paragraph 22).**
8. **We have been ably supported by our team of staff and by our Specialist Advisers. We are most grateful to them, to the Department, other witnesses and those who have supported our work in other ways during the past year (paragraph 24).**

Annex A: Analysis of our work

	Government and Commission policy proposals	Examination of deficiencies	Departmental actions	Associated public bodies	Major appointments	Implementation of legislation	Draft Legislation	Expenditure	Evidence from Minister	Public Service Agreements
The Impact of Foot and Mouth Disease			(S)						✓*	
Work of the Countryside Agency				✓				✓		
Radioactive Waste				(S)					✓*	
Future of UK Agriculture	(S)					(S)			✓	
Disposal of Refrigerators		✓				✓			✓	
Genetically Modified Organisms				(S)					✓	
Illegal Meat Imports			✓						✓	
Hazardous Waste Disposal		✓				✓			✓	
Bovine Spongiform Encephalopathy			✓							
DEFRA Departmental Report 2002			(S)					✓		✓
Role of DEFRA		✓	(S)							
FMD: Lessons Learned Inquiry			✓							
FMD: Royal Commission Inquiry			✓							
Water Framework Directive			(S)	(S)		✓			✓	
Reform of Common Fisheries Policy	✓					(S)			✓	
Mid-Term Review of the CAP	✓					(S)			✓	
FMD: Follow-up inquiries			✓						✓	
Rural Payments Agency				✓				✓		
Horticulture Research International				✓				✓		
Waste Management		✓								
Delivery of Education in Rural Areas			✓							

* not during 2002.

Annex B

ENVIRONMENT, FOOD AND RURAL AFFAIRS COMMITTEE

Recommendations and Government Responses and Further
Government Action
(as at 9 January 2003)

Including follow-up on Reports published by the Agriculture and the Environment, Transport and the Regions Committees from Session 2000–01, that later came under the remit of the Environment, Food and Rural Affairs Committee.

Eighth Report from the Agriculture Committee, Session 2000–01: **Published:** 28.3.01
New Covent Garden Market (HC 173)

Government Reply: **Published:** 22.10.01
First Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 272)

We recommend that MAFF set a deadline for consultation on proposals for Covent Garden Market. On 6 April 2001 the Department wrote again to the Corporation and received a response dated 19 April 2001. In the light of this reply the Department wrote to the Corporation seeking further information which has been received.

We recommend that MAFF clarify the legal position relating to trading at the Market and publish a statement on the conclusions drawn from advice received. Different legal views are possible on the question of the extent to which the Corporation of the City of London might, consistently with competition law, assert a market franchise in respect of Billingsgate or Smithfield so as to restrain the selling of fish or meat on the premises of the Authority's Nine Elms site. The Department sought from the Corporation an explanation of its legal case on this issue, and has met representatives of the Corporation to discuss their response. The Minister's decision will be made in the light of the various legal views received. It is no part of the Minister's responsibility, however, to determine this issue either in any quasi-judicial manner or even for the purposes of her own decision as to whether to grant consent. The Corporation's assertion that the activities proposed by the Authority would be tortious appears to the Department to be a relevant consideration for the purposes of that decision, and the Minister's purpose in seeking representations is to enable her to reach a view as to the degree of weight it is appropriate to give to the Corporation's views; but the determination of the issues involved is in general a matter for the courts alone, although the question of whether the assertion of the Corporation's market franchise is consistent with UK competition law is also a matter which would be capable of being considered by the Director General of Fair Trading, either on an application by the Corporation for guidance or in the conduct of an investigation. The Department accepts that, if

the Corporation's case appears to be prima facie arguable, so as to give rise to a significant risk that the Corporation may be entitled to restrain the activities proposed by the Authority, and if no other resolution is achievable, it would be greatly preferable for any dispute between the Corporation and the Authority to be determined by the courts in advance of any leases being granted by the Authority for the purposes of the activities in question.

We recommend that MAFF take legal advice regarding any possible or perceived conflict of interest in the light of human rights legislation.

Department does not consider that Article 6 of the European Convention on Human Rights could possibly be legitimately invoked by the Corporation of the City of London in relation to the Minister's decision to grant or withhold consent under section 18(1)(f) of the Covent Garden Market 1961, since, in the Department's view, that decision could not conceivably be construed as a determination of the Corporation's civil rights for the purposes of Article 6. The Minister's responsibility under section 18(1)(f) of the 1961 Act is not to adjudicate between the Authority and the Corporation or any other third party, but rather to determine the appropriate balance between the interests of ensuring that the Authority properly performs its duty of providing a wholesale horticultural market and the interests of ensuring that, so far as is compatible with the proper performance of that duty, the Authority is free to carry on such activities as are conducive to the best use of its assets. For similar reasons, the Department can see no ground whatever for any suggestion that the discretion conferred by the 1961 Act, or the statutory context in which that discretion falls to be exercised, gives rise to a conflict of interest on the part of the Minister.

We urge the CGMA to submit to MAFF at an early opportunity a detailed and fully costed proposal for a capital investment programme at New Covent Garden Market. We recommend that MAFF open discussions with the Treasury on a more appropriate funding formula for Covent Garden Market Authority to allow it to invest in the infrastructure of the Market. Efforts should also be made to determine if £2.5 million is really the right sum needed to address any contingent liability resulting from CGMA's remaining few tenants in Market Towers. The Treasury should be consulted on the possible use of this money for further investment in the Market. If no solution to the Authority's investment problems is found, the Market will cease to be attractive to traders, regardless of Ministerial decisions on privatisation or diversification. The present situation, where everyone recognises that Covent Garden Market is imprisoned in Government control but no one

This recommendation covers a number of issues. On capital investment, the Authority has put together proposals for a capital investment plan and these have received the approval of the CGMA Board. The proposals have been discussed with the Department, who are waiting for a detailed cost breakdown of the individual projects before discussing with HM Treasury and the Authority methods of financing the investment programme.

On the question of investment in the infrastructure of the Market, the Department is in discussion with HM Treasury on retention of all, or part, of any trading surplus to fund capital works. However, under resource accounting arrangements the capital charge will, on paper, reduce the Authority's surplus and allow them to retain all or part of the actual surplus.

The calculation of the surplus which determines the sums payable to the Department for transfer to the

seems willing to take the initiative to challenge it, is absurd.

Consolidated Fund is as follows:

- Profit, pre tax
- Plus Depreciation of plant
- Less Market Towers interest (on contingent liability sum)
- Less Corporation tax on market account
- Less Capital expenditure in year.

The capital requirements of the Market are not directly taken into account.

Turning to the contingent liability fund (CLF). This was established in 1991 following the sale of Market Towers. The purpose of the CLF is to provide a degree of financial cover against possible claims on the Authority by tenants of Market Towers at the time of sale, in respect of any default by the new owners in their obligations as landlords under the transferred leases. The liability covers such items as air conditioning, water supply apparatus, lifts, mains services and associated equipment and the building fabric.

The Authority, with the approval of the Department and HM Treasury, set up the fund by retaining £1.5 million from the proceeds of the sale of Market Towers. This money would otherwise have been paid to the Department for transfer to the Consolidated Fund. Most of the tenants on the lower five floors at the time of the sale have departed, but the greater part of the building (floors 6-21) remain let to the same tenant, namely the Department of Health. This lease expires December 2011. The potential liability has not, therefore, greatly diminished on account of these tenancy changes. Moreover, the sum initially placed in the CLF (which has accrued interest) was not intended to offer full cover for all possible liability claims; it was, rather, regarded as a prudent measure to reduce the cost to the Authority and Government of any future claims. For these reasons the Government does not consider that the CLF is excessive or that it would be sensible to reduce it.

We believe that it is the right policy to sell New Covent Garden Market but in order to obtain a reasonable price for the taxpayer and to ensure the future of the Market, it is essential that MAFF first address the other difficulties outlined in this Report. Whilst we agree that it is absurd for MAFF to run a horticultural market, the attempted sale of Covent Garden Market without clarification of the legal constraints and a strategy for all London markets is unwise and may prove fruitless.

This is a helpful recommendation which is in line with the initiative taken by the Minister in March 2000 when he chaired a meeting of London market superintendents and Corporation of London representative to discuss the rationalisation of London markets. We are content with the suggested strategy and agree that the future of New Covent Garden Market needs to be considered in the light of the future of wholesale markets in London. However, responsibility for the suggested action only partly falls to the Department and the decisions required cannot be taken by the Department alone. We will establish contact with the Government Office for London and other

relevant Departments to discuss how to take the recommendation forward.

Paragraph 7 of the report states: "The statutes governing the Market stipulate that at least 50 per cent of its produce must be fruit, vegetables and flowers". There is no such restriction in the Acts covering the Market and there is nothing requiring the Authority to make space available to all horticultural wholesalers who apply for space in the Market. However, the Authority can only diversify if it considers that the other activities are "requisite, advantageous or convenient" in connection with the provision of a wholesale horticultural market, or with a view to making the best use of its assets.

Seventh Report from the Agriculture Committee, Session 2000–01: **Published:** 28.3.01
The Implementation of IACS in the European Union (HC 150)

Government Reply: **Published:** 22.10.01
 Second Special Report from the Environment, Food and Rural Affairs
 Committee,
 Session 2001–02 (HC 273)

1. Provisions included in EC legislation are directly applicable in Member States and are not open to interpretation.

The Department accepts this recommendation and will actively consider with the appropriate farmers' representatives how to develop more pro-active and co-operative arrangements

2. We commend the co-operative working arrangement found in France and Ireland both to MAFF and to representatives of farmers in the UK.

3. We conclude that there is little intentional obfuscation of national practices but we agree with the NFU that the complexity of systems devised initially in Brussels but operated within Member States, particularly where there are federal constitutional arrangements, makes it difficult to gain a comprehensive picture of the realities of implementation. Where suspicions already exist, this can only exacerbate them. We also note that MAFF officials have had no brief to analyse systematically all alternative models. They should do that on a regular basis.

The Department notes these observations. There have been useful exchanges with officials from other Member States on a number of IACS [Integrated Administration and Control System] issues including central databases, remote sensing checks, controls, GIS and area measurement both at meetings of the IACS Experts Group at specialist meetings. Officials have visited a number of Member States including France, Denmark, Sweden and Austria to discuss IACS issues and there have also been exchanges on livestock issues. The new Paying Agency will consider whether a more structured approach to visits and exchange would be beneficial.

4. We recommend that the UK Government, through the Council of Ministers, press the Commission for the publication of regular, up-to-date reports on the implementation of IACS in individual Member States. We further recommend that the Commission be required to highlight instances of best practice in such reports and to encourage the adoption of such practices throughout the Union, while realising

The Council of Ministers is actively involved in the implementation of IACS through the twice-yearly Conference of Directors of EU Paying Agencies. These conferences, at which the Commission is represented, provide an opportunity for Member States to exchange information on best practice and to describe the efforts they are making to improve scheme administration

that the central administrative role is a national matter.

5. We welcome the European Commission's initiative to make new agricultural legislation as simple as possible from the outset and look forward to receiving reports on its progress.

The Department will continue to take forward the work on simplification actively. This is of great importance both to the farming industry, as demonstrated by the work of the three Red Tape Working Groups set up in 1999, and to the Department as it moves forward with plan to modernise its implementation of the Common Agricultural Policy through the creation of the new Paying Agency.

Work on the simplification initiative is being taken forward in a Working Group chaired by the Commission. It covers a wide range of issues: codifying and simplifying legislation; harmonising requirements on e.g. deadlines, interest rates, import quotas; a review of reporting requirements; and suggestions for simplifying the various sectoral regimes. Several Member States, including the UK, have put in requests for simplification and the Commission gave an initial response to these at a meeting on 7 June. The Group has also discussed a draft Commission regulation setting the detailed rules for the Small Farmers Scheme, which was agreed by the June Agriculture Council. Work on codifying and simplifying the IACS rules is being taken forward by an Experts Group, which met to look at a draft regulation to replace the current regulation on 20-21 June. Further meetings will be held in September and October with a view to getting the new rules into place by the beginning of next year.

6. While it is easier to combine inspections of livestock schemes, we believe that the business-based inspection system should also extend to all other schemes under IACS, including arable schemes.

Fully integrated business-based inspection is a long-term objective for the new Paying Agency but, given the nature of agri-businesses in the UK and the need to determine risk factors for both land and livestock schemes, implementation will necessarily be complex. Moving to a business-based approach to the bovine schemes, which is provided for in the new proposal currently under discussion in Brussels, is a first and significant step. The implications of this approach, both for farmers and for Departments, will need to be fully reviewed before it is widened to cover other schemes.

The Department is well ahead with the Combined Bovine Risk Analysis (CoBRA) project, which aims to select farms for a combined inspection under all the various beef subsidy schemes and the cattle identification rules, rather than selecting inspections on the basis of each individual scheme. This is in line with what the Commission is proposing.

7. We recommend that MAFF support the pilot small farmers' scheme and actively consider amendments which would make the scheme more appropriate to the UK with a percentage target (say, 10 per cent) for the number of farmers meeting the criteria. We also recommend that consideration be given to introducing a euro limit, which could vary for each Member State in relation to average subsidies.

The Government has been broadly supportive of the Commission's proposal to introduce a "Small Farmers Scheme", which was agreed by the Agriculture Council in June. However, discussion of the detailed rules has only just begun and Ministers will need to consider the outcome of these discussions, together with the results of the consultation exercise, before deciding whether or not to introduce the scheme. The report records concern that only very few farmers in the UK would meet the eligibility criteria. The Committee may care to note that recent analysis suggests that some 15% of those UK farmers who currently receive payments under those schemes covered by the proposal would be eligible to apply.

8. We recommend that the UK Government continue to push for improvements to the penalty regime, which make a sanction proportionate to the offence.

In common with other Member States, the Government is pushing for simplification and indeed better proportionality in the application of administrative penalties. However, the Commission which is concerned that proper control is exercised over expenditure on the CAP and sees the penalty regime as an effective disincentive for farmers to make inaccurate claims, is reluctant to soften its impact. While the UK generally supports measures that help to prevent CAP fraud, the Government feels that it would be possible to strike a better balance between fairness and deterrence and will continue to press this view during the discussion on the IACS changes.

9. We recommend that MAFF press the Commission for clarification on how environmental measures are to be dealt with within the IACS system and ensure that environmental objectives are not undermined by IACS rules.

The IACS system is primarily concerned with controls and the proper enforcement of rules agreed by the Council for agricultural support measures. There is no intrinsic reason why these controls should jeopardise environmental objectives. A range of benefits and safeguards for the environment already exists in the land management practices permitted by the set-aside and extensification rules. MAFF advice on set-aside highlights these environmental advantages and maximises flexibility within the rules. The Commission is fully committed, as is the Council, to the integration of the environmental objectives into the CAP under the Cardiff process: as recently as April 2001, the Council agreed further conclusions driving forward this process of integration. The Government will continue to press for environmental objectives to be kept to the fore during any negotiations to reform the CAP schemes.

On the specific issue of the maximum width of field margins that could be included in claims for arable area payments, the Committee is already aware that, following intensive contacts between the Government and the Commission, a satisfactory outcome was achieved that took account of environmental concerns.

10. We welcome the Government's commitments on influencing European policy made in response to the Haskins report and we expect these principles to be applied to the details of implementation as well as to the formulation of new regulations.

11. We recommend that MAFF ensure that the IACS scheme literature and supporting advice system be reviewed in time to implement the 2002 scheme guidance notes, regardless of the development of CAPPA.

12. We recommend that MAFF use the data gathered at the time of the submission of IACS forms to access the real cost to farmers of the paperwork involved.

13. The current error rate on application forms is unacceptable and must be reduced. As a first step, we recommend that MAFF conduct detailed analysis of not only what errors are commonly made but how and why they are made in order that the results may inform the future design of claims forms.

14. We recommend that MAFF conduct a full analysis of the Irish forms with a view to reducing UK IACS forms along similar lines.

15. We recommend that MAFF develop plans to address the concerns expressed by the IACS and Inspection Working Group as to assisting the understanding of e-forms by the industry and ensuring that Government does not lose sight of the needs of those businesses which cannot embrace e-business.

16. We recommend that MAFF support moves towards a paperless system of claims for

These recommendations are noted and accepted in principle. However, while the Department undertakes to review the issues raised by the Committee and to make changes to the 2002 scheme literature where possible, significant change and innovation can only take place as the new Paying Agency implements its IT strategy and working practices. The Department will also consider whether it would be beneficial to adopt some aspects of the shorter Irish IACS forms. However, given the very different structure of farming in the Republic of Ireland and in England, where there are many more large arable farms, some additional complexity is likely to remain. Indeed, it is here that the most immediate benefits of electronic IACS forms, with their built-in front-end intelligence, are likely to be realised.

The Committee commented that the high rate of errors in aid claims was unacceptable. The Department accepts the need to bring the error rate down, both by simplifying the IACS rules and through the development of electronic forms and databases by the new Paying Agency. However, it also has to be recognised that the 'obvious error' rules, which allow certain types of mistake in claims to be corrected without penalty, are of benefit to farmers.

The Department's objective is to make full use of e-technology as part of the developing strategy for the Paying Agency strategy. Further promotional work will be undertaken to build on the introduction of e-forms for IACS this year.

The Paying Agency is developing a strategic architecture for electronic forms in order to establish a common approach to all claim forms. The Agency is looking to use web-form development tools to provide a user-friendly interface that: leads users through the questions in a way that is efficient and easy to understand; which reduces the time taken to complete the forms; and makes them attractive to complete. The aim is to develop an "inclusive" approach to electronic service delivery, supporting and encouraging both those who have access to the Internet and those who do not, so that both communities can share in the benefits of e-commerce. The Agency will, of course, continue to provide facilities for those who are unable or unwilling to access this new technology.

This recommendation is accepted. The Department agrees that the bovine schemes may provide the

support payments.

initial opportunity for the development of a paperless claims system once the Cattle Tracing System is fully accredited by the European Commission.

17. We recommend that MAFF establish a permanent external panel on the simplification of IACS forms and guidance and related matters, along similar lines to Scotland.

The Department notes this recommendation and accepts it in principle. As the Committee is aware, there are already informal consultation processes in place for all CAP scheme literature but there is merit in a more structured approach.

18. Given its name, the degree of integration between the administration and control of different scheme within IACS is far too low and we recommend that MAFF move towards a fully integrated system, either at its own discretion or through initiating changes at European Union level as necessary.

This recommendation is agreed in principle and is one of the objectives for the creation of the new Paying Agency. This provides a unique opportunity for progress but, as acknowledged, some adjustments will also be needed to EU legislation. These are being addressed as part of the simplification process.

19. It is clear, from the reaction to GIS and to e-forms, that the industry is willing to embrace change and to make it work – if farmers can be persuaded that it is practical and desirable and has some direct benefit to them. Above all, it is vital that any new systems are designed so as to reduce the bureaucratic burden on farmers and administrators and to make the process less complicated, rather than more so. This means that there should be a preference within MAFF for reducing the number of forms, which a farmer has to complete, regardless of whether they are on paper or on line. Moreover, the technology has to work. IACS payments are too important to farmers to risk any mistakes or delay in their delivery. We expect MAFF, in implementing GIS and new computer systems, to show that it has learnt the lessons from failed Government IT projects of the past and has also taken steps to benefit from the experience of those parts of UK Government like the Inland Revenue which have had IT success as well as from other Member States which have already established similar systems.

This recommendation is accepted. The Department is committed to reducing paperwork and is using the strategy suggested by the Committee. All forms are reviewed for need and content at least once every 3 years, often in consultation with industry. All new forms require the approval of Ministers and are trialled with users before being issued.

The Department accepts the need to monitor large IT projects, such as the implementation of a Geographic Information System (GIS) carefully and to learn the lessons of both earlier failures and successes.

20. We will continue to monitor progress on CAPPA and strongly recommend that if at any stage significant problems are identified, MAFF Ministers delay the CAPPA project rather than compromise the high standards required.

The Department is taking a pragmatic approach to ensuring that the high standards of service necessary to make prompt and accurate payments to applicants are not jeopardised during the transition to the new Paying Agency. The transition will continue at a pace which takes account of other pressures on the business and will be guided by the risk management strategy already embedded within the Regional Restructuring Programme. Evidence of this approach can be found in the Quarterly Report on the Programme that was submitted to the Committee on 8 May. The decision has been taken to delay the timetable by six months in order to

implement essential work that was not undertaken as a result of the suspension of the NURAD development. In addition, whilst the Department is continuing to drive the programme forward wherever possible, a decision has been taken to delay elements that depend on user input until the staff resources that have been diverted onto Foot and Mouth Disease duties can be recovered. This has required further re-working of the programme timetable and has added a delay of at least 3 months.

21. We support the establishment of an independent appeals mechanism in England in accordance with the industry's wishes and look forward to examining details of the outcome of the consultation.

The farming industry responded positively to the Department's proposal for a three-stage appeals mechanism for IACS in England. A good deal of detailed work remains to be done but the aim is to work with industry so that the new arrangements can be introduced as soon as possible. A summary of the responses to the consultation exercise is attached at Annex A (Second Special Report of the House of Commons Select Committee on Environment, Food and Rural Affairs, Session 2001-02, HC 273, p ix).

22. First, MAFF could demonstrate more clearly its recognition of the burdens imposed on farmers by the IACS system and ensure that the impact on the industry of new or amended regulations is fully taken into account during negotiations and implementation. We welcome the progress made in this area with the ongoing simplification process but the difficulty caused by the inadequate notification of changes to the two metre rule shows that such consideration are not firmly embedded in MAFF's current thinking. Second, MAFF should recognise the importance of IACS payments to farmers and aim to pay all but contested claims on the very first day of the payment window. MAFF's current plans to meet this target are reliant on the industry moving to electronic forms. We believe that MAFF should be able to do this even with paper submissions, by planning backwards from that target date. Third and perhaps most importantly in terms of proof of change in attitude, MAFF should recognise that it is too restrictive in its definition of the advice function of its staff.

The Department accepts the need to keep the industry informed of changes to scheme rules. On occasions, as in the period leading up to this year's IACS deadline, when it was imperative to provide farmers with the flexibility on scheme rules that they needed to cope with the impact of flooding and Foot and Mouth Disease (FMD), changes have to be introduced at short notice. Farmers were informed of these changes by letter. However, the Department accepts that in normal circumstances adequate notice of changes should be given.

The Department also recognises the importance of IACS payments to farmers. Although this year's processing of claims will be complicated by the changes to scheme rules, and in particular, by the facility for farmers to make adjustments to their claims up until 15 June, the Department will endeavour to make as many payments as possible during the period from the beginning of the payment window on 16 November.

23. We recommend that MAFF establish plans, within the new arrangements for IACS administration, to be more proactive in its assistance to farmers, always keeping the right side of the European Commission rules on control.

The issue of culture and practice is indeed important and an objective of the new Paying Agency is to develop its business in a way which minimises burdens on applicants. The aim is therefore to develop a culture, which improves the way customers interface with the Agency and provides them with the information they need to make their claims efficiently, so that payments can be made quickly.

The issue of advice is a sensitive one. Advice and information needs to be unambiguous so as to ensure the customer can make appropriate claims. However, the Paying Agency must work within the legislation and there will always be cases where applicants will need to take specialised advice on practical issues. The Department does, nonetheless, accept that it is important for guidance to cover the regulatory requirements adequately and that the Government should strive in the European context to seek practical solutions that meet the industry's needs.

24. No explanation was given as to why three per cent had been chosen as a target reduction for MAFF's efficiency indicators relating to CAP administration; some effort should be made to justify this figure.

During 2000/2001, the Regional Service Centres worked to the targets for CAP administration set out in the bullet points in paragraph 59 of the report. As part of the process of improving their efficiency, they were also set a 3% efficiency target in respect of 3 types of processing cost. These provisional targets were set within the Business Plan for the Regional Services Group for that financial year and were derived from data for earlier financial years. With the transition to new regional structures and the creation of the new Paying Agency, the Department now has a Public Service Agreement target for improving value for money, which is "To achieve a reduction of 10% in the unit cost of administering CAP payments by March 2004".

25. We recommend that MAFF undertake a benchmarking exercise between the four paying agencies in the UK which operate similar systems.

The Department keeps in close touch with the Agriculture Departments in the other parts of the UK which operate similar systems of direct payments to farmers. There are regular meetings and exchanges between those involved in the operations of the four paying agencies and these provide opportunities to exchange information on best practice and innovative projects. Further consideration will need to be given as to whether it would be beneficial to undertake a more structured benchmarking exercise on particular aspects of scheme implementation.

26. We recommend that MAFF examine the possibility of developing an agreed protocol with farmers' representatives in England on improvements in the quality of service, its delivery and the information provided by MAFF and its agencies to farmers with the emphasis on those matters which are most important to farmers.

The Department is already committed to introducing IACS appeals arrangements for farmers in England. The new Paying Agency is giving serious consideration to how best to interact constructively with the industry and has established an Industry Forum to enable major customer representative groups to input into its development. Once these developments are in place, consideration can be given to whether an agreed protocol with farmers' representatives would offer additional benefits.

27. We cannot make recommendations aimed at private sector organisations but we hope that

The Government notes the Committee's comments and would welcome support from the industry on

farmer's representatives will give positive support to any attempts by MAFF to simplify the system and to change the culture of administration.

its drive to simplify CAP schemes and their administration.

Ninth Report from the Environment, Transport and Regional Affairs Committee, Session 2000–01: The Draft Water Bill (HC 145) Published: 3.4.01

Government Reply:

Published: 14.1.02

Third Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 499)

We strongly support the proposed reforms of the abstraction licensing system, especially in order to ensure that water abstraction does not take place at the expense of the environment.

We remain concerned that the provision to revoke abstraction licences without compensation could face challenge under the Human Rights Act 1998.

The Government is very grateful to the Committee for its support. As we said at the outset of our review of the system in 1997, our aim is 'to ensure that abstraction licensing and related arrangements provide full protection to the water environment while enabling fair and flexible measures for meeting properly managed demand for water resources.' This aim encapsulates the balance that has to be struck between the rights and responsibilities of abstractors and the need to protect the environment. We believe that, taken with the measures that the Environment Agency is putting in place, principally through its Catchment Abstraction Management Strategies, our proposed legislation will enhance the already significant awareness amongst water abstractors of their responsibilities towards the environment. Environmental groups will in turn be aware of the fundamental needs of society to use water in a responsible way. This is why we called our March 1999 White Paper *Taking Water Responsibly*.

Against that background, it remains the Government's hope that, over the next decade or so, water abstractions causing serious environmental damage will have been removed, through a process of improved efficiency of water use, shared scientific study and, wherever possible, voluntary action to deal with any confirmed abstraction problems. We remain of the view that, after a reasonable period of notice, it would be unreasonable for those who persist with damaging water abstractions to expect any compensation if those abstractions need to be curtailed. It is the view of the Department that the proposal to withdraw compensation for variation or revocation of abstraction licences set out in clause 17 of the Draft Bill is compatible with the Convention rights as defined in section 1(1) of the Human Rights Act 1998.

Trickle irrigation is an efficient form of irrigation. We urge the Government to consider how trickle irrigation can be guaranteed fair treatment in the new system of abstraction licensing. Where resources are scarce, the needs

The Government fully appreciates that trickle (and drip) irrigation can be more water efficient than spray irrigation. We want to encourage its use where it is a more efficient and viable alternative to spray irrigation. We are currently drawing up

of existing trickle irrigators whose use has been notified to the Environment Agency must be considered equal to those of existing licensed abstractors. The Environment Agency will be responsible for implementing the licensing system and they must be provided with a very clear framework by Government which defines how trickle irrigators are to be introduced to the scheme whilst ensuring that environmental protection is not compromised.

transitional provisions, which will aim to ensure that established use of trickle irrigation is not disadvantaged compared to abstractions licensed for other agricultural or horticultural purposes. As set out in *Taking Water Responsibly*, there will be a transitional period of at least two years from when the Water Bill comes into force for currently exempt abstractors such as trickle irrigators to apply for licences. During that two year period, the Environment Agency will be required to ensure that there is no derogation of their abstractions. Trickle irrigators will be treated in an even-handed way. We would not want them to be placed at a disadvantage compared to other abstractors.

We are concerned that the pursuit of sustainable development is not sufficiently prominent within the role of the Director-General. We therefore recommend that Ofwat should be given a duty 'to facilitate sustainable development'. So framed, the duty will help to provide an appropriately broad and balanced context in which co-operative working between the economic regulator, the Environment Agency and other actors in the regulatory process can flourish.

The Government is committed to protecting the environment and aims to ensure that water supplies are managed as sustainably, reliably and efficiently as possible and so will support investment in protecting the environment. The Government is also committed to ensuring that its social objectives are considered alongside environmental and economic considerations. This is in line with the principles of sustainable development.

The Government has already proposed in the draft Water Bill to introduce new powers to enable the Secretary of State to issue social and environmental guidance to the Director General of Water Services. This puts into legislation what has happened at past price reviews and is in line with the provisions in the Utilities Act 2000 for the other utility regulators. This will give Ministers the necessary powers to issue guidance to ensure that Ofwat takes proper account of the Government's policies on sustainable development.

The Committee has recommended that the Director General should be given an explicit sustainable development duty and that this should be written on the face of the Bill. (This was in line with an earlier recommendation in the 7th Report of the Environmental Audit Committee: 'Water Prices and the Environment' HC 597 - I (ISBN 0 10 268400 6)) In his evidence to the Environmental Audit Committee, February 2001, the Director General volunteered for such a duty.

The Government has considered the Committee's recommendation in the light of responses to consultation on the draft Water Bill. We propose to amend the existing clauses of the draft Bill to give the Director General a specific sustainable development duty as the Committee recommends. We propose that this duty should be worded along similar lines to that provided for the Strategic Rail Authority (SRA) by the Transport Act 2000. Clause 207 (2) (b) states that the SRA "shall act in a way best calculated...to contribute to the achievement of sustainable development."

Fifth Report from the Environment, Transport and Regional Affairs Committee, Session 2000–01: Delivering Sustainable Waste Management (HC 36) **Published:** 3.4.01

Government Reply: **Published:** 14.1.02
Fourth Special Report from the Environment, Food and Rural Affairs Committee, Session 2001–02 (HC 499)

a. The majority of those involved with waste in this country appear to be guilty of thinking without imagination and planning without ambition, of finding problems instead of solutions and aiming for short-term goals without a vision of the system of resource use and waste management which we should be striving for. The failure to implement real and ambitious change in waste management is all the more disappointing since the Government has had almost two full years between our previous Report and the publication of the Waste Strategy 2000. It is obvious to us that the Strategy fails to reflect the thrust of that Report and that many of our recommendations have been disregarded.

b. The Waste Strategy 2000 fails to offer an inspiring vision of sustainable waste management. It sets some useful short and medium term targets, but without the inspiration provided by a longer-term vision of what we are trying to do, it risks succeeding in its own narrow terms whilst failing to provide a foundation for a more sustainable system.

c. We remain extremely disappointed with the data available on waste arisings: the data available is incomplete, unreliable and often published too late to be of use. This situation has hindered the development of both national and local waste strategies. Only with adequate data will we be able to tell whether policy measures are successfully influencing people and businesses' waste decisions and determine what further measures are necessary. We recommend that the Government make sure money is made available to the Environment Agency to enable it to carry out continuous monitoring of waste. We also urge the Environment Agency to process the information more speedily than they have thus far managed.

Waste Strategy 2000 was the result of a wide consultative process and took account of many important contributions including the Select Committee's earlier report. It sets out challenging targets for the next 20 years.

The massive reduction in the landfill of biodegradable waste will require a sea-change in council and householder behaviour across the UK. The strategy also sets out the mechanisms (e.g. landfill tax, producer responsibility and WRAP) which will help create a major change in business behaviour.

The strategy sets out a greater number of medium term targets than long term targets. But it also commits the Government to reviewing the strategy and targets in 2005 and it will do so regularly thereafter. The PIU review is in addition to the commitment in the Strategy. The regular review will enable the Government to continue to set challenging medium term targets in the light of known performance and potential.

The Government agrees with the Committee that regular, reliable data on waste is vital. That is why it is working with the Environment Agency and others to improve the range and reliability of data available and are currently considering the requirements and funding arrangements for the next National Waste Survey. A key source of data, the Municipal Waste Survey, is now in its fifth year and last year the response rate from local authorities was close to 100%. This will provide a sound basis for analysis of trends in municipal and household waste generation and management. Furthermore, the Environment Agency has now published strategic waste management assessment (SWMA) reports for each planning region in England & Wales. These provide a range of waste information for each region, including detailed results from the 1998/9 Environment Agency survey of industrial and commercial waste.

This year Defra is providing £102.5 million in grant-in-aid to the Environment Agency for its environmental protection programmes. It is for the Agency to draw up detailed budgets. Some £30

million of grant-in-aid is dedicated to waste programmes each year. This should allow the Agency to take forward work across a range of waste issues.

d. Although we recognise that computer models such as WISARD provide a consistent methodology for helping to determine the Best Practicable Environmental Option, we are concerned about a number of aspects of the use of these models. The temptation to use computer models as prescriptive devices to provide 'the answer' must be avoided: no model can ever provide the solution to a complex and partly judgement-based process such as determining BPEO. Further, the determination of BPEO must not be allowed to become a technocratic process which takes place in isolation from other interested parties, the output of which is then used to steamroller a sceptical public into options which they dislike or distrust. The definition of BPEO is that it is a "consultative decision-making process" and this must be adhered to, including making the use of any model available to the general public wherever practicable. The Government should issue clear advice to local authorities on the role of computer models in determining the BPEO and the need to accompany their use with comprehensive public information and involvement.

We agree with the Committee that computer models should not be used as prescriptive devices to provide 'the answer'. The Environment Agency's WISARD software is a good example. It produces information on the environmental impacts of different strategies for managing municipal solid waste determined by the user. It provides users with an assessment of the life cycle impacts of these strategies to allow them to be compared and to assist in determining the BPEO. It can therefore aid, but cannot make, decisions on the BPEO.

The Best Practicable Environmental Option (BPEO) should be assessed by Waste Planning Authorities in the statutory consultations (which should involve all the key players) on their waste local plans and by all authorities for the municipal waste stream in their integrated waste management strategies. Waste Strategy 2000 sets out clear guidelines for establishing the BPEO: this process is to be guided by the waste hierarchy and the proximity principle. These overlapping principles do not necessarily always lead to the same conclusion. The Government recognises that this is not an exact science and that by its nature the BPEO for any waste may vary from time to time and place to place

e. The Government does not appear to be taking waste minimisation seriously. There are few significant measures aimed at minimising the amount of waste and the Strategy embraces the current and future growth of municipal waste, rather than challenging it. We were told that the Government had not yet "broken the link between economic growth and waste" but it does not appear to be trying to do so. This acceptance of waste growth without challenge demonstrates our prime criticism of the Government's approach to resource use and waste management: that it lacks depth and ambition. The Government must set a target for reducing the rate of growth of waste and consider with some urgency precisely how it can drive waste growth down and ultimately reverse it.

The Government agrees with the Committee's view that waste minimisation is a central challenge for everyone, and will be addressing this further in the forthcoming PIU study. The waste hierarchy is at the heart of Waste Strategy 2000 and the importance of tackling the overall growth in waste arisings, as well as encouraging re-use, is emphasised throughout the strategy. The Government notes that the Committee proposed that there should be further targets but did not define them or the practical measures needed to deliver them. The Government believes that targets on their own are insufficient to deliver waste minimisation – policy instruments are the key. The Government has introduced a wide range of measures to promote waste minimisation; for example, the landfill tax escalator, producer responsibility and support for Envirowise which provides advice to businesses on ways of reducing their waste.

f. We are sceptical about the Government's projections of future growth of municipal waste. The combination of predicted increases of between 1% and 3% and the 'gap' between targets for recycling and recovery may be providing a green light for excessive incineration capacity. The Government must work to

Through these measures the Government aims to minimise the rate of growth in waste and if possible to reduce the total waste arisings. The 3% rate is a snapshot of the current position based on the last four years' data on municipal waste and is not a

determine the reasons which underpin the growth of municipal waste arisings and use this analysis to drive its minimisation efforts, rather than accept the growth as a fait accompli which must be accommodated

g. The kerbside collection of source-separated waste is a necessity if we are to transform waste management. It must be ensured that the Best Value regime works to increase the proportion of households covered by kerbside collections. A prerequisite of an authority being awarded beacon council status should be that at least 50% of its households be covered by kerbside collections. We also recommend that the Local Government Association develop in consultation with other appropriate bodies a best practice guide for local authorities wishing to introduce (or improve) kerbside collections.

h. The role of civic amenity sites in increasing recycling rates must not be neglected. The Government should ensure that best practice in designing and operating such sites for maximum recovery is widely disseminated.

projection or forecast of future growth. It would have been irresponsible to ignore this apparent trend in creating the scenarios set out in Waste Strategy 2000. However, a key area of work for the PIU study will be the issue of waste minimisation, the role of targets and the possible tools for achieving minimisation.

Waste Strategy 2000 sets out the Government's plans for large-scale increases in recycling and composting, and diverting more waste away from landfill. National targets are to recycle or compost at least 25% of household waste by 2005, 30% by 2010 and 33% by 2015. These are backed up by statutory targets for each local authority for 2003/4 and 2005/6. When achieved they should deliver nationally around 17% recycling and composting of household waste in 2003/4 and 25% in 2005/6.

How these targets are delivered is a decision for each individual local authority in consultation with local stakeholders and in the light of local circumstances. As a result of the statutory targets set under the Best Value regime we expect a major expansion of kerbside recycling, where it is the best environmental and economic option. But kerbside collection may not be appropriate for all areas; for example, in areas with high-rise blocks or which are highly rural it may be that systems with a greater reliance on local bring-sites might be more appropriate.

Dealing with waste was a theme in round one of the Beacons scheme under the theme of Sustainable Development. This did not focus on recycling alone, but concentrated on all aspects of waste management, including waste minimisation, recycling, energy from waste and diversion from landfill. Following the completion of the Beacons scheme in 2002, such waste management initiatives will be taken forward through Local Public Service Agreements, and measured against the Best Value indicators.

The Government agrees with the Select Committee that civic amenity sites will have an important role to play in helping local authorities to meet their recycling targets. The Beacon Council scheme under the Sustainable Development theme has been successful in disseminating examples of best practice for waste management. We have also launched a new initiative in partnership with the Local Government Association, the Institute of Wastes Management, the Environmental Services Association and IDeA (Information and Development Agency) on Best Value Waste Networks. The objective is for local authorities to form regional/local networks in partnership with the private and voluntary/community sectors for the

dissemination of good practice.

i) The national targets for recycling and composting provide a real challenge for the year 2005 (25%) but the targets for 2010 (30%) and 2015 (33%) are depressingly unambitious and appear implicitly to accept that there is a 'ceiling' on the proportion which can be recycled. These later targets fail to build on the significant efforts which will be required to meet the 2005 target and could result in a loss of momentum in recycling. We recommend that new targets be set of 50% by 2010 and 60% by 2015: these targets will ensure that vigorous efforts to recycle are maintained.

The Government's aim was to set challenging but achievable targets with a view to reaching higher recycling rates in the future. We will keep our targets under review as technology improves, and composition of the waste streams changes. Meeting these targets will require a fundamental change in culture and as the momentum towards increased participation in recycling and composting grows, we can consider increasing the level of the targets.

In its 1998 report the ETRA Select Committee itself recommended that targets should be based on environmental benefit, practicality and proof. The targets in Waste Strategy 2000 were arrived at through a series of assumptions about the nature of the average municipal waste stream and the likely success of kerbside collection, as follows:

- that the maximum compostible/recyclable content of an average 'black bag' of municipal waste is currently around 60%
- that up to 80% of households can realistically be provided with kerbside collection for recycling/composting
- that in practice no more than 80% of households served by kerbside collection would actually use it
- that a maximum 95% of recyclable waste was likely to be captured by the households that do use kerbside recycling facilities.

The product of all these assumptions gives a recycling rate for municipal waste, through kerbside collection, of 36.5% by 2020. However, the Government recognises that a further assumption built into these calculations is that the nature of waste arisings was likely to remain broadly constant until 2020. The Government accepts that the compositional data on which this analysis is predicated, should be reviewed regularly and, if appropriate, targets adjusted. The PIU study will also have a keen interest in these assumptions.

In any case the targets set are not meant to be seen as 'ceilings', but rather as challenging but realistic minima that every local authority should be able to achieve. In fact, 83 local authorities are required to achieve recycling and composting rates greater than 33% by 2005/6, although the overall national target for this date is 25%. New targets for 2010 will be set in 2005, and developments in recycling and product design by then may facilitate the achievement of higher recycling rates and enable more ambitious targets to then be set.

j. Although the national targets for recycling and composting cannot be considered ambitious, the derived targets for local authorities may

Local authority waste and recycling activities are being supported through major extra funding from the Spending Review 2000 (SR2000). This

prove to be more than challenging within the confines of the funding available. To enable the true situation to be determined, we recommend that the Government publish clear costings of how local authorities will be able to achieve the recycling targets using the funding made available to them.

includes an increase in revenue support for environmental, protective and cultural services, including waste and recycling, so that by 2003/4 revenue support will have risen by £1.1 billion over provision in 2000/1. SR2000 also includes provision for a £140 million ring-fenced fund for waste and recycling, and £220 million for PFI waste schemes over the SR2000 period. Recycling across all waste streams is also being supported by £40 million from the Waste and Resources Action Programme (WRAP) to overcome market barriers to recycling.

The Department of Culture, Media and Sport has also announced that £159 million will be available for a programme of environmental renewal and community regeneration through the next round of the New Opportunities Fund (NOF). This will include around £50 million across the UK for community sector waste reuse, recycling and composting projects.

It is for the local authorities to make their own local decisions, in the light of their local circumstances and opportunities, as to how they intend to meet their recycling targets. It is therefore not possible for the Government to cost to any precision how much money will need to be spent in any particular authority. The general costs of complying with the landfill directive, including the costs of diverting significant amounts to recycling are set out in the Regulatory Impact Assessment in volume 2 of Waste Strategy 2000.

k. We agree with Robin Murray that the problem of markets for recycled materials is "a challenge for innovation, it is not an argument against the broad strategy proposal [to expand recycling]". Nevertheless, there are problems with markets and in our previous Report on Sustainable Waste Management, we concluded that the Government would need to intervene in markets to secure stability. This continues to be the case and the problems of markets for recycled materials must not be allowed to threaten the development of recycling. We are encouraged that the Waste and Resources Action Programme (WRAP) is planning to tackle this area. Where considered appropriate, WRAP should be able to recommend with confidence the introduction of subsidies for particular markets, or other measures requiring Government action.

The Waste and Resources Action Programme (WRAP) was launched in November 2000 and is aimed at securing a significant increase in waste reduction, reuse, recycling and composting and an expansion in the markets for secondary materials. WRAP's main function is to deliver programmes which will tackle the market barriers to increased recycling. In doing this, however, the Government also expects WRAP to develop as a centre of expertise in market development and, where appropriate, to put forward to Government their views on other activities which could support their objectives, including recommendations about changes to Government policy.

l. Producer responsibility is one of the strongest mechanisms to transform waste management but the Government appears to have a rather sluggish attitude to developing it and applying it to more product streams. Unless this

The Government supports producer responsibility schemes in principle, but needs to consider each proposal on its merits based on the details of the particular sector, product and the waste produced. The Government welcomes the fact that European

instrument is used more extensively and effectively, the costs of transforming waste management will fall predominantly on the taxpayer in general, rather than industry and the consumers of specific products. In this area, the 'strategy' appears to be to implement any relevant EU Directives whilst paying lip service to developing voluntary initiatives. The stated reliance on a voluntary approach is unlikely to deliver improvements in any but the most straightforward product streams. We await the extension of producer responsibility initiatives to a much broader range of products within the waste stream, including cars, batteries, tyres and chewing gum.

Union initiatives have been taken in relation to such schemes and see this as a strength not as a shortcoming, given the competitiveness and single market consequences which can arise from unilateral action.

The End of Life Vehicles (ELV) Directive introduces producer responsibility measures for vehicles. As from 2007 producers must pay 'all or a significant part of the cost' for the free take back of a vehicle to an authorised treatment facility. The Directive also requires Member States to ensure that economic operators achieve 85% recovery and recycling targets for all ELVs by January 2006, rising to 95% by 2015. These targets should further encourage manufacturers to design their vehicles with recycling in mind.

The Landfill Directive introduces a staged ban on the disposal of tyres to landfill. As a consequence, it will be necessary to have a full recovery infrastructure in place capable of handling almost all used tyres arising. The Government is currently discussing a producer responsibility framework for used tyres so that these requirements are met. Tyre design and manufacture is a truly global business and the Government must ensure, through tyre performance regulations, that any product changes made in order to aid meeting waste targets, do not compromise the safety of the vehicle in use on the road.

The Government is awaiting new proposals from the European Commission on the recycling of batteries which will update the present batteries Directive. Any new proposal is likely to set new recycling targets. The Government will consider carefully the text of any Commission proposal when it is published.

As for chewing gum, manufacturers have a duty to contribute where they can to ensuring that their products are used and disposed of in the correct way. The general problem of chewing gum disposal is being tackled by the former Tidy Britain Group (now ENCAMS) who are working with local authorities and the private sector, including chewing gum manufacturers. Their aims are to educate and encourage better gum disposal and to investigate alternative methods of gum removal.

m. Source separation remains the key to a better waste management system: an expansion of composting, like recycling, will be of greatest merit if it makes use of materials which are separated out by householders. The use of mixed waste to make a compost-like material is a poor alternative which must not be allowed to prosper at the expense of schemes based on source separation and a higher quality product.

The Government is committed to seeing an increase in the amount of waste composted and recycled, in order to meet the challenges of sustainable development and the stringent targets in the European Directive on Landfill. This will require the amount of biodegradable municipal waste landfilled to be cut in three successive stages, over a 20 year period, to 35% of that produced in 1995.

The Government has therefore set two goals for 2010: recycling or composting 30% of household waste; and recovering value from 45% of municipal waste (by recycling, composting and incineration with energy or heat recovery). The Government aims to recover value from at least two thirds of household waste by 2015, at least half of this by recycling or composting.

The Government agrees that source separation of wastes is generally the best approach to composting, although this will be dependent on the practicalities of collection. We agree that separated wastes can produce a higher quality end product fit for a range of uses. Although the technology may exist in the future to produce a compost from mixed waste of the same quality as from source separated waste this is not at present practicable. We would normally expect separation at source to be promoted in all cases, unless the costs compared to the environmental benefits are unreasonable

n. We are pleased that the Composting Association has established a system of standards for the quality of compost but are baffled and disappointed that the Department of the Environment, Transport and the Regions did not actively assist the Association in doing this. We expect the DETR to take an active role in implementing these standards and ensuring that they become established. If the standards fail to be accepted, we recommend that the Government act to make the standards for compost statutory.

We agree that standards for composts are vital if we are to increase the composting of waste and promote the use of compost as a soil improver and growing medium. Effective standards will give the consumer confidence in the product they are using. We therefore fully support the Standards for Compost developed by the Composting Association; the Department of Trade and Industry participated in this work, having earlier been involved in activity aimed at developing EU standards for soil conditioners and growing media.

The Government is following up this work through WRAP, which is working with the relevant bodies to produce a comprehensive programme of standards for compost products, complete with support for implementation and monitoring during the start up phase.

o. Although we appreciate the difficulties of counting home composting towards local authority targets, its exclusion is unacceptable. If it is not counted, there is no incentive for local authorities to encourage this, the most desirable form of composting. The Government, the Local Government Association, the Composting Association and the Community Composting Network should work together to find an acceptable proxy for the amount of home composting in the targets for local authorities.

The Government decided to exclude home composting from local authority targets for the following reasons:

- there is no accurate auditable methodology currently for determining how much waste is treated in this way.
- there is a need to assess objectively the benefits of home composting. When done badly home composting can have a number of negative effects including attracting vermin and producing methane.
- woody garden wastes can generally be handled by central composting facilities but not by home composters. In the absence of central schemes woody wastes are often burned.

The Government is working with the Environment Agency and together have commissioned research

to determine the environmental impacts of home composting and to produce a method for calculating the diversion rates achieved by home composting. Following the completion of research into these impacts by the Environment Agency, the inclusion of home composting in the household waste recycling targets will be reviewed.

However, the Government does not accept that there is no incentive for local authorities to encourage home composting as this activity would reduce the amount of waste handled by an authority and therefore its costs.

p. We urge the Government to publish the consultation document on revised exemptions from the Waste Management Licensing system. This has now been promised for more than two years but has yet to appear. These delays pose problems for many, not least those involved in community composting.

The Government intends to publish the consultation paper shortly. However, its publication has been delayed due to the need to concentrate resources on the waste disposal consequences of the foot-and-mouth epidemic. The consultation will cover the proposed revision of some of the exemptions from waste management licensing, based on the results of research and recommendations from the Environment Agency. This will include proposals to amend the existing exemption for small-scale composting, which take into account the views of the community composting sector.

However, it is incorrect to say that community composting is effectively outlawed under the existing system: composting may be carried out under the existing exemption for small-scale composting, which allows community compost to be carried out at, for example, allotments where the compost is used; or in accordance with a waste management licence. The consultation will also contain proposals to amend those exemptions subject to allegations of abuse: for example by tightening these to preclude their use for "sham recovery" (i.e. waste disposal); to set minimum inspection frequencies by the Agency; and to introduce charges. Proposals for new exemptions will also be consulted upon, these include small scale land remediation of contaminated land, recovery and storage of waste oil and the burning of dunnage at ports. The exemption revision exercise aims not only to tighten exemptions which are being abused, but also to ensure exemptions are properly framed so that those processes which constitute legitimate recovery and do not require the full controls of waste management licensing can benefit.

q. The arguments about the health effects from incinerators are complex and are based on incomplete knowledge. There are, however, some truths which can be drawn from the debate over the health impacts of incineration. Firstly, that the health effects which result from

The fully integrated permitting of municipal solid waste incinerators (MSWI) will begin shortly with the implementation of the Integrated Pollution Prevention and Control (IPPC) regime. This will cover all aspects of the process including handling of waste ashes and residues which are not currently

an incinerator's emissions are not yet fully known. Secondly, that the regulation of incineration to date has been rather poor and that this has resulted in poor practices developing in some incinerators. This, in turn, has raised the levels of anxiety amongst the public. Regulation must encompass emissions, the handling of the ash and all other aspects of the operation. Lastly, the lack of pre-separation of potentially hazardous materials, such as PVC, treated wood and batteries, increases the risk of emission limit values being exceeded

within the single integrated regime.

The lack of pre-separation of hazardous materials is cited as a possible pre-cursor to breaches of emission limit values. This is covered by Article 5 of the newly adopted Waste Incineration Directive which requires an assessment of the hazardous potential of wastes in order to determine appropriate mixing of wastes before incineration. This directive will come into force for new incinerators from 28th December 2002 and existing incinerators from 28th December 2005.

It is not currently technically or economically viable to separate out such potentially 'hazardous' materials as may be in the waste stream. In reality, the key to further reducing pollution from incineration due to hazardous materials being present would be to have separate collection/disposal arrangements to remove such material from the residual municipal waste stream.

r. The Environment Agency must provide a better standard of inspection of incinerators if the public's confidence is to be regained. The Agency will also need to examine its strategy for communicating the risks from incineration to the public. In addition, continuous monitoring of the emissions from all incinerator stacks should be carried out and the data made freely and easily available to the public. Where recurrent breaches of limit values are found to occur, the operator should be fined. If breaches continue to occur, the plant should be closed down. Only with the combination of better, more rigorous regulation and greater transparency will it be possible to convince a sceptical public that incinerators need not pose a major risk to human health.

The Government and the Environment Agency are strongly committed to giving effect to the public's right to know about polluting emissions. Under the current Environmental Protection Act authorisation regime, information is available on public registers, except where it is withheld in the interests of commercial confidentiality or national security. Access to these registers is free. The Environment Agency's Pollution Inventory provides internet access to comprehensive emissions data on 150 pollutants which have the potential to cause harm to man or the environment.

The Pollution Inventory currently provides details of emissions to air, land and water from over 2,000 of the most potentially polluting processes regulated by the Environment Agency under the Integrated Pollution Control (IPC) regime. It contains readily accessible and comprehensive information on the pollutants emitted from individual sites, their contribution to national pollution levels and the health effects of certain chemicals. The public can access this information through the Agency's website (www.environment-agency.gov.uk) and from local Agency offices (general line: 0845 933 111). The Agency is working with local environmental health departments and public libraries to improve public access to this information further.

In addition, the implementation of the Integrated Pollution Prevention and Control (IPPC) Directive will increase the number of sites reporting from 2000 IPC sites to around 7000 IPPC sites in 2003. Earlier this year, the first data from the industry sectors new to annual emissions reporting was announced. This included key radioactive substances, regulated sites and larger sewage

treatment works.

Emissions from diffuse sources such as transport emissions are already readily available through the National Atmospheric Emissions Inventory which is integrated with the Defra air quality monitoring system. It can be viewed on www.aeat.co.uk/netcen/airqual or accessed through links from the Pollution Inventory website.

CONTINUOUS MONITORING

It is the Environment Agency's technical experts' opinion that a viable continuous monitoring (as opposed to the continuous sampling) technique for stack dioxin measurement has not yet been developed. Continuous monitoring involves real time sampling and analysis of emission levels, providing results on site.

Continuous dioxin sampling is in use in Europe, this involves a sampling device being placed in the stack, which can extract samples over a given period of time, typically two weeks, the whole sample then being sent for analysis. The Environment Agency considers that continuous sampling techniques may encounter additional uncertainties in relation to ensuring the integrity of the sample. The method currently used by the Agency requires samples to be taken at a variety of locations in the duct in order to account for stratification of the stack gases and a continuous sampler in a fixed position would not account for this. The analytical stages of the continuous technique will be subject to the same errors as point sampling.

The Environment Agency regularly reviews sampling and monitoring systems to ensure authorisation conditions reflect the latest practicable technologies and techniques. Agency representatives have visited plants in Europe where this continuous dioxin sampling technique is employed and have begun a two year research and development project looking at the viability of this system for use in the UK.

Typically, incinerators will have continuous monitors for emissions for sulphur dioxide, particulates, oxides of nitrogen, hydrogen chloride and carbon monoxide. Some will also have continuous monitoring for hydrogen chloride and volatile organic compounds. Where continuous measurement is technically not possible or unproven, such as for heavy metals and dioxins, the Agency requires extractive testing by the operator in addition to Agency-commissioned sampling by an independent contractor.

All monitoring and sampling data concerning

authorised processes are available on public registers discussed above, for inspection free of charge during normal office hours.

ENFORCEMENT OF EMISSIONS BREACHES

The Environment Agency initially categorises incidents in accordance with environmental impact on four levels:- major, significant, minor or none. The enforcement response is driven in general by this judgement of severity. The range of possible actions includes issuing a warning letter, a formal warning, serving an Enforcement Notice and serving a Prohibition Notice. Most breaches of authorisation have minor or no impact and in these cases prosecution has only been used as a last resort where other more proportionate methods, for example serving enforcement notices have not proved successful.

However, the Environment Agency appreciates that repeated minor breaches can demonstrate a lack of control and is revising its guidance accordingly. Under this guidance prosecutions will normally be pursued for minor incidents where the operator has shown a history of non-compliance sufficient to call into question the effective management of the site /operation or to prevent effective regulation by the Agency.

REDUCTION IN EMISSIONS FROM INCINERATORS - ACTIONS

Throughout the implementation of the Integrated Pollution Control regime the Agency has been aware of the need to ensure that this sector of industry has been the subject of tough, consistent and proportionate regulation. Since April 1996 the Agency has instigated a number of policies on incinerator regulation that have significantly cut emissions and the potential for emissions from the sector, including:

- Implementation of Council Directive 89/429/EEC on the reduction of air pollution from existing municipal waste incineration plants. This had the effect of closing many older incinerators that were unable to comply with tight emission control standards. As a result dioxin emissions from today's incinerators are already down 100-fold from those of five years ago. This is only 0.52 % of UK dioxin emissions (monitoring in the last 12 months has shown this to be 1.1 grammes in total), 1/50th of the dioxins emitted by the iron and steel sector and equivalent to only 6% of the dioxins estimated to be emitted on bonfires night. Incinerator emissions are now less than 1.5 % of total UK emissions.

- Introduction of a dioxin limit of 0.1ng/m³ for all existing and new municipal waste incinerators

despite there being no current requirement for a dioxin limit this low in EU legislation.

- Imposition of limits for oxides of nitrogen on all municipal waste incinerators, even though the EU Directive on Existing Municipal Waste Incinerators (89/429/EEC) did not require it;

- Implementation of Council Directive 94/67/EC on the reduction of air pollution from hazardous waste incineration plants. This led to the tightening of some emission limit values for certain plants. The Agency had already imposed similar standards on some incinerators burning hazardous waste in advance of the directive becoming effective.

80. The Environment Agency needs to deliver high quality regulation of the incineration sector and is currently working on initiatives in the following areas:

- The development and introduction of an agreed sampling and analysis protocol for municipal solid waste incinerator ash. All municipal solid waste incinerators are now required to use the protocol and report the results to the Agency, which places them on the public register;

- Ash tracking, including the development and trialing of a system to ensure that the ash generated by municipal waste incinerators can be accounted for by receipts at properly licensed or registered waste management facilities;

- Human Health issues, The Agency has already begun a research project to assess the health effects, and improve knowledge of the health impacts of waste incineration; and the development and use of Health Impact Assessments in conjunction with Defra and the Department of Health;

- Clarifying the Agency's locus in the Land Use Planning/Development Control system, including a clearer policy framework/guidance in relation to Regional, Structure, Unitary and Local Plans. Working with Government on influencing the revision of Government Planning Guidance ("PPGs") and Statutory Guidance on Sustainable Development. Closer working with local planning authorities over development plans and individual planning applications;

- Waste Incineration Directive implementation, including updated technical and regulatory guidance; policy on pre-application work; permit and notice templates; and guidance on interaction with other regulatory regimes, the Waste Strategy 2000 and environmental impact issues;

- Information for the public, including a

comparison of standards with incinerators in other countries, and an explanation of the Agency's role in the regulation of incinerators; and

– Research, including techniques for greater understanding of public attitudes and concerns, increased learning from the experience of other countries; development and refinement of technical tools to inform Regional Waste Strategies and Regional Technical Advisory Boards; and development of targeted policies for particular waste streams such as tyres.

s. The nature of incineration is such that it can 'crowd out' recycling: if a significant number of large incinerators, operating on long contracts, are allowed to be built, the long-term prospects for recycling will be diminished. The real challenge, then, is to keep the contribution of incineration to a reasonable level. For this reason, the Government should consider how to ensure that incineration is used only for sorted waste from which materials of value have been reclaimed. Further, the average size of incinerator currently planned is too large and the Government must offer a clear signal that the building of incinerators above a capacity of 100,000 tonnes per annum is unlikely to be approved.

t. We are concerned that incinerators may end up being built according to the 'path of least resistance' rule. If allowed to happen, this may mean that poorer areas of towns and cities are left effectively blighted by the presence of a large incinerator. This must not be allowed to happen. If incineration is safe then a sceptical public must be convinced and incinerators should then be sited in the most appropriate places which could be out-of-town shopping centres or adjacent to town-halls and other offices, rather than the poorest areas. When siting incinerators, the main factor should be the existence of a suitable local demand for the hot water and electricity produced.

One of the key objectives of the Government's Waste Strategy, set out in Waste Strategy 2000, is that where waste cannot be avoided, recycling and reuse should be maximised and the need for incineration and landfill minimised. The Government has no plan for any particular number of incinerators, but it does not rule out the use of incinerators as part of a local integrated waste management plan.

The choice of waste facilities is a matter for local authorities in consultation with their local communities. However, where it does not make sense to recycle or compost waste, consideration may be given to the recovery of energy from waste. Energy-from-waste facilities should be small enough that they do not compete with recycling, and should include Combined Heat and Power (CHP) – where heat is used to produce electricity and provide heating to homes or businesses – wherever possible.

Where incineration is considered to be the Best Practicable Environmental Option for dealing with waste, the development should be sited in the most appropriate location. Planning Policy Guidance note 10 "Planning and Waste Management" gives general advice on the location of waste management facilities. Given the transportability of electricity, the local demand for power is irrelevant to the siting of an energy from waste plant.

In a plan-led system, consideration of the siting of major waste management facilities begins with waste planning authorities preparing their waste local plans. These set out the authorities' policies and proposals for dealing with waste in their areas, including the identification of sites for any new or extended facilities which might be required. It is important – and therefore a statutory requirement – that the public becomes involved in this process so they can be fully informed about the future development and use of land in their areas.

Crucial to any discussion of the role of incineration is the effect of the statutory targets for recycling and composting of household waste which councils

have been set. Compliance with those targets will mean that any extra incineration capacity will be delivering a diversion from landfill, not recycling. As the targets increase over time, more of the waste which would otherwise have gone to the incinerator will be recycled.

Furthermore, as discussed earlier, the requirement to recycle and compost increasing amounts of waste is likely to mean increasing amounts of kerbside collection of separated waste for recycling and a greater density of bring sites. Materials recovered from the ash from an incinerator do not count against an authority's recycling target. These facts together should mean that waste going to an incinerator will increasingly be residues from earlier processing, either by the householder or at the front end of the incinerator.

There is also little evidence incineration does crowd out recycling in practice. In Europe, high recycling economies are typically also high incineration economies with little or almost no landfill.

This section has set out the Government's current position on the role of incineration and other energy from waste in delivering the waste strategy. However, all these issues will be key concerns for the PIU study now starting into the waste strategy.

u. An increase in incineration must not be allowed to be imposed by any 'back door' route, such as Lawful Development Certificates. In particular, the conversion of existing industrial facilities to incinerators to deal with the remains of BSE-infected cattle should only be allowed if sought through a full application for planning permission.

The Lawful Development Certificate system is set out in statute. It provides the possibility of obtaining a statutory document confirming that the specified use, operation or activity is lawful* for planning control purposes. Applications are decided entirely on evidential fact and the relevant planning law. The planning merits are immaterial to the decision. A Lawful Development Certificate does not remove the need for compliance with any other regulatory regimes or other requirements.

In addition, animal remains incinerators with a capacity of over 50 kg per hour must be authorised under Part 1 of the Environmental Protection Act 1990 and its successor regime the Pollution Prevention and Control Act 1999.

* The Town and Country Planning 1990 Act, as amended, defines 'lawful' in relation to an existing use as one against which no enforcement action may be taken because development is or was not involved, or the time within which enforcement action could be taken (10 years in the case of uses) has expired.

v. We welcome the Government's amendments to the rules for Private Finance Initiative funding and expect these to be fully enforced to

The revised criteria for waste Private Finance Initiative(PFI) schemes, published in September of last year, state that schemes must demonstrate clear

ensure that incineration plays only a moderate role in most bids. Further, the Government should examine whether the PFI rules can be changed so that long-term improvements in recycling and composting facilities can be funded from this source. If not, we recommend that the role of PFI funding for waste management be progressively reduced.

w. We recommend that PFI approval not be given until planning permission has been granted for the facilities required.

x. We do not accept that energy from waste incineration is a renewable form of energy. Even if one considers that it meets the technical definition of renewable energy, it utterly fails to meet what might be called a 'common-sense' interpretation. A waste stream is only 'sustainable' in the most twisted definition of the word since sustainable waste management has as its cornerstone the minimisation of waste, and the explicit maintenance of waste streams for the purposes of incineration is in complete contradiction of this principle. By classifying energy from waste as renewable energy, a signal is sent to the public and business that it is acceptable to continue producing waste because 'renewable energy' is generated from it. We therefore recommend that:

- energy from waste incineration be excluded from counting towards the target for 10% of electricity to be generated from renewable sources;

links to the objectives of the national Waste Strategy 2000. Private Finance Initiative proposals should demonstrate how they match or exceed local performance standards for recycling and contribute to longer term national targets for recycling in Waste Strategy 2000.

Proposals which include incineration must also demonstrate that all opportunities for recycling have been considered first and that the arrangements proposed will not produce a barrier to the longer term development of recycling. We anticipate therefore that PFI funding will help to fund long-term improvements in recycling and composting. There is no reason why a PFI bid coming forward should necessarily include incineration. The Government has already approved one large scheme which includes no energy from waste.

It is acknowledged by both the public and private sector that obtaining planning permission is a major risk to all waste disposal projects due to the nature of the activity being undertaken. It is for this reason that contractors have to fund the planning stage entirely out of equity.

Obtaining planning permission can take a minimum of 15 months and may take considerably longer. During this period, the contractor is usually required to undertake interim services to dispose of waste by existing means and negotiate favourable contract rates with the councils involved. The Government considers that waiting for PFI contractors to be granted planning permission before allocating grants to them would interfere with the management of these projects.

The Renewables Obligation consultation paper, published on August 3 2001, outlines the forms of energy production that may count towards the Government's target that by 2010, 10% of electricity sales by licensed electricity suppliers will come from renewable sources which are eligible for the Renewables Obligation. Electricity generated from the incineration of mixed waste will not be eligible for the Renewables Obligation or the Government's target. Energy recovery from the non-fossil fraction of waste will only be eligible when advanced technologies such as pyrolysis and gasification are used. This is to encourage the uptake of these advanced technologies (see Government Response to Recommendation cc below).

The Government is surprised that the Committee makes no distinction in their report between energy recovery from incineration of biodegradable and non-biodegradable waste. The EU Directive on the promotion of electricity produced from

- the Government's exclusion of energy from waste incineration from the Renewable Energy Obligation proposals be maintained;
- the exemption of energy from waste incineration from the Climate Change Levy be withdrawn.

renewable energy sources in the internal electricity market, which was adopted on September 27 2001, defines only the biodegradable fraction of waste as renewable. The Government exemption of energy from waste under the Climate Change Levy has been amended in line with the EU definition of renewables.

y. Despite some changes to the various measures, we are very concerned that incineration may be being favoured by the structure and nature of fiscal instruments. There must be no subsidy to the growth of incineration. If fiscal instruments favour the development of incineration, then the result in 20 years time could be a large and overbearing incineration industry which effectively crowds out the more attractive options of minimisation, re-use, recycling and composting.

As noted earlier the guidance to local authorities for PFI schemes makes clear that PFI proposals which include incineration must demonstrate that all opportunities for recycling have been considered first and that the arrangements proposed will not discourage the longer term development of recycling. The Government is satisfied that other than in relation to the non-fossil fuel element of the renewables obligation (see Government Recommendation x above) incineration does not receive subsidy or beneficial fiscal treatment.

z. We recommend that the Government introduce a tax on incineration. This tax would ensure that waste management did not simply shift from being a landfill-dominated system to an incineration-centred one. It would help shift strategic thinking from end-of-pipe solutions to materials recovery. Hazardous waste should be exempt from the tax. In the first instance, the incineration tax should be set at the same level as the landfill tax and the revenues from this tax should be hypothecated along with landfill tax revenues to help transform waste management.

It is recognised that there will need to be a huge shift in the quantities of waste away from landfill as a consequence of the demanding targets for diversion of biodegradable municipal waste from landfill under Article 5 of the Landfill Directive, and that the great majority of this waste will need to be recovered through recycling and composting. Given the volumes of waste involved it is possible that more incineration will be needed. This should be linked to energy from waste, although individual decisions to build such facilities will need to be taken at a local level.

The Government will keep under review whether there should be a tax on incineration and if so what form it should take.

aa. The Government has dodged difficult questions on incineration and has failed to offer a sufficiently detailed vision of the way in which incineration should play its role. It has changed its tone between draft and final strategy, and seems to be avoiding the issue of how many incinerators will need to be built, what scale they should be or indeed any other characteristic of their use. The Government has also failed to rise to the challenge of analysing and communicating the risks from incinerators.

These recommendations are dealt with under recommendations s and t above.

bb. Incinerating waste will only ever play a limited role in a system which aims for efficient resource use and sustainable waste management. Nevertheless, we accept that some increase in the amount of waste incinerated is inevitable. We are extremely concerned that the facilities which are being planned are, on the whole, large-scale mass-burn facilities for which it will be very difficult, if not impossible, to gain

public acceptance, and which risk undermining efforts to increase reduction, reuse and recycling. Government should make clear that:

–smaller incinerators are preferred and that these must be used to provide Combined Heat and Power wherever possible;

–incineration is only acceptable where it is used to burn sorted, post-recycled waste, not mixed household waste.

cc. We recommend that the number of pilot schemes for new techniques such as pyrolysis, gasification and anaerobic digestion be expanded. The aim of these schemes should be to assess the environmental credentials of the different techniques against those of incineration.

dd. The landfill tax at its present level is too small an incentive to change established behaviour significantly: it is little more than an irritant to those making provision for waste management. We are disappointed that the Government are using the 'wait and see' argument before acting to raise the landfill tax to an effective level. The Government should have the courage of its convictions and use the landfill tax to provide a strong incentive to move away from a landfill-based system of waste disposal. We recommend that the landfill tax be increased to at least £25 per tonne over the next 5 years with all funds from the increased tax rate going into the Landfill Tax Credit Scheme. This recommendation cannot be seen in isolation and must be implemented together with those we make for the Landfill Tax Credit Scheme and our proposal for an incineration tax.

ee. The Landfill Tax Credit Scheme provides a convoluted and, to date, ineffective method of funding sustainable waste management. Rather than attempt reform of the existing system whilst protecting its status as 'private expenditure', we recommend that this charade be abandoned. The new system should consist of a fund which takes a given percentage of the revenues from the Landfill Tax (and the incineration tax which we propose) and is bid for by those wishing to undertake work. The landfill operators would no longer control the destination of any of the funding. Community schemes and general environmental projects (categories D and E) should be restricted to a smaller portion of the credits than they receive at present, and we expect all the additional credits raised by the increased landfill tax and

The Government agrees with the Committee that new techniques such as pyrolysis, gasification and anaerobic digestion should be encouraged, which is why the Government has proposed the inclusion of these technologies in the Renewables Obligation. It will be examining how it can improve the testing and take-up of new waste disposal technologies.

Increasing the cost of landfill compared with other waste management options encourages waste producers to seek - and the waste management industry to offer - more sustainable alternatives.

We have already announced that there will be staged increases in the active rate of the tax until 2004 when it will stand at £15 per tonne for active waste. This rate of increase represents a balance between the need to send clear and increasingly strong economic signals to reduce reliance on landfill, and the need to provide those who will be affected with time to plan and develop alternative waste management services and facilities.

The Government has announced that in the longer term it is attracted to replacing all or part of the Landfill Tax Credit Scheme (LTCS) with a public spending programme to direct resources towards Government priorities on sustainable waste management and, in particular, to supporting the recycling of household waste. It therefore proposes to consult in the coming weeks on options for change to the LTCS and will assess the current or slightly modified LTCS against a public spending scheme as part of the forthcoming

the new incineration tax to be put directly towards minimising, re-using and recycling waste. There would be no bar on those wishing to apply for funding and the eligibility of local authorities should be related to their ambition and performance in meeting targets for improving recycling and composting. The fund should be seen, in particular, as a way of covering the transitional costs, for example, of setting up a kerbside recycling scheme. The revenue should also be the source of funds for WRAP to meet its essential task in establishing markets for recycled products

ff. If Entrust is to remain as the regulator, it must work with Ebco to enable the council to form a representative and effective users group. This will require greater co-operation and professionalism from both Entrust and Ebco. We expressed disappointment with the nature and progress of Ebco nearly two years ago: it is simply unacceptable that Ebco is not established and working well by now.

It is true that it has taken some time to establish an effective relationship between Entrust and Ebco. Customs and Excise encouraged Entrust to establish a group which would inform them of Environmental Bodies' (EBs') views on how Entrust could minimise the regulatory burden on EBs by, for example, suggesting ways of simplifying their forms or offering alternative ways of conducting their regulatory procedures. Unfortunately, until recently, Ebco appears to have focused more on lobbying for changes to the LTCS at the expense of carrying out its fundamental purpose. However, following personnel changes in Ebco, it is now functioning more effectively and is providing Entrust with useful feedback.

gg. On reflection, we conclude that the best interests of the Landfill Tax Credit Scheme will be served by the replacement of the regulator, Entrust. The new regulator should be closer to Government and will be required to play an active role in steering the credits available into the most appropriate projects.

Once the shape of any revised LTCS is known, consideration can be given to the need for, and role of, any regulator. That is the time when it will be appropriate to look at the desired qualities and constitution of the regulator.

hh. We remind the Government of its commitment to expanding the use of environmental taxation. We urge it to take a considered and holistic look at the fiscal regime for waste management. This should, in particular, consider what instruments will be required to achieve the necessary long-term transformation of waste management. Without a consistent and coherent set of fiscal instruments in this area, we risk shifting waste from one technique to another without reference to any overall strategy.

We agree that it is vital to maintain a consistent and coherent approach to waste economic instruments. In line with the Government's Statement of Intent on Environmental Taxation, published in July 1997, environmental taxes should meet the tests of good taxation:

- polluters should face the true costs which their actions impose on society;
- the social consequences of environmental taxation must be acceptable;
- economic instruments must deliver real environmental gains cost-effectively;
- environmental policies must be based on sound evidence but uncertainty cannot necessarily justify inaction; and
- environmental policies must not threaten the competitiveness of UK business.

Where environmental taxes meet these tests, the

Government will consider introducing them.

In Waste Strategy 2000 the Government set out its vision for the future of waste management. This included a number of instruments with which to achieve this, including the landfill tax and a system of tradable landfill permits for waste disposal authorities. The Government is also introducing a new aggregates levy in April 2002 which will encourage recycling of construction and demolition waste.

ii. We are concerned that the Waste and Resources Action Programme could fail due to inadequate resources or lack of persuasive powers. The Government must monitor the performance of WRAP and step in if the organisation is struggling to reach its objectives. We also suggest that our successor Committee conduct an inquiry into the work of WRAP during the next Parliament. Further, setting up WRAP should not be seen by the Government as solving the problem of markets and any proposals emanating from WRAP which require Government action must not simply be sidelined.

The Committee's hearings came at a time when WRAP was in the very early process of consulting on its business plan and did not therefore have firm ideas about its priorities or activities. Since the Select Committee hearing the Government has announced another £10 million of funding for WRAP, bringing total funding to over £40 million over WRAP's first three years. WRAP has also developed a detailed business plan, including actions and targets which have been agreed with ministers and the devolved administrations. This will provide a detailed basis for our ongoing monitoring of WRAP's progress towards its objectives.

The Government believes that WRAP has staff of high quality and has made a very good start in delivering its programme. It has already been able to announce plans to deliver a further 300,000 tonnes per year of capacity to recycle newsprint. This step will make a major difference to the ability of local authorities to meet their statutory targets for recycling and composting of household waste and will underpin the Government's voluntary agreement with the Newspaper Publisher's Association on the recycled content of their publications.

jj. The Government's plans to 'green' procurement practices are woefully inadequate. We urge the Government to press ahead with a more ambitious and rapid programme of greening its procurement practices. Buying recycled paper is a simple first step: if Government is to set other businesses an example and help provide stable markets for recycled materials, it will need to be dramatically more ambitious than is currently planned. We suggest that Government take the Environment Agency's procurement practices as a starting point from which to work. A web-site should be established so that central and local Government, along with the various agencies can share information on greening procurement practices.

The Environment Agency have taken a robust approach to greening procurement as explained in their evidence to the Environmental Audit Committee on 4 May 1999 for their sixth report on the greening government initiative 1999. Green Ministers are working to change the culture within every Government body so that continuous improvement in environmental performance and the drive towards sustainable development become firmly established as core business aims.

There is a website which provides guidance and advice on best practice over a range of activities for greening government, including procurement (<http://www.Defra.gov.uk/environment/greening>). The Government is also looking into the feasibility of a new Internet-based product information service, as recommended by the Advisory Committee on Consumer Products and the

Environment (ACCPE). The service would offer a wide range of advice and product information to help both professional purchasers and individual consumers take environmental issues into account when making purchases.

The declaration in the Waste Strategy 2000 that Government will "pilot arrangements for a scheme under which environmental policy will require public procurement of certain recycled products, initially paper goods" provides an effective means of putting policy into practice. There is now a central contract for supplying all government departments and agencies with recycled copier paper that complements one established last year for supplying Government bodies with recycled paper for printed publications. The aims are to increase demand for recycled products; raise awareness of recycled alternatives; and send a strong signal that they can be of satisfactory quality and provide greater security in markets where suppliers wish to invest in new reprocessing capacity, re-manufacture or production of goods with a recycled content. If successful, the Government will consider how to move to a broader scheme for the obligatory purchasing of designated recycled goods, within the overall aim of achieving value for money.

The Government has also set itself targets for waste - in the current year, departments aim to recover a minimum of 40% of total office waste, with at least 25% of that recovery coming from recycling or composting. The Government, however, recognises that there is still scope to do more in relation to green procurement and is continuing to take steps to improve its environmental performance in all aspects of its work. It has set up a cross-Government group to identify ways to promote sustainable development through Government procurement, which will report in 2002.

kk. We recommend that the Environment Agency work with the Department of Health to produce an information pack on the health risks which can be associated with waste management facilities. It is vital that the Agency work with the public to ensure that they are enabled to make informed contributions to the debate about waste management facilities. The costs or charges which are made for this information should be low enough to ensure that there is no impediment to a full debate taking place.

The Government welcomes and supports the Committee's recommendation that the Environment Agency should work with the Department of Health to produce an information pack for waste management activities, including collection and transport. The Environment Agency is already exploring how best to provide information on emissions and dispersion of pollutants in the environment in conjunction with the Department of Health and Defra. The Agency has commissioned research from a group of leading independent experts on the possible effects of a range of pollutants from incineration, and will publish this report when it has been completed. The Agency has also instigated research into risk communication and health impact assessments, and will continue to update our knowledge of incineration techniques.

No waste management option, including recycling and composting, is entirely without risk to the environment and health. Defra will host in the spring a scientific seminar to identify waste management options where further research on health effects is required.

ll. Fly-tipping continues to be a problem and it is clear that better enforcement and greater punishment are required. To ensure that perpetrators are caught, we recommend that the Government fund the Environment Agency's proposal for an Environmental Crime Unit. So that a true deterrent is offered, we also urge magistrates to make full use of their powers to fine and, where necessary, to pass cases to the Crown Court.

Fly-tipping is a criminal offence and the penalties are potentially severe. In a Magistrates Court the maximum penalty is imprisonment for 6 months and/or a fine of £20,000. If the case is heard in a Crown Court the maximum penalty is an unlimited fine and/or two years in prison, increasing to five years in prison if the offence involves Special Waste. However, magistrates are independent of the Government. Defra have discussed the issue of environmental crime with the Magistrates' Association. In September 2000 they issued sentencing guidelines on environmental offences, including fly-tipping. This states that such offences are serious, and asks magistrates to consider whether to pass cases to the Crown Court. The Association issued more detailed guidelines in May of this year.

The Government agrees that action to reduce fly-tipping is important, and looks to the Environment Agency to take appropriate steps in this area. The Agency has already established an Environmental Crime Unit and, in discussing the Agency's plans for 2002/03, we have agreed that the Agency should increase, in general terms, the amount it allocates to this unit. It is, however, for the Agency to decide how to apportion precisely the resources provided by Government for its waste functions (currently around £32m of grant-in-aid a year), so that these resources deliver the best overall results.

mm. The Environment Agency must crack down on illegal avoidance of the landfill tax. On average, an exempt site will currently be inspected every ten years. Such a low frequency will do little to deter those aiming to cheat the system. We recommend that exempt sites be visited at least once every year and on any occasion when a complaint is made. We expect the Government to make available the resources necessary to enable the Agency to do this.

The Environment Agency has a duty to carry out "appropriate periodic inspections" of sites that are exempt from waste management licensing and currently receives grant-in-aid to enable it to fulfil this duty. However, as stated earlier (Response to Recommendation p), the Government will shortly be publishing a consultation paper on the revision of some licensing exemptions, which will include proposals to tighten the exemptions to prevent "sham recovery"; to set minimum inspection frequencies by the Environment Agency; and to introduce charges to enable the Agency to recover inspection costs

nn. From the content of the Waste Strategy 2000, it is clear that the Environment Agency is still failing to take a convincing and persuasive approach to influencing environmental strategy. Although we note some recent improvement in

The Agency is, amongst other things, the Government's expert and professional advisor on the development and implementation of Government environment policy and strategy, and plays an important role in contributing to the

the Agency's performance, it is vital that it become a champion for the environment and sustainable development. It must aim to persuade Government of the merits of adopting a more ambitious Waste Strategy which is based around the pursuit of sustainable waste management.

oo. We urge local authorities to pursue the greening of procurement policies through the application of environmental principles via the 'Best Value' initiative.

pp. Measures must be taken to ensure greater co-operation between Waste Collection Authorities and Waste Disposal Authorities. Although the Government has now issued guidance for the drawing up of statutory Municipal Waste Management Strategies, we are concerned that these should be prepared and agreed as quickly as possible. If these strategies do not prove to be successful, the Government should give consideration to the use of single waste management authorities with responsibility for both collection and disposal.

qq. With an open and courageous approach to consulting on waste management, waste planning could become less adversarial. Unless this process is started soon, many authorities will risk missing their 2003 targets.

achievement of sustainable development. We hope shortly to publish a consultation draft of revised statutory guidance to the Agency on its objectives and its contribution to sustainable development.

The Government agrees with the Committee that local authorities need to adopt green procurement policies. Government green procurement practices will lead the way for local authorities and to this end we have set up a website on greening Government at (<http://www.Defra.gov.uk/environment/greening>). We have also met with various groups who encourage this practice e.g. RECOUP who set up roadshows to bring producers of recycled plastic goods and local authorities together. We will consider with other government departments what more can be done, including what contribution the Best Value framework can make. The challenge will be to identify a simple and understandable performance indicator that properly captures green procurement policies at a time when Government is being encouraged to rationalise and reduce the number of centrally determined indicators. The Government would expect local authorities to consider the value of determining their own local indicators for green procurement.

Guidance on the Waste Strategy 2000 was issued in March 2001 and made clear the Government's intention to make Municipal Waste Management Strategies mandatory in due course. We have also proposed that some of the £140 million of additional funding we are putting into waste minimisation and recycling over the next two years should be focused on partnership proposals. It is too soon to assess the position across the country but a number of good quality strategies are coming forward. We are confident that the Strategies will provide an effective tool in encouraging the authorities to work together between tiers and that many authorities will see the clear benefit of joint working. Furthermore, the Government expects county and district councils to consider the value of joint Best Value Reviews of integrated waste management so that the options of greater co-operation and joint working can be properly examined.

The Government encourages the public to become more involved in the planning process, and waste management operators and local authorities to involve the public at a formative stage in development plan preparation and on specific proposals. In a plan-led system, the aim is for local

people to participate actively, especially at the important early stages of development plan preparation, so they can be fully involved in decisions about the pattern of development in their areas. Consultation with the general public and other interested bodies on development plans and planning applications helps waste planning authorities to secure a degree of consensus over the development of waste management facilities in their area and will help authorities to meet their respective waste management targets. DETR (as was) published "Guidance on Enhancing Public Participation" in 1998 and the Planning Green Paper, published on the 12th of December 2001, includes greater community participation in the planning system as one of its key objectives.

rr. We are concerned that the role of Regional Technical Advisory Bodies (RTABs) will be to aid the development of large-scale landfill and incineration sites. The RTABs should, instead, focus on the need for new facilities for options further up the hierarchy, such as re-processing capacity for particular materials. We believe that the RTABs will be better able to fulfil this role if they have a broader membership which includes representation from the local community and are seen to be clearly part of Regional Chambers, which is already happening in some areas. This would also help to ensure that they do not fall into the trap of trying to impose their 'expert' point of view upon local people. The regionalisation of waste management decisions should not result in the loss of community ownership of such decisions.

Planning Policy Guidance Note 10 "Planning and Waste Management" gives guidance on the role and responsibilities of Regional Technical Advisory Bodies (RTABs) on waste. Membership of RTABs is determined by the Regional Planning Body but is broad based, usually with a core-membership being drawn from waste planning authorities, different sectors of the waste management industry, the Environment Agency and Government Offices.

The RTAB's role is to advise the Regional Planning Body on factual matters and technical options to inform the preparation of the waste elements of regional planning guidance. But it is not their function to impose decisions - it is the responsibility of the Regional Planning Bodies to draw up the draft waste guidance, which is then subject to public consultation and scrutiny at the public examination into regional planning guidance. So, whereas RTABs should take account of the views of voluntary environmental and local community interests in the development of regional waste management options, the RTAB should concentrate on technical issues. There is ample opportunity for the wider community to participate, through the consultation process.

tt. We have recommended radical changes to the Landfill Tax Credit Scheme. In advance of these changes, we urge the waste management industry to make positive use of their control of the landfill tax credits by shifting their use from general community-based projects towards those which further the aims of sustainable waste management. This should be the first step in this industry rising to the challenge of a dramatically different waste policy agenda.

The government has now released a challenge to the waste industry, in the form of indicative guidelines. These are to increase spend on sustainable waste management projects to 65% of the credits available through the scheme with at least a third of this to be spent on recycling projects. These reflect the Government's priority of using the scheme to promote more sustainable waste management.

uu. Any unsolicited mail should be clearly marked with a freephone telephone number

Producers of direct mail are increasingly seeking to target their audiences. However, people can have

which can be used to halt further unwanted mailings. Such mail should also be easily returnable at the expense of the mailer and this should be made clear on the envelope.

their names removed from the mailing lists that direct sales companies (and others) use to distribute their literature by contacting the Mailing Preference Service at the following address:

Freepost 22
London W1E 7EZ
Telephone: 0345 034 599

People can also write directly to their bank or other companies that send them unsolicited mail, to request that they are taken off mailing lists or that excess promotional material is not included with their statements. The Government is currently discussing the scope for further action through a voluntary agreement with the direct mail industry.

vv. The voluntary encouragement of environmental accounting has not been successful. It is now time to introduce a statutory requirement on businesses to produce environmental accounts. Amongst other things, these accounts should provide full details of the firm's waste performance.

The Government is continuing to encourage companies to report on their environmental performance. Earlier this year specific guidelines for company reporting on waste were issued which have been well received. In November this year Defra (following work by DETR and in consultation with DTI) published their General Guidelines on Company Environmental Reporting. these explain how to produce a good quality basic report, and contain a set of indicators to report against. The guidelines are aimed at companies new to reporting - and provide a stepping stone to best practice.

In the UK the move towards reporting is accelerating among large companies. Of the FTSE top 100 firms 56 currently publish an environmental report and 12 more of the top 100 have indicated that they will report in the future. Reporting, however, is much less common among the next 250 FTSE listed companies - only 23 currently report.

The final report of the Company Law Review recommends certain reporting requirements, including environmental disclosures. The Government will be considering these recommendations in the coming year.

ww. The Community Sector must be encouraged to take a greater share of the waste management business:

- Local authorities must be encouraged to recognise the worth of community activities: a single, well-organised community activist can often be more inspiring than a local authority employee given the task of enthusing the local public;
- The Local Government Association should work to ensure that best practice of working with community groups is spread to all local authorities;

The Government's guidance on Municipal Waste Management Strategies urges local authorities to work in partnership with others involved with waste management including community groups. The Department of Culture, Media and Sport has also announced that £159 million would be available for a programme of environmental renewal and community regeneration through the next round of New Opportunities Fund. This will include £50 million across the UK for community sector waste reuse, recycling and composting.

– The Government should urge local authorities not to preclude separate contracts for recycling collections so as to allow the community sector to bid. Integrated waste management does not require single large contracts, just integrated thinking in the structuring of waste contracts;

– We welcome the Government's intention to make landfill tax credits available to community groups and we believe that this should be incorporated into the changes we recommend for the operation of the Landfill Tax Credit Scheme

xx. At present the public are ill-informed and misled about what happens to their waste. If we are to be successful in moving waste from the bottom to the top of the hierarchy, a major public programme is required to educate, persuade and involve the public in waste management issues. If such a campaign is to be successful, the public must be convinced that Government and business are also working to change things.

The 'are you doing your bit?' publicity campaign (£18 million from 1998-2000) was launched by the Deputy Prime Minister in 1998. The campaign has two aims: to educate and motivate individuals to take action that will help protect the environment and to reinforce and complement the environmental messages and activities of campaign partners. The programme focuses on reducing waste, using energy efficiently, conserving water and travelling wisely.

Previous years' promotions used TV adverts featuring Mark Lamarr and other celebrities, a campaign roadshow, PR and media promotions, website www.doingyourbit.org.uk and the waste website www.useitagain.org.uk. However, in 2001, £5 million of campaign funds were re-directed to assist the Rural Task Force and as a result campaign activity ran at a low level and primarily focused on the interactive campaign roadshow which toured 22 locations around England.

The role of the 'are you doing your bit' campaign is being reviewed following the formation of Defra and in the light of the new Department's aims and objectives and Defra's lead role across Government in promoting sustainable development.

The Government also supports the National Waste Awareness Initiative (NWAi) which aims to encourage and maintain positive changes in the public awareness, attitudes and, very importantly, behaviour.

yy. We need stronger leadership from Government on waste. Central Government, local Government and business must examine their attitudes and policies on waste. It is not good enough to shuffle along in a laggardly fashion behind European Union Directives. There are sufficient examples from here and abroad which show what can be done and how to do it. Nothing will change until everyone in waste starts to believe that things can be changed. We, and many others, believe they can. It is time for the rest to join us.

The Government has held a waste summit to bring together the key players in delivering greater sustainability in waste management and has announced a PIU study into the waste strategy. This is the start of a process which should lead to an even clearer vision of how the objective of greater sustainable waste management can be achieved.

First Report: The Impact of Foot and Mouth Disease (HC 323)**Published:** 23.1.02**Government's Interim Reply:**

Sixth Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 856)

Published: 21.5.02

a. There are strong arguments in favour of holding a full public inquiry, principally that it would have allowed those affected by the outbreak to see that their concerns were being properly investigated in depth. The Government has, however, chosen another approach. The advantage of the Royal Society and the Lessons to be Learned inquiries is that they may more quickly lead to facts being established, and lessons being learned, than would have been the case if a full public inquiry was undertaken. However, that advantage will have been wasted if the Lessons to be Learned and the Royal Society inquiries do not conduct themselves transparently, taking evidence from as many sources as possible in public unless there are very clear reasons not to do so, and if their reports to Government when completed are not published in full and without delay, and are subject to critical analysis and debate. It will also be vital that the Government's response to these reports co-ordinates their findings in such a way as to provide the basis for an improved strategy to counter a future outbreak of foot and mouth or other animal disease.

The Government agrees that the Inquiry procedure will allow the facts to be established and the lessons learned as quickly and efficiently as possible. They are also satisfied that the process will allow the concerns expressed by those affected by the outbreak to be properly investigated. Both Inquiries have called widely for evidence and have held public meetings to hear some of this. It is expected that their reports will be published in full and without delay after they have been made. The Government is confident that this will facilitate the critical analysis and debate, which the Committee is seeking. The Government will respond to both reports with the aim of developing its strategies for preventing and countering outbreaks of FMD or other exotic animal disease in the future.

e. We are concerned about the efficacy of the European Union regime which permits imports of meat from 'disease-free' areas of countries where foot and mouth is endemic. We recommend that the Government initiate a review of the operation of the regime. It should specifically examine the procedures dealing with health threats abroad, for example in Zimbabwe as a result of lawlessness in that country, with a view to recommending ways to identify risks and respond to them urgently. It should satisfy itself that the European Union is able to monitor effectively what is happening on the ground in supplier countries.

The effective operation of EU import policy for meat is primarily the responsibility of the European Commission. Decisions about the policy itself are taken in the Standing Committee on the Food Chain and Animal Health (formerly the Standing Veterinary Committee). The Commission undertakes inspection visits to countries exporting meat to the Community, with a view to ensuring that the necessary control procedures are in place to underpin their veterinary certification process. The Government has no reason to doubt the thoroughness of Commission inspectors: they are also charged with inspecting UK systems and facilities, which they do with notable attention to detail.

It is true that limited resources do not allow the Commission to undertake inspection visits to each country very frequently, but in addition to those visits, the Commission has a number of other means by which it monitors the disease situation in exporting countries. It maintains close contact with the veterinary services in exporting countries and can expect to be made aware quickly of any change to a country's disease status. The Commission's

representatives overseas will also monitor events on the ground as they might effect animal or public health safeguards. This would be the case for example when social unrest was likely to compromise the ability of the local veterinary authorities to maintain proper control and segregation of disease-free animals. In addition, all the countries where FMD is present and which export to the Community are members of the Office International des Epizooties (OIE), the international animal health organisation which monitors disease outbreaks. Under OIE rules, members are required to notify immediately any outbreaks of serious disease such as FMD. If the situation demands, the Commission will take rapid safeguard action to ensure that imports from any country affected by disease do not pose a risk.

Independently of the Commission's monitoring activities, the Government also maintains contact with the veterinary authorities in exporting countries and British Embassies there monitor developments on the ground. EU law permits individual Member States to take unilateral safeguard action to protect direct imports if a change to the disease situation in any country warrants it, pending action by the Commission leading to changes to Community import rules. UK ministers have taken advantage of this provision on a number of occasions recently to impose import restrictions on products from various African and South American countries.

The 'regionalisation' of countries into areas where disease is present and disease-free areas is an internationally accepted practice, included in OIE guidelines. The UK benefited from just such arrangements during the FMD outbreak, enabling exports to recommence from Northern Ireland when disease was still present in other parts of the UK.

g. Whatever view is taken of the desirability of a standstill restriction, it is surprising that the Government has concluded that a general twenty-day standstill restriction on livestock movements and restrictions on the operation of livestock markets have no role to play in preventing future outbreaks of foot and mouth without advice from the inquiries it has commissioned into the disease. Nevertheless we recommend that the Lessons to be Learned and the Royal Society inquiries consider what impact a standstill restriction put in place for sheep and cattle would have had on the spread of foot and mouth disease if it had been in place when the outbreak began, and also the role played by livestock markets, and by livestock dealers, in the early spread of the disease, both in terms of sales inside and outside the ring. They should also consider what effect a twenty-

The Government has not reached a final view on the role that a twenty-day standstill restriction on livestock movements and restrictions on the operation of livestock markets might play in helping to control any further outbreaks of FMD. The current Interim Animal Movements regime currently includes a twenty-day standstill as a default provision and imposes restrictions on markets. The Government is aware of representations from the cattle and sheep sectors about the impact the 20 day rule has on their operations, and has said it is willing to explore the possibility of alternative approaches which would deliver the same disease control benefits in ways that are less burdensome to the industry. No decisions have yet been taken. Whatever changes may be made to the Interim movement arrangements in the meantime, the Government fully intends to take account of any conclusions in

day standstill rule and associated changes to the regulations governing livestock markets would have on the activities of the livestock farming industry, and particularly what impact they would have on the ability of farmers to carry on normal commercial practice, which benefits farmers in the uplands in particular.

h. We recommend that the Department urgently construct a single database about the farming industry, based, *inter alia*, on the most modern mapping techniques, and that landowners be obliged to provide data to keep it up to date. Topographical and stocking information gathered for the purpose of obtaining European Union subsidies will be directly relevant in this regard.

i. The contiguous cull was a response to a desperate situation, not a premeditated response to a known, assessed risk.

l. We recommend that the Lessons to be Learned and the Royal Society inquiries look closely at the impact that the availability of vets had on efforts to contain the disease. The Government should commit itself to finding the resources necessary either to fund an expansion of the State Veterinary Service if it is recommended by the inquiries or to identify and train a 'territorial reserve' of private vets able to be mobilised rapidly. It should also examine the availability of trained people able to carry out tasks which do not necessarily require fully qualified vets.

o. We are entirely sympathetic to the difficulties

this area contained in the reports from the two Inquiries on the matters to which the Committee have drawn attention before it puts forward proposals for a "permanent" livestock movement regime.

Defra has a number of projects under way which will improve access to data about people with livestock and their locations, by combining traditional database technology with geographical information systems. Its ultimate aim is to pull these various databases together to provide a powerful tool for better land and animal management, but before this can be achieved a number of legal, technical and privacy constraints need to be resolved in partnership with stakeholders.

The Government does not recognise this description of the contiguous cull policy or accept the allegations made in paragraph 27 of the Committee's Report. While it is accepted that the FMD outbreak of 2001 had not been predicted and was unprecedented, the contiguous cull was adopted on the basis of scientific and veterinary advice, as a proportionate response to deal with that situation, in order to get ahead of the disease. Nor is it the case that the policy was administered without regard for local circumstances; provision was made for the exercise of local veterinary judgement in deciding whether premises were indeed contiguous and whether special factors meant that the animals on them had not in fact been exposed to the disease. As the Committee recognises, to be effective the contiguous cull had to be carried out before animals on farms adjoining infected premises became infected in their turn, and the Government believe that the cull played an important role in bringing the outbreak to a close.

Defra will give due consideration to all recommendations about the State Veterinary Service arising from the inquiries. The Department is in the process of reviewing the arrangements whereby private sector veterinary resources were brought into play, and will be discussing the detail with the professional bodies concerned. Defra agrees that wherever possible pressure on scarce veterinary resources should be relieved by delegating tasks to suitably trained lay personnel.

Defra is continuing to offer financial and practical

faced by those farmers not directly affected by the disease, but who have nevertheless experienced considerable hardship as a result of the outbreak. We accept, however, that there are limits to what the Government can do to help. Therefore we do not recommend specific compensation for those indirectly affected, but we do recommend that the Government continue to review their situation, and offer whatever further financial or practical support it can, such as continuing help with rates relief and a sympathetic tax regime. In particular the newly-agreed reform of the sheepmeat regime enables the Government specifically to promote programmes to help this sector. We urge the Government to table as soon as possible proposals to do so for consultation. We will wish to address this issue in future meetings with Ministers. We also urge the Government to continue to investigate the provision of insurance for farmers and others affected by diseases such as foot and mouth.

help by the following means:

Continuing rates relief – Agricultural property is exempt from business rates. All local authorities also have discretion to grant rate relief to a business that is suffering hardship. For the 2001/02 financial year, the Government increased central funding from the normal 75% to 95% of the cost of hardship rate relief given by rural local authorities to businesses suffering hardship as a result of the foot and mouth outbreak. This applied to relief given to businesses with a rateable value of less than £12,000 and those with a rateable value of £50,000 in the rural local authorities in the areas worst affected by foot-and-mouth. This additional funding increased to 98% where the total amount of relief given exceeds in total 8% of the Council's net budget requirement.

Continuing sympathetic approach to tax deferment: The Government's response to the reports of the rural Task Force and Christopher Haskins confirmed that the Revenue departments will continue to take a sympathetic approach - on a case by case basis - to businesses that have been adversely affected by the foot-and-mouth outbreak. The Revenue departments re-confirmed this approach again on 19 March 2002.

The core Farm Business Advice Service is currently available to those farmers who have not had animals culled as a result of the FMD control measures but whose businesses have still been affected by the outbreak. The service consists of three days of free one-to-one on-farm business advice and is centred around a business health check. The service culminates in a business action plan signposting farmers to further funding and advice enabling them to put the action plan into practice.

Following the reform of the EU sheepmeat regime, Defra issued a consultation letter in January 2002 on the implementation of the sheep national envelope in England. It is now considering the responses and intends to undertake a further round of consultation, on specific proposals, shortly.

As regards insurance, a new animal disease insurance working group consisting of Government officials and representatives from the livestock sector and the insurance industry started work in early March. It is considering a range of options, including insurance, for managing the financial risks of animal diseases. The working group is also looking at the role that Government can play to increase the provision of insurance and to

encourage farmers to take it up. Any Government intervention would need to comply with EU state aid rules, which may well rule out direct subsidy.

Second Report: The Countryside Agency (HC 386)

Published: 13.2.02

Government Reply:

Published: 22.10.02

Fifth Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 272)

In order to forestall future conflicts between the Agency and the Department, and in order to allow the Agency to fulfill its objectives, its future role and position vis-à-vis the Department, and the ways in which the two will work together, should, as a matter of urgency, be clarified.

The Minister of State for Rural Affairs chairs a regular high-level meeting involving a Defra team headed by the Director General for Land Use and Rural Affairs, Anna Walker, and a Countryside Agency team including the Chair, Vice Chair and Chief Executive of the Agency. In July, the Minister of State and Anna Walker will attend a meeting with the whole of the Countryside Agency Board. This is part of the process of defining the respective roles of Defra and the Agency and of creating an effective and productive working relationship.

The starting point must be the statutory remit which governs the Agency's activities. This can be summed up as:

1) to keep under review and advise the Government on all matters relating to:

- the social and economic development of rural areas
- the conservation and enhancement of the natural history and amenity of the countryside
- the need to secure public access to the countryside for the purposes of open-air recreation
- the provision and improvement of services for the enjoyment of the countryside.

2) to carry out, or assist others to carry out, measures likely to further social and economic development.

3) to provide financial assistance towards expenditure in the public and private sector which helps achieve any of the conservation and recreational objectives.

4) to undertake or promote experimental schemes, developing or demonstrating new techniques in conservation and recreational management.

5) to designate National Parks, Areas of Outstanding Natural Beauty (AONBs), country parks and long distance routes.

6) new powers and duties under the Countryside and Rights of Way (CROW) Act 2000.

7) to inform the public about their rights and responsibilities in the countryside (eg the Country Code).

In this context, leaving aside the Agency's specific statutory functions on National Parks, country

parks, AONBs, long distance routes and those deriving from the CROW Act, we see the Agency as having a powerful role to play in:

- work to inform rural policies and the provision of advice to Defra, and also to the Rural Affairs Forum for England, other Government departments, regional development agencies, local authorities, the voluntary sector and other public and private sector players in rural affairs. Examples are the State of the Countryside Report, the Rural Services Survey, the Rural Proofing Report, and other subject- based reports.

- experimenting and piloting initiatives of potentially wider application such as the Vital Villages programmes where the Agency can take greater risks and be more entrepreneurial than would necessarily be appropriate for a central Government department.

In essence this means that the Agency is there to provide independent, joined-up advice across Government based on a robust evidence, and to use its know how to show what works through a number of innovative, relatively small scale projects. The latter is important to provide the credibility and evidence base for the Agency's advisory functions. The Agency is not directly responsible for delivering Government policy except where it has a specific statutory role (as on access to open country) or where the Department or another part of Government has specifically asked it to take on a particular scheme (as in the case for instance of the charities match funding scheme for the relief of hardship during the foot and mouth crisis).

Rural-proofing is perhaps the main area where there could be confusion over the respective roles. The Government's Rural White Paper, published in November 2000, gave a commitment that in future Government policies would take account of specific rural needs, and that each Government Department would rural-proof its policies and report annually on the outcome. The Department has the general responsibility within Government for ensuring that this commitment is honoured, and accordingly liaises at Ministerial and official level with other Government Departments who are responsible for delivery of their part of the commitment. The Government gave the Agency the job of helping Departments to do this, through the production of a rural-proofing checklist for policymakers and with advice, research and good practice.

The Agency was also given the important task of reporting annually on the rural aspects of the Government's policies, including the effectiveness of rural-proofing. As from this year, the reports are

being published and considered by the Cabinet Sub-committee on Rural Affairs and the Rural Affairs Forum for England. It is important that these reports should be independent from mainstream Government, and therefore this function needs to be performed by a body seen to have an arm's length remit, which the Agency has by virtue of its statutorily independent status.

In future years, as part of its rural assurance role the Agency proposes to focus on particularly important issues, including cross-cutting issues, rather in the mode of the Performance and Innovation Unit of the Cabinet Office.

The Agency's role and remit is distinctive and does not overlap with that of the Department. However, if the two roles are to complement each other in a way that strengthens the achievement of rural policy aims, there has to be contact and exchange of information at every level between the Department and the Agency. The corporate plan which sets out the Agency's programme of work is approved by the Minister for Rural Affairs, thus ensuring that its outputs are both complementary to those of the Department and transparent to the Department. There are also frequent discussions between the Minister for Rural Affairs and senior Agency and Departmental officials to ensure that we have a fully shared mutual understanding of how we are to work together. The Chairman of the Agency - exceptionally - also attends meetings of the Cabinet Committee on Rural Affairs in his capacity as "Rural Advocate".

We therefore recommend that the Agency make its highest priority to define what is a "rural" area, and seek to ensure that other Departments and Agencies and other public bodies adopt the same definition. Within that overall definition the Agency should recognize the need to categorise different types of rural areas to reflect the different pressures they face. Final definitions should be available by Summer 2002.

In the Agency's last submission to the Committee it expressed frustration at the lack of progress in this area. Since then the Agency and Defra have secured agreement with the Office of National Statistics and Department of Transport Local Government and the Regions colleagues on the need for a revised interim definition, followed by a second phase of work to create a final set of definitions based on a more sophisticated approach.

The Agency has already produced and tested an interim approach which deals with the current well-known anomalies and now has agreement from Department for Environment, Food and Rural Affairs, Department of Transport, Local Government and the Regions and the Office for National Statistics on its immediate adoption. Talks are also underway to initiate the second phase of work, which, due to the complexity of the task, has a planned completion date of early 2003.

Third Report: Radioactive Waste: The Government's Consultation Process **Published:** 23.1.02
(HC 407)

Government's Reply: **Published:** 21.5.02
Seventh Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 1221)

a. A measured and open staged process enabling participation and involving stakeholders and the public has the potential to yield the acceptability necessary to ensure an effective decision. But delay is an ever-present danger. The timetable for the programme of action should not be allowed to extend beyond 2007.

We agree that we should go as fast as we reasonably can. But we are confident that by 2007 we shall have decided how to manage the waste and that we shall be in the process of implementing that decision. If we can go faster, we shall. As most waste will be generated over the next century or so, from decommissioning of nuclear facilities still in use today, it will take many years to implement the policy.

b. We welcome the document as a first step towards developing a long overdue policy for the disposal of radioactive waste. We are however concerned that the process of policy development should be well-defined and transparent at all stages. The Government should address concerns that a generally phrased consultation document will not engage the public in the debate. It should also set clearer objectives defining the nature of the outcome of each of the remaining stages of the consultation and policy development process, and provide further details of how it will ensure that the programme of action will be completed by 2007.

We agree. For the programme to work effectively it must be transparent and clear at the outset how each stage will lead into the next, and how different inputs - for example, the views of the public, and the results of research - will contribute to each key decision

c. We are convinced that, if the process of consultation and policy development is to be successful, it should be managed by an independent body which ultimately provides policy advice and recommendations to the Government. The membership of the overseeing body should include experts, stakeholders and lay people, and should be appointed in a personal and not a representative capacity. The body should be adequately staffed. We recommend that the independent body should be established as soon as possible after the end of the first consultation period.

We propose to set up an independent body to oversee the review of waste management options. We shall publish more detailed proposals as soon as possible.

d. We recommend that in order to ensure that the roles performed by the various institutions involved continue to be as clear as possible, a decision be taken quickly about the future role of Nirex, about future responsibility for the functions it currently performs and that it or its successor should be independent of other nuclear companies.

We agree that the question of the independence of Nirex, or any successor bodies, from the industry needs to be addressed. The UK Government White Paper *Managing the nuclear legacy* recognises the arguments in favour of independence, but considers it important that those funding Nirex (or successor bodies) now and in the future are satisfied that they continue to get value for money for expenditure undertaken on their behalf. The relationship between Nirex and other organisations including the Liabilities Management Authority will be

considered as part of the radioactive waste policy formulation process.

e. We recommend that the Government come forward with a clear statement of the *purpose* of its public engagement, and some indication of how the outcome will be evaluated.

We agree. We have all benefited from uses of radioactive materials - from medical and research, through to electricity generation - that give rise to radioactive waste. Some of the substances involved will be radioactive and potentially dangerous for hundreds of thousands of years. We owe it to future generations to manage the waste safely. The purpose of engaging the public is to achieve broad agreement on how best to do this. We are therefore seeking to agree the range of materials that will need to be regarded as wastes, the options for their long-term management, and the criteria against which each of these options should be assessed. We need to involve the public fully and actively in the assessment of options, and the emerging conclusions. And we shall endeavour to ensure that eventual policy choices can be seen to have flowed logically and transparently from the assessment process. We do not expect to achieve unanimity, but we need a broad consensus that we have got the proposals right. But it will be ultimately for Ministers to reach a decision, and for their Parliaments and Assemblies to judge whether they got it right. Our proposed programme of action referred to above, will set out how we envisage the process working.

We want people across the UK to be involved in the decision-making process. But we shall also welcome the views of people and organisations abroad. They have much experience to contribute, many of them may be personally affected by decisions taken in the UK, and several have already responded to our initial consultation paper.

f. The Government needs to elicit from the public consultation and publicise the values and principles which should underpin the process of developing a radioactive waste management policy. If the public are properly consulted about such fundamental matters at the outset, the outcome of the consultation process is much more likely to attract public support.

We agree. Appendix 5 to our consultation paper set out a number of principles that could apply to the policy process. Our detailed proposals will take this further by setting out some clear guidelines - including how key principles (including those which stem from the Government's sustainable development policy) might be built into the criteria against which the different options will be judged. People will then have a clearer idea of what they are involved in and why.

The Government, too, will need to remember one simple principle of public engagement: it is a waste of everyone's time unless the decision-maker is willing to listen to others' views and then to do something which it would not have done otherwise.

g. We believe that Parliament, having considered the advice of the overseeing body,

We agree. The Government's responsibility is to decide how to manage waste, and then to decide

should decide the elements of national policy including, most crucially, the preferred option for long term management of radioactive wastes.

how to implement that decision, ensuring at each step that it has secured a sufficient level of common ground. The policy on radioactive waste is a devolved responsibility and proposals will be presented to respective parliaments and assemblies at each key stage for endorsement. Our further proposals will set out a more detailed programme illustrating this.

h. Such overseas experience [ie. Finland, Sweden] should be considered when developing the UK's policy.

We agree. We should learn from relevant experience abroad as well as experience - for example, in consensus building and decision-making - in the UK. We already participate in international research and in international bodies' development of good practice in stakeholder involvement. International experience will be reflected in the review, both through our programme of research and through public involvement. Each country has its own characteristics, but much can be learned from other countries' strategies and outcomes. And, one day, we hope that our experience will benefit other countries.

i. We urge the Government to make a decision as early as is practicable in the consultation process as to the stage at which local communities likely to be asked to host a storage or disposal facility will be identified, and subsequently involved in the decision-making process. It should also be determined in advance whether local communities, however defined, will be given the power of veto over hosting such a facility, and whether they will be provided with benefits for doing so.

We agree that issues of this nature will need to be considered in the review of options. We shall need to involve a range of people and organisations in this process across the UK by making them aware that their community might possibly be affected one day. We must be open about this possibility from the start.

j. However, work should be undertaken now on how best to deal with the consequences of eventually revealing possible sites if the whole exercise is not to be sunk by local opposition.

We agree.

k. We recommend that the issues of siting a potential radioactive waste facility should be debated as part of the consultation process in stages moving from generic issues to specific siting questions; that among the generic issues to be debated and decided should be compensation, incentives, volunteerism and vetoes; that the devolved administrations and local authorities should be fully involved in the decision-making process; and that the planning process should not be changed in any way that would impede the process of public debate and staged policy formulation which is necessary for effective decision-making.

We agree. The Deputy Prime Minister announced on 18 July that the Government does not now plan to introduce the new Parliamentary procedures for major infrastructure projects which it proposed last year; though it will still look at ways of speeding up the public enquiry system. We shall work closely with other agencies including the Office of the Deputy Prime Minister on planning issues in England and Wales. The devolved administrations are working in partnership with the UK Government on this policy. Planning in Scotland and Northern Ireland is a matter for Ministers there.

l. It is incumbent on all sides of the nuclear

We agree. We in the Government have a particular

debate to enter into the more open and constructive dialogue that is being envisaged in the consultation paper and endorsed by all the witnesses we spoke to.

responsibility to make it possible for all groups to express their views in the forthcoming debate. But all opinion formers, including the media and other organisations, have a responsibility to provide accurate and balanced information so that people know what the issues are. Wide and well-informed debate of the issues is what we seek.

m. We recommend that the consultation process seek from an early date to establish the sensitivity of public support for a facility to the possible presence of plutonium.

We agree. The UK waste inventory already includes large amounts of plutonium-contaminated material. As our Answer (HoL Deb, 29 July 2002, WA 137) says, the review will also recognise that significant amounts of separated plutonium, and other nuclear materials currently regarded as resources, may be declared as wastes at some point in the future. The review will need to make some assumptions about what types and volumes of material might be involved.

n. We recommend a review of the remit and independence of Nirex or its successor companies to ensure that there is neither duplication nor a gap in the responsibilities of the many parties involved in the disposal of nuclear waste, especially in view of the formation of the Liabilities Management Authority. Resolution of responsibilities for the various waste streams would make the resolution of the definition of waste a great deal easier.

We agree that this issue is important and needs to be addressed as soon as possible, as stated in our response to recommendation d. This will be taken forward as part of the radioactive waste policy process and as part of the process set out in the UK Government White Paper *Managing the nuclear legacy*.

o. We recommend that the process of consultation cover at the appropriate stage the possibility of a facility requiring regular receipt of additional waste.

We agree. Radioactive waste facilities - whether on new sites or at existing locations - will have waste loaded into them over a very long period, as older reactors and nuclear facilities are decommissioned over the latter half of this century. Our assessment of options will reflect the outcome of the Government's energy review, and its implications for the UK's radioactive waste stockpile and how it is managed.

p. We anticipate that the establishment of the LMA (Liabilities Management Authority) will be one of the major steps in this process and hope that the Government will find time for the primary legislation in the next session so that this process is not delayed.

We agree. The White Paper *Managing the nuclear legacy* has set out the Government's programme for action and the importance which it attaches to the process.

q. It will be necessary for the LMA to establish whether or not there is a problem with the current system of regulation of the storage and conditioning of waste. Should this prove to be the case, it will be necessary to act quickly to rectify the problem.

We agree that establishing the proposed LMA should lead to sharper focus and shorter timescales for managing wastes. In the meantime we need to tackle any shortcomings as soon as they are identified. RWMAC, the Nuclear Safety Advisory Committee and the new independent body will also help us to spot these. RWMAC and NuSAC have recently published their views on the current arrangements for conditioning, packaging and

storing intermediate-level waste. They are also jointly carrying out a regulatory review which, as chapter 7 of *Managing the nuclear legacy* indicates, will enable us to identify areas for improvement. As our Answer (HoL Deb, 29 July, WA 137) says, we shall shortly publish more detailed proposals in relation to the storage and conditioning of waste.

r. The Committee requires that the Government submit to it a report on progress with the consultation process by 31 December 2002 and that it should do so annually thereafter.

We agree. We welcome the House's interest in the issue and this opportunity to encourage national debate. We think this will greatly reinforce our efforts to inform and engage the wider public. We shall ensure that respective parliaments and assemblies are kept regularly informed of the policy formulation process and its emerging recommendations.

Words are easy, action is harder. We have set out some aspirations. But we now have to put them into practice, and build an effective process which people trust, and which will yield a decision in which they have confidence.

Fourth Report: Disposal of Refrigerators (HC 673)

Published: 23.1.02

Government's Reply:

Twelfth Special Report from the Environment, Food and Rural Affairs, Session 2001–02 (HC 1226)

Published: 21.5.02

a. The European Scrutiny Committee may of course itself wish to review any lessons for the scrutiny system arising from this episode, and in particular the adequacy of the two Explanatory Memoranda (EM) provided.

The scrutiny system is a matter for Parliament. But the Government places a great deal of importance on Explanatory Memoranda to ensure that Parliament is fully aware of the potential impact of legislation on the UK.

When the first Explanatory Memorandum was provided in September 1998, the draft Article 15 had not been changed, so the issue had not arisen. The Supplementary EM, provided on 3 December 1998, was in response to the Scrutiny Committee's specific request for further information on HCFCs and Methyl Bromide. The implications of changing the draft article 15 were not picked up until January 1999, by UK industry who alerted officials who in turn raised it at the next Management Committee meeting on the European Regulation in February 1999. The UK continued to raise this issue at every Management Committee meeting, on nine separate occasions, over a two and a quarter year period until June 2001, before the UK received an agreed interpretation from the European Commission.

b. We are particularly concerned at the breakneck speed at which the draft was propelled through Parliament in the autumn of 1998.

The Government shares the Committee's concern about the speed at which the legislation passed through Council and the European Parliament in the Autumn of 1998: it is a point highlighted by Defra in its memorandum (paragraph 49(1)). The key point was that no-one, including industry, raised the question of recovery of controlled substances from

d. We recommend that Regulations such as 2037/2000 should in future not be agreed to until

the practical implications of implementation have been clarified.

i. We recommend that in future the Government fully assesses the impact of European Union Regulations and Directives before it agrees to them, following the practices it has itself described to us; and that in particular it looks again at the plethora of forthcoming waste disposal Regulations and Directives as a matter of urgency. We further recommend that the Government ensures that in future all relevant stakeholders are consulted as part of the examination of the implications of EU legislation.

rigid foams until after the proposal had passed through Environment Council, nor was it pursued by anyone as it went through the European Parliament.

In this case, the Commission proposal was published in August 1998. As the Defra memorandum points out, there was strong political pressure to secure early agreement under the Austrian Presidency, in order to implement amendments and adjustments to the Montreal Protocol as soon as possible. Furthermore, the change affecting fridges was made to the relevant article very shortly before Council, resulting in insufficient time to consult and impeding the possibility of delaying Council consideration. In such a situation, the UK was unable to delay the political agreement that was reached in the Council in December 1998. In future, however, measures should be considered more fully during the legislative process. The Government is pleased that the Committee raised the issue of understanding the full implications of European legislation prior to signing up to it.

The European Commission presented an Action Plan on Simplifying and Improving the Regulatory Environment at the Seville Summit in June. The Action Plan builds on the recommendations of the Mandelkern report of November 2001, and sets deadlines ranging from immediate action to actions by 2004-05. It identifies improvements at various stages of the regulatory chain, from early conception to implementation. Its commitments include:

- Minimum standards will be introduced for consultation at European level during policy development. The Commission will progressively introduce a system for major policy initiatives to include an account of consultations held and their results.

- Social, economic and environmental impacts will be assessed for major initiatives when policies are being devised, using a mechanism that integrates the various impact assessment procedures currently used by the Commission. The Commission will assess more systematically the cost-benefit ratio of its more significant proposals.

The Action Plan also asks the European Commission, the European Parliament and the Council to agree an inter-institutional agreement to commit all three institutions to conducting impact assessments in respect of amendments tabled at First Reading.

Measures to improve European legislation are also likely to be considered in the Convention on the

Future of Europe in the context of fundamental changes to the workings of the European Institutions. The UK is represented on the relevant working groups, and will promote and support proposals to ensure future European environmental legislation is simplified, relevant and of high quality.

The Government strongly welcomes the Action Plan which is accompanied by communications on impact assessment and minimum standards for consultation at European level. In addition to cooperating in fuller analysis, Defra will work closely with the Cabinet Office's Regulatory Impact Unit and other interested Government Departments as appropriate on developing RIAs for all legislative proposals at the earliest possible stage. This includes an initial RIA at the outset of negotiations, which is then developed into a partial RIA, drawing on economic, legal and other specialist advice, prior to public consultation wherever possible. A full RIA is prepared on the basis of further research and on the results of consultation.

When negotiating legislation, Defra consults widely and thoroughly with industry including SMEs, NGOs and other interested parties. In accordance with Cabinet Office Guidance, whenever a new policy is being considered that imposes new responsibilities on business, the voluntary sector or charities, policy officials allow at least twelve weeks for consultation with stakeholders (unless there are exceptional circumstances). Major policy issues are discussed at meetings with stakeholders and with 'shadow groups' as well as being subject to written consultation with industry.

In accordance with Government policy to promote the use of RIAs at as early a stage as possible, Defra recently set up the Modernising Environmental Regulation Branch to work closely with the Environmental Protection Economics Division and the Environment Agency to modernise Defra's approach to environmental regulation. A key tool is the production of an RIA at a very early stage in the development of new EU legislation, particularly as an aid to negotiations. By extending the development of RIAs, Defra would expect them to be an increasingly useful policy tool for implementation purposes.

Defra will implement the Government's policy of ensuring that the practical implications of European initiatives are fully analysed as early as possible in line with the Cabinet Office Guide on Better Regulation. The aim is to inform the UK's approach to European initiatives from the outset of negotiations through to the implementation stage.

Defra plans to implement this strategy on a raft of legislation on waste issues that are in the pipeline; the Waste Electrical and Electronic Equipment (WEEE) Directive, the End of Life Vehicles (ELV) Directive, the Landfill Directive and the Hazardous Waste Directive. The Government has been working closely with stakeholders to ensure they are consulted fully on developments. For example, Defra has issued two consultation papers on implementation of the Landfill Directive and DTI has undertaken consultation exercises on both the WEEE Directive and the ELV Directive. More details of the processes that have so far taken place for each are attached at Annex A (Twelfth Special Report of the House of Commons Select Committee on Environment, Food and Rural Affairs, Session 2001-02, HC 1224, p 8).

The strategy will also ensure that:-

- The regulator is involved in the negotiation process of European initiatives to analyse the practical implications from the outset of negotiations: a useful model has been the Environment Agency's involvement in negotiations on the proposed EU directive on Environmental Liability; and

- Ministers are alerted at an early stage to any potential difficulties with European initiatives under negotiation.

c. We hope that the European Parliament too may wish to review how well its scrutiny mechanisms worked in relation to this document.

Not applicable.

e. The Minister should inform us as soon as he is able to where financial responsibility for the disposal of refrigerators will lie once the current backlog of refrigerators has been cleared.

In the shorter term, the Government recognises that there is an additional burden on local authorities. The Government has already provided £6 million to cover their costs for the first three months of this year and has just announced an additional £40 million to cover 2002/03. As treatment facilities are now coming on line in the UK, Defra anticipates that the backlog of fridges will be cleared during this period.

g. This debacle will cost the UK around £40 million, a cost which would not otherwise have been incurred.

The Government expects that before the end of 2005, the costs of collection and treatment will fall to producers under the WEEE Directive. Until this occurs, provision will need to be made to cover the additional burdens incurred by local authorities.

Treatment costs, which are the larger element of the overall costs, would have to be borne by someone, whether by producers, consumers or the Government. Although the initial annual UK cost is likely to be around £40 million, this will decrease as additional facilities are commissioned,

f. Whilst the European Commission must accept some blame for lack of clarity, the overwhelming responsibility for mishandling the implementation of Regulation 2037/2000 lies with the Government. Government officials initially made a judgement that insulating foam within fridges fell under Article 16(3) not Article 16(2); they then argued about the semantics of the phrase 'if practicable' when in fact the practicality of dealing with the foam was abundantly demonstrated by practice in other European countries; they were unaware of the implications of Article 11 for exports of fridges from the UK, and therefore for 'take-back' schemes; despite requesting clarification on so many occasions they failed to resolve the issue; they apparently ignored or reacted very slowly to a host of warnings from interested parties; and despite those warnings and legal advice suggesting that the Regulation would be taken to apply to foam insulation they failed to put in place contingency plans to cope with the problem.

competition becomes established and more fridges that do not contain either CFCs or HCFCs enter the waste stream. In any event, by implementing this measure the UK will further reduce its contribution to total chlorine loading in the stratosphere.

The Government categorically denies that it mishandled the implementation of the Regulation. The crux of the problem was that Article 16 of the Regulation was unclear. As Regulations are directly applicable in all Member States and do not require transposition, there is very little scope to improve their clarity domestically.

Following the political agreement that was reached in December 1998, the Government circulated the Common Position to stakeholders. The refrigeration and foam blowing industries asked for clarification regarding the recovery of controlled substances in rigid foams. In response, Government officials raised this with the Commission in February 1999, just two months after the Council reached political agreement. Officials continued to press for clarification at every Management Committee meeting on the European Regulation, even asking for an extraordinary Management Committee meeting to resolve it.

As pointed out in the Defra memorandum, it was UK officials' view that neither paragraph 1 nor paragraph 2 of Article 16 applied to rigid foams, therefore, recovery of controlled substances would be "if practicable" under paragraph 3. For much of the two and a quarter years during which this was discussed in Management Committee, the Commission's own interpretation of Article 16 was the same as that of the UK.

The practicability issue was not one of pure semantics. The industry, to whom it fell to make the investments to implement the Regulation, were pressing the Government for certainty about what was required. As the Select Committee itself acknowledges, this was not unreasonable before investing several million pounds in equipment. Placing a requirement on UK industry to recover controlled substances from rigid foams prior to obtaining an agreed interpretation would certainly have laid the Government open to accusations of "gold-plating" European legislation.

The Government was aware of the legal effect of the Regulation for exports of fridges and other equipment containing CFCs as coolants, but consultation with representatives of the refrigeration industry had not revealed the scale of the export trade in second hand fridges.

Any question of contingency plans must take into

account the inherent difficulty of asking the waste management and recycling industry to prepare to invest in expensive new technology when it was far from certain whether it was necessary.

h. The fact is that doubts were expressed and queries raised for some months before the Regulation was adopted. All that had to be done was for officials to alert Ministers to the problem, and ensure that the Regulation was not agreed until there was a clear shared understanding of what it meant. We find it deeply disturbing that the Government signed up to the Regulation whilst still suffering from 'knowledge gaps' about its full impact.

The Government acknowledges this criticism. As the Defra memorandum itself acknowledges, with hindsight Government officials should have alerted Ministers earlier to the fact that there was a technical difficulty in the regulation. However, as also highlighted in the memorandum, there was considerable reluctance within the EU to reopen at a late stage the political agreement reached by Ministers. Where a Common Position text has been agreed, it can only be changed by an amendment in the European Parliament. In practice, where a problem with the Common Position emerges options for tackling it are fairly limited, particularly when factors such as co-decision and Qualified Majority Voting are taken into account.

Fifth Report: Genetically Modified Organisms (HC 767)

Published: 18.6.02

Government's Reply:

Published: 24.10.02

Eighth Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001-02 (HC 856)

a. We urge those in favour of GM crops and those opposed to approach debate on the subject in as responsible and open-minded a manner as possible. In particular we urge them to base their arguments on rigorous science, rather than conjecture.

The Government shares the Committee's view that debate on GM issues should be informed, and supports the Committee's request for rational and constructive involvement from all parties. Following advice from the Agriculture and Environment Biotechnology Commission (AEBC), the Government announced on 26 July that a public debate will start in autumn 2002. The overall programme of dialogue will involve a public debate and two related strands looking at the economics and science of GM. There will be throughout a two-way interaction between the three components. Outputs from both the science and economics components will feed into the public debate. Equally, issues emerging from the public debate should help frame the direction of the technical work.

b. The media has an important role to play in informing the public about the complex issues surrounding GM food and crops. We urge all parts of the media to address those issues in future in a rational and constructive manner - their commitment to doing so is a prerequisite of a well-informed public debate.

c. We commend the AEBC for the transparency to which it has committed itself. All those involved in supporting or opposing the use of GM technologies, or who are otherwise engaged in the public debate about the issues surrounding GM food and crops, would do well to heed the example set by the Commission since its inception.

Government agrees that the AEBC has established a reputation for the independence of its judgement and the transparency of its processes. For this reason, the Government is looking to the AEBC to play a major role in ensuring that the public debate is run on the basis of independence, openness and integrity.

d. We support the proposed public debate about the issues surrounding the outcome of the farm-scale evaluations and the future

The Government welcomes the Committee's support for the public debate, and shares its caution and the modesty of its aspirations. In its response

commercial growing of GM crops. However, we caution that the most optimistic aspirations for such a debate - that through it a clearer public consensus in favour or opposed to commercial planting will be formed - are unlikely to be fulfilled. The debate will, though, help to inform those members of the public who become aware of it about GM crops in a rational and intelligent way, and at the same time help the Government to understand public opinion rather better.

e. The public debate will not establish whether or not public opinion has swung for all time in favour or against the commercial planting of GM crops, and may not even give a clear view of the state of public opinion. The value of the exercise may, as we have suggested, lie in the process itself, which will help to inform the public, at least give a flavour of the variety of opinions held, and offer at least a framework for involvement.

f. We agree that public mistrust of [the Government's] intentions in respect of GM crops and food requires that the programme of public debate should be conducted independently of Government. The approach proposed by the AEBC appears likely to keep the process at arm's length from the Government, and we therefore commend it.

h. It should be stressed that comparative models of change are required. Conventional British agriculture has not stood still and its evolution has had profound effects on our environment, our landscape, even arguably on our health. Analyses of GM technology must compare potential change from that source with predictable change as a result of conventional farming.

g. Whilst we welcome the assessment of the

to the AEBC's advice, the Government set out the following terms of reference for the overall programme:

- To identify, using methods which focus on grass roots opinion, the questions which the public has about GM issues, avoiding as far as possible the polarisation that has characterised so much of the discussion to date, and getting to the heart of the issues;

- To develop, from this framing of the issues and through a wholly open process, the provision of comprehensive evidence-based information to the public on scientific, economic and other aspects of GM;

- To provide people with the opportunity to debate the issues openly and to reach their own informed judgements on this subject;

- To provide information to government on how questions raised by the public have shaped the course of the debate, including on the scientific, economic and other aspects of GM.

The Government has accepted the AEBC recommendation for a steering board, independent of Government, to oversee the public debate. The Government has invited the AEBC chair, Professor Malcolm Grant, to chair the steering board and to appoint members, with regard to the need to maintain diversity and to have a balance of views and perspectives. The Government proposed that the board might include members drawn from the biotechnology industry, the health professions and consumers' organisations, as well as individuals involved in the scientific and economic research. Board members may be from AEBC or from elsewhere.

The science component of the overall dialogue programme will review the scientific issues relating to GM. It will consider the possible impacts of GM technology against the background of the existing agricultural landscape. New research into comparative costs and benefits of different farming systems is underway including a project let in response to the AEBC's specific recommendations. The project is entitled "A review of research into the environmental and socio-economic impacts of contemporary and alternative arable cropping systems". The project is due for completion in December 2002. The report will be made publicly available on the web, as a contribution to the debate.

The science review component of the public

science surrounding GM to be carried out by the Government's scientific advisers, we urge the Government to go further in order to buttress public confidence in the science underpinning the debate. We recommend that the Government not only adopt the recommendations made by the AEBC about the provision of independently-reviewed data and of public funds for future research, but also consider establishing a panel of scientists able to provide advice which is seen to be unbiased to inform the public debate.

i. No consensus is emerging from the scientific research undertaken into the environmental impact and safety of GM food and crops - at least not one sufficiently robust to refute the claims of those opposed to the technology, although we note the comment made to us by SCIMAC that gene flow in plants has been going on for centuries; we also note the conclusions of the Royal Society that consuming GM food poses no significant threat to human health. What is needed for the sake of the public debate is that efforts be made to reach agreement on even the simplest points of science. We reiterate our recommendation that Government should take steps to ensure that scientific research is carried out and made available to inform the public debate, and that research should be assessed by the panel of scientists we have recommended, and their views also disseminated.

j. We recommend as a matter of priority that the Government address the question of the need to rebuild public confidence in science as an instrument of public policy, without which it will be extremely difficult to have a well informed public consultation and debate on matters such as the future of GM technology.

dialogue aims to allow ready access to scientific evidence concerning GMOs, including the potential introduction of commercially grown GM crops to the UK; to allow access to the opinions of a variety of people and organisations on the scientific evidence; and, to allow the concerns of the public to drive the review and for members of the public to contribute and participate.

The science debate will centre around reviews of particular scientific topics, as indicated by public interest and concern. Members of the public with scientific views and the scientific community will be invited to comment and to ask questions. Experts with interests in subjects relevant to GM science and technology will be invited to contribute material so that various scientific views can be heard. Once particular areas of concern are identified scientific meetings open to the public will be arranged. The outcomes of these meetings, including any consensus reached, will be published on the web. As part of the science review the results of the science debate will be drawn together in summaries on each issue.

The review will identify areas of consensus, disagreement, and of uncertainty in the scientific issues surrounding genetic modification. A panel of scientists representing the range of issues debated will be formed to guide the direction of the debate and to draw together the conclusions. A review panel, consisting of academics, social scientists, and lay people representing a range of views on GMs, will provide advice. The final review documents will be the responsibility of the Government's Chief Scientific Adviser, Professor David King, the Chief Scientific Adviser to the Secretary of State for the Environment, Food and Rural Affairs, Professor Howard Dalton, and the Food Standards Agency.

Defra and the FSA have research programmes to identify unresolved GM science issues, as advised by the Advisory Committee on Releases to the Environment (ACRE). The programmes include projects researching the transfer and survival of DNA in the bacteria of the human gut, gene-flow from GM plants, the Farm Scale Evaluations and a review of research into the impacts of different farming systems. The results of these projects are made publicly available, and so will contribute to the science debate.

The Government is determined to restore levels of public trust and confidence in the handling of science by listening to people's opinions and concerns. Promoting openness on matters relating to science and technology is a priority for Government. Many departments provide detailed information about their science and innovation

strategies, research activities and outputs on their websites, and consult widely on their research programmes.

The first step to having a fruitful and constructive dialogue with the public is to seek their views. The Office of Science and Technology in the Department of Trade and Industry commissioned with the Wellcome Trust a major survey of public attitudes to science and technology.

The results of the survey, published in 2000, are providing a valuable tool to help us to develop the dialogue between the science community and the wider public that the Committee's report recommends. They also set the benchmark against which we must measure ourselves in the future. For example the surveys show that the British public has a positive attitude to science - 8 out of 10 agree that Britain needs to develop science and technology to enhance its international competitiveness, two-thirds of people think that scientists want to make life better for the average person and a similar proportion agree that scientists should listen more to what ordinary people think.

The Government believes that public trust is vital to progress and innovation and that we must take note of people's concerns, but not exaggerate them. It is therefore important that we establish and maintain public confidence in the governance of science and achieve societal acceptance of new technologies. The Prime Minister in his speech to the Royal Society on 23 May spoke of encouraging openness, transparency and honesty into how decisions on science are taken. He commended the work of the Human Genetics Commission and Agriculture and Environment Biotechnology Commission in involving the public in the social and ethical discussion surrounding scientific research.

The Government is committed to improving the way it obtains advice and communicates developments in science and science policy. The Office of Science and Technology promotes Guidelines 2000 as best practice for government departments' use of scientific advice in policy making and has published a Code of Practice for Scientific

Advisory Committees.

We want to move towards a more inclusive dialogue between Government, scientists and the public about science and the issues that it raises for society. As well as improving public understanding of science, it is important for scientists and decision-makers to understand the public, and listen to their views on the implications of the development of that science. Without this mutual

k. The farm-scale evaluations are important, but they will answer only a very limited number of questions. As we have said, further independently-conducted and independently-assessed research will be needed in order to inform the public debate.

l. It is unfortunate that the crops chosen for use in the farm-scale evaluations are not directly used by consumers. Debate about the farm-scale evaluations is therefore likely to focus on alleged risks associated with GM technology without the balance of any concrete examples of substantial consumer benefits. As a result the public, looking at the outcomes of the farm-scale evaluations alone, is unlikely to perceive much advantage in proceeding to commercial exploitation of GM crops. This ensures that the debate will be about principles and hypotheses not concrete consumer-relevant United Kingdom data, making it all the harder to involve the wider public.

m. The public debate about GM crops and food proposed by the AEBC is an innovative and sensible means of attempting to understand public feelings about such a complicated issue. At the very least the debate will provide a platform through which the quality of public knowledge will be raised, particularly if the Government commits itself to providing not only the already-commissioned assessment of the science by its own advisers but also the independently-conducted and independently-evaluated research we have recommended, and the debate will also provide a forum through which the public can air its views.

n. To give approval for commercial planting of GM crops the Government will have to act within the legal framework of the European Union. Thus the public debate will inform decisions made in the United Kingdom; it can also, as the AEBC proposes, help to inform the attitude of the United Kingdom Government in European deliberations on these matters. In the end, however, decisions about commercial exploitation of GM crops will be decided by our legal obligations within the Union and, potentially, in due course within the World Trade Organisation. In setting the framework for the public debate, the Government should, nonetheless, make clear the importance of the United Kingdom's international obligations.

understanding, there will be no productive dialogue.

The Government recognises that the Farm Scale Evaluations are a limited study. The debate announced by the Government will be about the wider issues of GM, including GM crops. The science strand of the debate will include discussion of the Farm Scale Evaluations but will be in no way limited to it.

The Government sees the programme of debate proposed by AEBC as bold and innovative. The Government shares AEBC's analysis that the public debate will help deepen public understanding of all the issues surrounding GM. If there are gaps and uncertainties in knowledge these need to be ascertained, acknowledged and addressed. The debate will be an important example of public participation in discussion of scientific issues.

The Government agrees with the Committee's recommendation that the Government should make clear the legal framework within which decisions on commercialisation of GM crops will be taken. AEBC's advice on the debate acknowledged that it is Ministers who will make the decisions, in the context of European law, international developments and in the light of other factors. The decision-making process on the possible commercialisation of GM crops will be based on an objective assessment of all the available evidence including the Farm Scale Evaluations, other scientific evidence and information about the costs and benefits to the UK.

Sixth Report: The Departmental Annual Report 2002 (HC 969)**Published:** 17.7.02**Government's Reply:****Published:** 24.10.02

Ninth Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 1223)

a. Even though the Departmental Report is available for no cost on the internet, not all those interested have access to that medium. We therefore recommend that the Department ensure that the Report is in future more reasonably priced

The Department is looking at the possibility of reducing the cover price in consultation with the Stationery Office (TSO) which set the price of this year's report.

TSO is a private company, which meets the cost of printing and distributing the report, and re-coups this cost through the cover price. This is standard practice across many Departments and Defra could only reduce the cover price by offering a direct subsidy to TSO.

The cost of comparable Department reports published by TSO is shown in the table below.

Government Department	Cost	Pages
Inland Revenue	£10.50	45
Home Office	£14.75	235
FSA	£17.00	102
DfF	£17.00	135
Defra	£18.80	90
HM Treasury	£19.00	86
DTU	£25.00	276
DfES	£31.95	91
FCO	£34.00	196
DTLR	£31.25	213

b. To be of use to Parliament and other stakeholders, an Annual Report by a Government Department should primarily contain information about the performance of the Department over the previous twelve months – and the information must be presented in a meaningful way. The correct balance has not been struck in Defra's Annual Report between the sections introducing the new Department and dealing with its 'achievements' and aspirations in extremely vague terms, and the more useful sections dealing with

Defra notes the Committee's comments and recommendations and regrets that the more streamlined format of the Departmental Annual Report 2002 did not fulfil its expectations. It accepts the Committee's recommendation that the Report should contain more information on the Department's performance and will ensure that the Report for 2003 does this.

The Department accepts the Committee's recommendation that future Reports should continue to include information on performance on

expenditure and performance against set targets. The Department should also ensure that all aspects of its work are dealt with in the Report, including agriculture and fisheries. In future we recommend that the Report contain more 'hard' financial data and information about performance against measures such as Public Service Agreements, and less waffle. We further recommend that, even if new Public Service Agreements are reached as part of the Spending Review, performance against outstanding Agreements continues to be included in the Departmental Report – the current targets should not just be abandoned. Moreover, when the Department gives evidence to the Select Committee it should ensure that the necessary expert witnesses are available to answer our questions.

c. We recommend that in future Departmental Reports more space is allocated to the provision of financial data, that the figures provided are broken down to indicate in more detail how resources have been consumed, and that much fuller explanations of the data are given.

d. We recommend that the Department look again at whether the level of detail it has provided tallies with the Treasury guidelines, and whether those guidelines prevent greater detail being provided. If they do, we recommend that Defra urgently discuss amendment of the guidelines with the Treasury: the level of detail currently given is not acceptable.

e. It is extremely difficult for Parliament and others to keep track of the expenditure of the Department if the figures in the Annual Report are inaccurate. We recommend that Defra as a matter of urgency examine the accuracy of the data in the Departmental Report, and issue corrigenda as necessary. We trust that the errors made in this year's Report will not be repeated.

outstanding Public Service Agreement targets. Defra will also ensure that the necessary expert witnesses are available to answer the Committee's questions where specific areas the Committee wishes to discuss are identified.

The Departmental Annual Report 2002 followed guidance from HM Treasury that: the core contents should be streamlined; the number of core financial tables should be reduced; more detailed and technical information which would be published separately to Parliament should be omitted. The guidance also suggested that the Report should look both forwards and backwards. In the light of the Committee's comments and bearing in mind the range of reports that Departments are now required to produce, Defra is discussing with HM Treasury what other information could be included in the Annual Report, in order to meet the Committee's recommendation.

The Departmental Annual Report 2002 followed guidance from HM Treasury for a more streamlined report, as explained in the response to recommendation c, and the level of detail tallied with the guidelines. The Government accepts that Treasury guidelines do not prevent Departments from providing greater detail.

The Select Committee and Treasury have previously encouraged the Department to adopt an objective-based approach to recording its financial data. This has given rise to an Estimate structured by Departmental objectives, with financial figures being loaded on the Treasury database in a similar fashion. The intention was to adopt an objective-based approach for Tables 5.1 to 5.5 in the Departmental report, using the figures loaded on the central database.

The complexity of reloading the existing financial data after the June 2001 Machinery of Government changes, the incorporation of the new Departmental

objectives, and the subsequent decision to present the Tables on a functional basis led to a breakdown in the quality assurance of the figures, which the Department deeply regrets.

In order to prevent a reoccurrence of such errors, Defra is looking to populate the database on a functional basis, with the facility to derive objective-based information as required, and is continuing to work with the Treasury to achieve this. In addition, the Department's procedures for assuring the quality of the figures are being enhanced and strengthened. An erratum slip has been issued to advise of the errors in the published Tables in the Departmental Report 2002 and work is in hand to re-issue corrected Tables.

f. The omission of data relating to planned spending, particularly in the current financial year, is wholly unacceptable.

The government will provide information on future spending plans in the Departmental Report for 2003.

g. Since the Permanent Secretary of Defra is not the accounting officer for the two bodies, we recommend that data about the work of the Forestry Commission and the Office of Water Services no longer be included in the Departmental Annual Report, but is instead published in separate annual reports of the two bodies, and if necessary their accounting officers made available for questioning.

The Department has explored with HM Treasury the Committee's recommendation that the work of the Forestry Commission and the Office of Water Services (Ofwat) should not be included in the Departmental Annual Report. The Government accepts the Committee's recommendation that information on Ofwat should not be included in Defra's future Departmental Annual Reports, but published separately.

The Department, however, believes that the Defra Annual Report should continue to include information on the work of the Forestry Commission, as the Commission works closely with the Department on an integrated approach to sustainable rural affairs. This common approach has been further enhanced following the recent Forestry Devolution Review.

h. We trust that in future the style and above all the content of the Departmental Report will be considerably improved.

The Department accepts the Committee's recommendation and is already looking at ways to improve the style and content of the report whilst working within HM Treasury guidelines.

i. We recommend that the Department formulate an IT Strategy as a matter of urgency, and delay any decision to outsource IT delivery until the Strategy has been put in place.

Development of Defra's IT strategy is overseen by the e-Business Sub Committee of the Management Board. In addition, individual IT programmes and projects are required to include a clear statement of the business objectives they are intended to meet. The Department also makes extensive use of 'Gateway Reviews' carried out by the Office of Government Commerce to quality-assure its IT programmes and projects.

The Department's IT strategy is being further developed over the next six months, as a matter of

priority, so that there is a single document which:

- describes how IT will help to deliver Defra's corporate business objectives, incorporating the existing e-Business strategy and the existing technical strategies; and

- explains governance arrangements and investment policies for IT in the Department following the 2002 Spending Review, and defines procurement strategies both before and after the planned IT outsource.

The IT outsourcing programme is being progressed as part of the Developing Defra Change Programme. The outsource itself is currently entering the phase in which the Business Case will be fully developed, the Procurement Strategy refined, and the Statement of Service Requirement (SSR) developed. The SSR will define the nature of the IT services Defra needs over the next 5 to 10 years to underpin its Business Objectives. This phase is currently planned to take approximately six months, and will be developed in parallel with, and drawing on, the development of the full IT Strategy. The work on the IT Strategy will be completed and the outsource SSR finalised early next year. The final decision on outsourcing IT delivery will not be made until award of contract which, on current plans, is not expected to be before March 2004.

j. It would also be interesting to know how many graduate recruits to the 'fast stream' of the home civil service put Defra as their first choice of Department.

Cabinet Office records show that the Home Civil Service recruited 204 fast streamers through its 2002 fast stream entry competition. Of the 156 fast streamers who expressed a preference in 2002, 12 indicated that Defra would be their first choice of Department. Following the initial recruitment stage, fast streamers attend Open Days and visit Departments to learn more about the role of the different Departments. The Department had 19 Fast Stream vacancies during this period and was successful in recruiting candidates to fill all of them.

k. Turnover of staff on this scale in anything but the short-term often indicates management failure and unclear objectives and strategies. The staff of the former Ministry of Agriculture, Fisheries and Food, and now of Defra, have faced considerable upheaval, first as a result of foot and mouth disease, and more recently due to the creation of the new Department and subsequent efforts to change culture and focus. There is little evidence of current management capability to lead change in such difficult circumstances. We recommend an external review of any Department change plan and the competence available to deliver it. We further recommend that the Department endeavours to

The Department believes that it is important to understand the context of the data on turnover provided to the Committee. The figures provided were based on a standard format used in internal reporting and were for permanent and casual staff, in the administrative grades only, in core Defra and three of its agencies (the Pesticides Safety Directorate, the Veterinary Medicines Directorate and the Veterinary Laboratories Agency). They were calculated using the method recommended by the Cabinet Office: the number of staff who have resigned over a specified period expressed as a percentage of the population at the beginning of the period.

set out clear career paths where possible, and survey staff to gauge their assessment of the effectiveness of management and levels of morale.

In order to provide the most up-to-date data then available, the figures given to the Committee covered the period from 1 June 2001 to May 2002. However, this period was an exceptional one and the figures cannot be considered representative as they include data on ex-MAFF but not the corresponding data from ex-DETR, and the Department was in an emergency staffing situation because of Foot and Mouth Disease (FMD), when many staff were on casual contracts or working for the Department on a temporary basis. The staffing position was further complicated by the creation of the Rural Payments Agency in October 2001.

The Department has looked again at the turnover during the period from 1 June 2001 to 31 May 2002. If this period is divided in two, more accurate information on turnover can be extracted, as follows:

– 1 June 2001 – 31 December 2001: 6.4%
(Excludes ex-DETR staff because computer records were not assimilated until January 2002)

– 1 January 2002 – 31 May 2002: 2.8%
(All staff)

As before, these figures cover the administrative grades. It should be noted, however, that turnover rates vary by grade, with very low turnover (2-3%) at middle/senior levels but with higher turnover (around 20%) at the most junior grades, where there are more casual appointments and the requirements are different.

Turnover is, of course, not necessarily a bad thing. It can help to bring in people with new ideas. The issue is the level of staff turnover. The figures for Defra need to be seen against comparable figures elsewhere:

– Resignation rate for all grades across the Civil Service in 2000/01 = 3.7%

– Turnover of staff in job centres
2000/01 = 11.1%
2001/02 = 10%

– Managers in the public sector in 2000 = 8.9%

(Source: Chartered Institute of Personnel and Development)

– Secretarial/administrative staff in the public sector in 2000 = 11.5%

(Source: Chartered Institute of Personnel and Development)

The Department notes the recommendation that there should be an external review of any

Departmental Change Plan and of the competence available to deliver it. Earlier this year the Department undertook jointly with the Office of Public Services Reform a Strategic Review of its Change Programme. The findings of this Review have helped the Department to identify the priority action areas for the next stage of the Developing Defra Change Programme. These priorities include an assessment of the skills and competence of Defra's senior managers and action to fill any gaps, and the development of a new Human Resources (HR) Strategy. The implementation plan in support of the new HR Strategy will include work on career paths. The next phase of the Change Programme will be subjected to external review and validation through a process similar to the Office of Government Commerce Gateway process for procurement projects.

The first full Defra Staff Survey has just been carried out and includes questions seeking the views of staff on management and morale issues.

l. In future we will examine whether the Department is adequately staffed to meet its objectives, including in the veterinary divisions.

The Department notes this conclusion. As part of the outcome of the 2002 Spending Review, it is preparing a pay and workforce strategy which will set out Defra's current and future staffing plans. These plans will include staff in the veterinary divisions.

m. Obviously we agree with Mr Bender that the amount spent on scientific research is not the criterion which determines its usefulness and quality. Nevertheless, we are concerned by reports of the erosion of the amount spent on scientific research by the former Ministry of Agriculture, Fisheries and Food over the past twenty years – during which time BSE, foot and mouth disease, genetically modified food and feeds and a host of other issues have signalled just how important science is to the Department. We recommend that Defra's review of the organisation of science extend to its funding, and that if it is found that greater funding is essential to the meeting the Department's key functions, the Government will make it available without delay.

Defra is committed to the use of high quality evidence in policy making and to the development of a strong science base to support this. It is committed to, at the least, maintaining its expenditure on research in real terms over the 2002 Spending Review period.

The Department is currently re-examining its science capacity, to make optimal use of its science budget. A review of Defra's science and regulatory agencies is underway and will be completed towards the end of the year. The aim of the review is to develop a strategy which clarifies the role of Defra's science-based agencies in contributing to the delivery of the Government's and in particular of Defra's objectives; defines the two-way relationship between the agencies and Defra (and the rest of Government), and provides a sound basis for medium/long term planning and investment decisions.

The Department's Chief Scientific Adviser is reviewing the arrangements for science in support of Defra policymaking. A key step in this work will be the preparation of the 2003-2006 Science and Innovation Strategy which will build on this and ensure that Defra has an integrated and effective set of arrangements to deliver its future evidence needs.

n. Whatever the reasons for it, we are extremely concerned that, far from being on course to achieve the target set for bringing into favourable condition 95 per cent of all nationally important wildlife sites, in fact fewer such sites are in a favourable condition now than they were two years ago. We recommend that the Department make a commitment to achieving the target, and allocate sufficient resources to ensure that the Public Service Agreement is met.

The Government remains committed to the achievement of the target for improving the condition of Sites of Special Scientific Interest (SSSIs), which has been reaffirmed as a target in Defra's new Public Service Agreement. Additional resources were allocated for this in the 2002 Spending Review settlement. In addition, the Department will be reviewing its approach on this target, drawing together all the relevant policy strands to address adverse impacts on these sites. Some of the impacts originate outside the designated sites and will require action on a much wider front; they include agriculture, diffuse pollution, water quality and quantity, flood and coastal defence and forestry amongst others.

The fact that progress has been slow reflects the significant challenge involved and the lead-in time for improvements. But there is no evidence of an overall decline in SSSI condition. The baseline figure of 60%, set two years ago, was a projection based on assessments of the condition of SSSI land under new common monitoring standards agreed with all the statutory conservation agencies. However, only 55% of the land designated as an SSSI had been assessed at that time. Since then, further SSSI land has been assessed, and the figure of 56.6% in favourable condition was based on all the assessments done by 31 March 2002 (by which time 76% of the land had been assessed). The condition of the land assessed more recently has turned out to be, on average, slightly worse than that assessed earlier. All SSSI land is due to be assessed by March 2003, and from then on progress reports will be based on a full set of baseline data.

Despite the enormous impacts of FMD on farming activity there was a modest improvement in the last 12 months in condition of the initial 55% area on which the SSSI target was set. This amounted to an additional 2,800 hectares brought within the PSA target.

o. We are disappointed that the Public Service Agreement target relating to the provision of secondary treatment for all sewage discharges from towns with a population of at least 15,000 was not met. We recommend that the Department take steps to ensure that it is achieved as soon as possible.

At 31 March 2002, 99% of sewage discharges (536 out of a total of 544) had had secondary treatment implemented in England. That represents an additional 19 sewage discharges receiving secondary treatment since the end of 2000. Of the 8 discharges in England that did not meet the deadline, one now has secondary treatment and a further three are expected to achieve this standard by the end of this year. Progress on the four remaining discharges has been significantly affected by the need to receive planning consent from local authorities.

The information submitted to the Committee in the supplementary memorandum included the town of

Prestatyn in Wales, which is now within the remit of the National Assembly for Wales.

The Department and the Environment Agency will continue to monitor progress on the few outstanding schemes to ensure that the companies involved complete them as soon as possible.

p. We recommend that Defra set as one of its new Public Service Agreement targets a deadline by which the process of implementing the Countryside and Rights of Way Act 2000 will be completed.

The Government agrees with this recommendation. Defra's new Public Service Agreement for 2003 to 2006 retains the target of opening up access to all registered common land, mountain, moor, heath and down by the end of 2005. The Government is fully committed to meeting that target.

The Countryside and Rights of Way Act 2000 involves some complicated processes – that is precisely because great care was taken to balance both the needs of people who want access in the countryside and the needs of land owners and managers. That is also why there are three stages in the mapping process.

First, the Countryside Agency publishes draft maps. Individuals and organisations who want to promote access (such as the Ramblers Association) and those who manage land (including their representatives like the Country Land and Business Association (CLA)) can object because particular land has been included or left out.

Second, the Agency will publish the provisional maps. Land managers will then have formal right of appeal to the Secretary of State.

Third, the conclusive maps will be published.

Consultations on draft maps of open country and registered common land for the lower North West and South East were completed earlier this year. Since the Committee reported, the Countryside Agency has begun consultation on a draft map for Central Southern England. In addition, regulations came into force on 29 July enabling the Agency to publish provisional and conclusive maps – the intermediate and final stages of the mapping process for each region.

Under the Agency's mapping programme, two provisional maps are to be issued this year. The first, for the South East, was published at the end of July but was subsequently withdrawn to allow a very small number of errors to be corrected; this is not expected to compromise the Government's ability to meet the PSA target. The second provisional map, for the lower North West, will be issued before Christmas, as will a draft map for the neighbouring region, the upper North West.

Seventh Report: Illegal Meat Imports (HC 968)**Published:** 23.7.02**Government's Reply:****Published:** 24.10.02

Tenth Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001–02 (HC 1224)

a. We agree that risk will never be eliminated, and that proportionate steps need to be taken.

The Department agrees that risk will never be eliminated, and measures should be proportionate. The Department is continuing to invest in upgrading its ILAPS database, to improve the quality and speed of data gathering and dissemination of the intelligence thus gained. The Department recognises that monitoring risk should be a continuing process. We will be putting in place measures to keep the risk of illegal imports under review in the light of the outcome of the current risk assessment.

b. The degree of uncertainty about the scale of the problem at the border, particularly if greater certainty can be achieved through the risk assessment about other points on the 'pathway', such as preventing a disease spreading to animals, may mean that changes to policy focus on, for example, the farm gate rather than the port of entry. Nevertheless, we recommend that the Government continue to retain and upgrade the information it gathers about illegal meat imports to enable it to keep the results of its risk assessment under review.

Details of progress on the risk assessment are regularly updated on the Illegal Imports website [www.Defra.gov.uk/animalh/illegal] and the Department accepts the recommendation to make public the assumptions of the risk assessment model for clarity. The Department will publish the risk assessment when it is completed later this autumn. The Department agrees that measures to combat illegal imports should not be seen as an alternative to effective bio-security measures within the UK.

c. We therefore recommend that full details of the risk assessment, including assumptions made and information that would improve the assumptions, are published with the risk assessment so that it is clear to all stakeholders why particular actions are pursued. Whatever measures are agreed they must not be seen as an alternative to effective bio-security at home

d. We believe that the Food Standards Agency should re-examine its decision not to undertake a risk assessment on the human health implications of illegal meat imports in parallel with the current study.

The Food Standards Agency have been closely involved in the risk assessment study, and have naturally considered whether there was a need to look at specific public health threats alongside those to animals. Defra and the FSA have concluded that the nature of the potential public health threats was such that the existing study would highlight problem areas of illegal imports not meeting hygiene standards. It could thus provide useful information from a public health perspective. Additionally, the methodology that has been used for the study could in future be applied to a public health risk assessment, and the FSA will keep this under review.

e. We recommend that the costs considered when assessing new policies to deal with illegal meat imports do not just include those faced by Government, but also those faced by the whole food chain. To put any measures into context there were more than 60 million passenger movements through Heathrow alone last year. This demonstrates the scale of the tasks involved and the risk/benefit relationship.

The Department agrees. A number of stakeholders from the agricultural, tourism, catering and retail sectors have been consulted during the development of policy on illegal imports via the Forum and some sit on the Risk Assessment Steering Group. The Cabinet Office study into the organisation of the Government's controls of imports of animals, plants and their products, and conclusions drawn from the risk assessment, will take account of the need to facilitate legitimate trade as well as tackle illegal trade.

f. The United Kingdom Government must enter into international discussions aimed at ensuring effective monitoring of the export trade in order to bear down on any illegality. To assist such discussions it must demonstrate that its own house is in order, by making sure that inspections of exports from the United Kingdom are effective. We are moreover pleased that port health authority officers already have some form of system for advising each other of developments but are concerned that it is not centrally co-ordinated - we hope that the establishment of the Department for Environment, Food and Rural Affairs' Illegal Animal Products Seizures (ILAPS) database will assist this process.

As members of the Office International des Epizooties (OIE), we regularly participate in international discussions aimed at allowing trade without spreading disease.

There is no legal basis on which to prevent the export of animals or products to third countries, with or without an official certificate and regardless of the importing country's requirements. However, UK and EU rules on animal health ensure that products posing a risk of spreading serious disease cannot be placed on the market and so are not available for export. These rules maintain our high animal health status. As a consequence, our products do not present the same risk that those of some third countries present to the UK (for example where FMD is endemic).

We recognise the need to minimise long distance movements of live animals for slaughter, and to apply strict biosecurity measures.

g. Granting the power to stop people to port health authority officers is not entirely straightforward. Nevertheless, we recognise the strength of the case made for such new powers. We therefore welcome the fact that the powers available to port health authority officers will be reviewed, and we recommend that the Government report the outcome of that review to Parliament within a year.

A long-term decision on search powers will take into account the outcome of the Cabinet Office Review into the organisation of the Government's controls on legitimate trade and illegal imports. The results of these observations will be brought before parliament within the year. In the meantime, the Department will keep under review the effectiveness of the existing search (and detain luggage) powers over the coming months.

h. We are concerned that no guidance was issued with the new powers. At the very least draft guidance should have been prepared, to help officers understand the new powers available to them, on the understanding that detailed guidance would be based on that draft guidance and experience of how the new powers worked. We hope that the new guidance published in August will address our concerns, and that it will be regularly reviewed and updated to take account of the experience of using the new powers.

The new powers were implemented following requests from enforcement authorities. Under these circumstances the Department did not, initially, recognise that there was an explicit need for guidance. However, the Department is in constant contact with the enforcement authorities and acted quickly to produce guidance once that deficiency was recognised. The Department accepts that in future, guidance should be prepared in advance of the granting of such powers. We agree that the guidance should be reviewed and updated in the light of experience.

i. We ask that the Department for Environment, Food and Rural Affairs explain that delay [in putting in place new Regulations].

It had been hoped when the action plan was published in March that the regulations would be made in April and come into force 21 days later. They are highly technical and there were some late details which had to be addressed. This meant that they were not in fact made until 1 May and came into force on 22 May.

j. We recommend that the Government assess the costs and benefits of this proposal [to require prior notification of all imports - not just those of meat] against the findings of the

The Department notes this recommendation. Such a change would need to be made at an EU level. Trade Bodies and other government departments would need to be consulted to assess the impact on

risk assessment.

k. The current allowances for personal imports of food, particularly meat and fish, are very confusing. We therefore firmly support the Government in their objective of securing a ban on the personal import of meat products. However, if the European Union does not bring forward better and more effective measures to deal with this potential abuse the United Kingdom should give notice that it will introduce unilateral action.

l. We believe it is in the airports', the airlines' and the Government's interest to have passengers flowing freely at airports and believe that the greater availability of information and consequent lesser need for checks of passengers would facilitate this.

m. We believe that the provision of information in-flight is essential, and we recommend that the Government urgently seek to persuade airlines to distribute written leaflets, and show videos as appropriate, setting out the restrictions on personal imports of meat and other foods. If airlines will not do so voluntarily we recommend that the Government take steps to obtain legal powers to compel them to do so.

n. Although we welcome the trial use of dogs to detect illegal meat imports it would be helpful if the Government were to publish the objectives of the pilot scheme and the criteria against which its success will be judged.

o. We accept that there are limitations and problems with the proposals to use x-ray equipment and provide amnesty bins, but we agree with Lord Whitty that both could be valuable in raising public awareness. We

legitimate trade.

The Government is pleased that the Committee supports its efforts to secure tighter and clearer controls on personal imports of animal products within Community law. The European Commission agreed new interim rules on 20 September 2002. These will strengthen border controls for third country imports to the EU. Once formally adopted, personal imports of meat, meat products, milk and milk products will be prohibited for travellers entering the UK from 1 January 2003. With exceptions for infant and special medical foods, all other meat and milk products will have to be surrendered on arrival to the UK for official disposal, unless they comply with strict veterinary certification. Up to 1kg of food not containing meat or milk derivatives will be permitted without the need for declaration for veterinary control. The Government believes that this decision represents an improvement on the existing position. In the longer term, however, we would hope for greater simplification of the rules.

It is to be noted that any breach of Community law on the part of a Member State risks infraction proceedings being brought against that State by the Commission.

The Department agrees that carriers have an important role to play in informing their customers of the import regulations. The Department has been providing airports with information leaflets and posters. As part of the publicity campaign launched on 8th July, effort has been increased to persuade airlines and travel agents, amongst others, to distribute the Department's leaflets and posters and to show the video that is being produced under the slogan 'Don't bring back more than you bargained for'. We will continue efforts to persuade passenger carriers to take these measures voluntarily and note that the draft EU Decision on personal imports of meat, milk and their products requires all member states to make arrangements for international transport operators to make their passengers aware of EU import rules.

The Department accepts this recommendation and terms of reference are attached at Annex 2 (Tenth Special Report of the House of Commons Select Committee on Environment, Food and Rural Affairs, Session 2001-02, HC 1224, p 10)

The Department agrees. The pros and cons of the use of both are being actively considered with other stakeholders. There is undoubtedly a positive commitment to increase the avenues for travellers to surrender illicit products they have unwittingly

therefore recommend that both be carefully piloted and assessed for their efficacy in terms of addressing the problem of illegal meat imports and of raising public awareness of the problem.

brought into the country, but there are concerns, over security in particular, about the use of amnesty bins which need to be addressed before a pilot can commence. In the meantime, the short-term priority will be to improve the use of the red channel in all airports.

A trial of x-ray equipment will be running this autumn.

p. In the longer term there is a case for greater integration of agencies and management, and we recommend that Government bring forward a model of a single agency. In the medium term agencies should commit themselves to improving the way they work together. In the short term it would be helpful if the terms of the review of the roles of the agencies involved in dealing with food imports was published.

The Department recognises that there needs to be better co-ordination of the agencies working in this area, and that greater integration is one possible longer-term option. The Machinery of Government Secretariat of the Cabinet Office is currently undertaking a study looking at the organisational arrangements for regulating legitimate trade and tackling the illegal import of products of animal origin, non-animal origin (food), plants and plant products (including forestry products) as well as trade in endangered species and non-native species.

The full terms of reference of this review are at Annex 1 (Tenth Special Report of the House of Commons Select Committee on Environment, Food and Rural Affairs, Session 2001-02, HC 1224, p 9). In the short term, the Department is working closely with other departments and agencies to better co-ordinate action and share information.

q. We are concerned that despite well-placed, intelligence-based suspicion, operations to check flights are often only mounted when a team can be put together through the efforts of one official from the port health authority. There is clearly a need for much higher-level co-ordination of such activity, since it appears that the Department for Environment, Food and Rural Affairs is not currently fulfilling its 'overarching role' in this area. Operations against particular flights would also benefit from agreed commitments, from all the agencies involved, to the amount of time they are able to devote to operations against illegal meat imports. We acknowledge that there may be times when HM Customs and Excise officers, in particular, would be diverted to more critical work but feel that the higher-level co-ordination we propose would be better able to take account of such problems. Moreover, although we acknowledge that other agencies, including the Food Standards Agency, feel that they should become responsible for these matters, we are inclined to believe that the Department for Environment, Food and Rural Affairs should be the lead body in dealing with illegal imports of meat and other foods.

The Department agrees with the principle and is doing more to fulfil its 'overarching role'. It has been working to meet the needs of enforcement agencies for guidance on their powers and the roles and responsibilities of all the enforcement authorities. Funding (some £1.5m) has been made available this financial year for additional checks on imports and the Department is working closely with all the enforcement agencies to ensure that these will be coordinated and effective.

r. We accept that resources currently allocated

Defra has been allocated further resources as an

to dealing with the problem of illegal meat imports are not adequate, and are not secure at port level. We recommend that, once the risk assessment and the review of the roles of the agencies involved in dealing with illegal food imports have been completed, the Government provide adequate funds to meet their recommendations, and consider how they can be secured to the functions required.

s. We are concerned about the long delay between the problem being acknowledged by Government - action was being considered in March 2001 - and substantive action being taken a year later.

outcome of the Spending Review and we are looking at how this money should be spent in the year 2003/04. We will need to take into account the outcome of the Cabinet Office review and the risk assessment.

In January, and again in February 2001, the Department (at that time MAFF) raised concerns about European Union law on personal imports at the Standing Veterinary Committee. Consideration of the action needed to address the issue of illegal imports was well underway by March 2001, and has been subsequently continued by the Department for Environment, Food and Rural Affairs. A ban on the production and feeding to livestock of swill produced from catering waste containing meat or products of animal origin came into effect in May 2001. The central Illegal Animal Products Seizures database was set up in August 2001, talks were held between the relevant agencies and agreements established about shared intelligence and action, and publicity was stepped up both at ports/airports and, via British posts, in third countries. However the Department accepts that it was not proactive in making public the steps taken at these early stages. It also notes that during 2001 its primary and overriding focus was on controlling and eliminating the devastating outbreak of foot and mouth disease.

t. Since the Action Plan was published we have generally been impressed with the speed with which the Government and stakeholders have acted to address the various elements of the Plan. We hope that the publication of the risk assessment in September will provide another stimulus to take the Plan further forward with urgency.

The Department welcomes the Committee's recognition of the progress being made and will review its Action Plan in the light of the reports due this autumn to ensure that action against illegal imports is increasingly effective and responds to new and changed risks. An action plan for 2003/04 will then be discussed with stakeholders and published before the end of the financial year 2002/03. The risk assessment work will be completed in September. The published report will follow a few weeks later.

Eighth Report: Hazardous Waste (HC 919)

Published: 26.7.02

Government's Reply:

Published: 24.10.02

Eleventh Special Report from the Environment, Food and Rural Affairs Committee,
Session 2001-02 (HC 1225)

a. This delay [in determining the Waste Acceptance Criteria] should not have occurred.

We share the Committee's concerns and agree that determining the waste acceptance criteria (WAC) has taken far too long. The Government appreciates that the absence of agreed criteria at the European level, has caused uncertainty for some and made operators' decisions about the type of site to operate difficult, as well as possibly delaying decisions

b. We are concerned that landfill operators are required to make crucial decisions about the future designations of their sites without the

Waste Acceptance Criteria having been agreed. We can only reiterate our previous recommendation, made in relation to the disposal of refrigerators, that in cases such as this, which require radical changes in the practices of an important industry, any new item of European legislation should not be agreed until all the practical implications of implementation are well-understood.

about investing in alternative treatment facilities. We argued that the Commission should allow sufficient time for Member States to implement the criteria in order to ensure that the necessary infrastructure is in place. The UK did all it could to drive the process forward and compensate for absence of agreed European WAC. The Landfill regulations have provided interim criteria; we led and funded much of the modelling work that is informing the criteria development; we have hosted meetings; and have emphasised to the Commission the importance we attach to securing criteria as soon as possible.

Despite the lack of agreed WAC, we note that the majority of landfill operators were able to submit site conditioning plans by the deadline of 16 July 2002. The Environment Agency have worked with the remainder to ensure their plans can be finalised as soon as possible.

Defra will continue to adhere to Cabinet Office guidance on Regulatory Impact Assessments for European proposals, which says that Departments should consider at the earliest possible stage how the proposed measure(s) will be implemented in the UK.

c. We recommend that the Minister takes this discussion forward and instigates a thorough review of the process by which environmental legislation is arrived at in the European Commission.

While it is for the Commission to determine its own procedures, the Government has lobbied consistently and effectively for improvements to the drafting quality of European legislation across the board, and specifically in the field of the environment. A clear commitment has been secured from the Commission to improve the quality of environmental legislation. Through the 6th Environment Action Programme, adopted on the 11th June, the Commission undertakes to:

- consult widely and extensively at all stages in the policy development process;
- conduct a prior evaluation of the possible impacts of new policies including the alternative of no action;
- appraise the effectiveness of existing measures in meeting their environmental objectives

Thanks to focused lobbying efforts from the UK Government and other Member States, we now also have a clear commitment from the Commission to improve the quality of future European regulatory activity across the board. The Commission's Action Plan on Simplifying and Improving the Regulatory Environment ('the Action Plan') was adopted on the 5th June 2002. It was accompanied by Communications on impact assessment and minimum standards for public consultation. The Action Plan provides a clear strategy and timetable for simplifying and improving the regulatory environment, detailing 16 actions to be put in place,

either individually or jointly by the institutional actors, without the necessity of changes to the Treaty. The key elements of the Action Plan include:

The introduction by the Commission of a two-stage impact assessment process covering the economic, social and environmental aspects of policy proposals - to be implemented gradually from the start of 2003;

- A commitment by the Commission to establish minimum standards for consultation to improve the openness and transparency of the policy-making process. These include a minimum 6 week period for consultations (although the Government will be pressing for this to be extended), the creation of a single access point on the Internet for all consultations and a commitment to ensure the acknowledgement of responses and improve feedback;

- The creation of a programme of simplification aimed at reducing the volume of Community law;

- The establishment of an internal better regulation network within the Commission involving all the Directorate-Generals and co-ordinated by the Secretariat General.

The Government welcomes the production of the Action plan, which contains most of the key recommendations of the Mandelkern Report. It was acknowledged by the Seville European Council on 21/22 June.

d. When fundamental aspects of legislation are left to be developed after a Directive is signed, as in this case, we urge the Government to lobby vigorously for the implementation date of the Directive to be tied to the date when all the criteria are finalised and not to the date on which the Directive was agreed.

There should always be sufficient lead-in time to allow smooth introduction of new legislation and we would always argue strongly for this. For introduction of the WAC for example, the UK has argued that given the delay in agreeing the standards, member states should be given a realistic timescale for transposing and implementing them. The Commission have proposed that these standards should come into effect in July 2005. This means we have 3 years to ensure that the necessary facilities are in place. We are discussing with industry to see if this proposed timescale is feasible.

e. The Environment Agency and Defra must work with the waste management industry to provide timely high-quality data on the amount of hazardous waste produced each year and to develop management methods to assist in planning for future capacity.

Currently the Environment Agency holds data, provided by the waste management industry, on the movement of hazardous waste in the UK through the requirements of the Special Waste Regulations. The review of these Regulations currently underway, should enable more accurate data to be collected and handled. This information will be vital for assessing future capacity requirements.

f. The lessons learned from the fridge crisis also apply here and, as the Government suggested then, it remains up to the Government "to create a policy framework that stimulates innovative and market-led solutions".

g. This needs to be provided well before implementation dates and part of this policy framework must include ensuring sufficient regulatory certainty to encourage waste management companies to invest at an appropriate time.

h. We recommend that the Performance and Innovation Unit consider the issues surrounding the provision of new hazardous waste management facilities in the light of the Government's aim to move waste up the waste hierarchy and adhere to the principles of proximity of disposal and self-sufficiency in waste management.

i. The Government should clarify its position on the specific role of incineration in the disposal of hazardous waste.

j. We recommend that the Government takes the utmost care to ensure that such consultations occur as early as possible, are of the right kind and are at the right level.

k. It is vital that stakeholders are adequately consulted while the Directive is being developed and negotiated as well as when it is implemented into United Kingdom law. The consultations should be tailored to the role of those being consulted. For example, the basic implications for waste producers and local government should not be lost in a mass of technical data. Finally it seems clear to us that if private industries are to provide the solutions to waste management problems, they should be involved in the development of any strategy to achieve such solutions.

Defra and DTI have always striven to work closely with stakeholders, including the Environment Agencies, throughout the negotiation and implementation of European waste legislation. We aim to provide as much contact, as early as possible, in the development of domestic legislation. We consider it vital to continue to do so.

The Strategy Unit is looking at the whole issue of the delivery of the Waste Strategy 2000 and of sustainable waste management more generally. The issues around the provision of facilities for hazardous waste management are part of this strategic assessment.

Incineration is an important disposal route for hazardous waste, and will remain so as controls under the Landfill Directive come into effect over the next few years. Incineration processes are strictly regulated and Defra has published a consultation paper on draft Regulations and Directions to transpose the Waste Incineration Directive in England and Wales.

We have thoroughly consulted stakeholders on all forthcoming waste issues, and will continue to do so:

- Landfill Directive: We issued two consultation papers on implementing the Landfill Directive. We held a series of regular meetings for stakeholders on implementing Annex II of the Directive, as well as various ad hoc meetings. Even before the consultation papers were prepared, a series of seminars for stakeholders was held. In addition, the Environment Agency has done much consultation on technical and regulatory aspects;

- Hazardous Waste Regulations: A first round of consultation was held in March 2001 to seek views on options for reviewing the Regulations. More than 100 responses were received from a wide range of stakeholders. Defra will shortly issue a second consultation paper - our current mailing list for this runs to more than 400 individuals and organisations. Defra and the Environment Agency will widely publicise the consultation, and the new regulations when they are finalised.

- Waste Electrical and Electronic Equipment Directive: Government has consulted informally with all main stakeholders since the Directive was

proposed. Formal consultation was issued in the summer 2000 and 70 responses were received covering approximately 340,000 individuals and organisations. DTI/Defra working with the Small Business Services and Devolved Administrations have so far organised 14 seminars at locations around the country. Attendance is free of charge and open to all. DTI have a database of over 300 contacts giving regular information update.

– End-of-Life Vehicles Directive: Again, Government has consulted with all main stakeholders since the Directive was proposed. DTI leads on the main issues, while Defra is taking forward proposals on permitting sites. Meetings with stakeholders took place regularly during negotiations in Europe and since the Directive was agreed in October 2000.

Defra will continue to adhere to the Cabinet Office guidance on Regulatory Impact Assessments for European proposals, and the Cabinet Office Code of Practice on Consultation.

l. We therefore recommend that, as a matter of urgency, the Government re-examines the funding available to the Environment Agency and ensures that it can adequately enforce legislation and prevent and respond to illegal disposal.

With the conclusion of Spending Review 2002 and the allocation of budgets to individual Departments, the Government is now considering the detailed funding for the Environment Agency for the period 2003/04 to 2005/06. Discussions are in progress and the Agency's Corporate Plan for 2003/04 to 2005/06 will set out details of future funding and what the Agency expects to deliver. We expect the Plan to be published at the end of the year.

In 2002/03, the Agency is due to receive £131.9m grant-in-aid from Government, of which £40.1m is to be spent on waste regulation. A further £38m is to be raised through charges, making a total £78.1m spending related to waste. It is for the Agency to prioritise these resources to secure the maximum benefit and deliver its statutory obligations.

m. We recommend as a matter of urgency that the Government formally assesses the risks posed by the landfill of hazardous waste between the date that the ban on co-disposal comes into force and the introduction of the Waste Acceptance Criteria. If, as the Environmental Services Association believes, these risks are unacceptable, contingency plans should be made for that period.

The final decision on the WAC and when to implement them has not yet been taken. Whenever the WAC are introduced, we agree with the Environmental Services Association the changeover from one regime to the other represents a difficult practical problem. We are in discussion with both industry and the Environment Agency on the issue.

If the WAC are not brought in until 2005 or later, hazardous waste disposal by landfill will only be permitted if it poses no unacceptable risk to the environment and human health. The Environment Agency would have to impose appropriate conditions on those sites for that interim period.

n. It is the Committee's view that there should

Government agrees that there should be a diversity

be a diversity of management options for hazardous waste and that high temperature incineration is part of this. The continued existence of such a diversity is called into question by the lack of demand for high temperature incineration for high calorific value wastes. We recommend that if the Government wishes to sustain diversity in this sector, it must recognise the problems faced by high temperature incinerators and should look again at the equivalency of use of high calorific value wastes as fuel in high temperature incineration and cement kilns.

o. The Committee believes that the primary consideration in allowing waste to be incinerated should be the overall environmental impact of doing so. It remains for the Environment Agency to decide how best to ensure that the environmental impact of waste management is minimised within the current regulatory regime.

p. We urge the Government and the PIU to address ways of better informing the public about hazardous waste management issues and addressing their concerns.

q. We recommend that the Government consider how waste streams occurring at a domestic level should be handled, particularly in the context of the Waste from Electrical and Electronic Equipment (WEEE) Directive and the End of Life Vehicles Directive where new streams of waste are emerging.

r. The Government must make clear what specific targets, if any, it has set for hazardous waste reduction and what positive steps it has taken to achieve those targets.

of management options for hazardous waste, including incineration processes, and also other technologies such as plasma-arc. We recognise the need for a 'level-playing-field' across the processes in order to achieve this. We have met with operators of High Temperature Incinerators to discuss their situation and will want to consider the position taken in other Member States and the European Commission's on-going review of this issue. Of particular importance, is the European Court of Justice's current case against the Netherlands about their application of high calorific values.

The Environment Agency strictly regulates waste management facilities under the various permitting regimes in place in England and Wales. All facilities, including incineration processes, must be operated in accordance with the relevant regulatory regimes designed to protect human health and the environment.

Over the past decade, health risks from waste management have become important concerns to the public as a result of increasing sensitivity to the possible environmental impacts. There is the need to address legitimate public concerns while providing new facilities to meet the requirements of EC Landfill Directive and Waste Framework Directives. Government and the PIU Strategy Unit are looking at issues of education and information on all aspects of waste.

Domestic waste can be classified as hazardous although it is exempt from the requirements of the Hazardous Waste Directive. This will be particularly important when the current review of the Special Waste Regulations reclassifies waste streams including WEEE containing hazardous components (for example TVs or computer monitors) or ELVs containing hazardous components, as hazardous waste. The consultation will cover this issue in detail as we will wish to minimise the burden on local authorities and others that handle domestic wastes. Government is producing guidance for vehicle dismantlers on depolluting ELVs to a level whereby they would no longer be classified as hazardous. This is being done in consultation with the industry.

The implementation of the European Waste Catalogue, which incorporates the Hazardous Waste List, through the current review of the UK Special Waste Regulations is likely to lead to a significant increase in the volume of hazardous waste produced. The reclassification of a number of familiar waste streams as hazardous makes it

difficult to predict with accuracy how much additional waste will be produced. Without a reliable baseline it is unrealistic to set targets for reducing the waste streams. We see this as a key issue for the Forum (see below) to advise on when Environment Agency data on new waste streams become available.

s) While we do not believe there is a need for a formal strategic plan, we recommend that the Government should produce a framework paper that draws together, in a single document, the issues that must be addressed for hazardous waste management. This should outline:

- the demands on industry;
- targets for hazardous waste reduction and recovery;

- how the uncertainties discussed in this report can be resolved; and

- how the Government is looking ahead.

x. to the implementation of forthcoming EC Directives to guard against the delays and confusion that have so far attended the implementation of the Landfill Directive.

y. The Government should encourage the development of a national hazardous waste forum to address the issues outlined in the framework document. The forum must involve waste producers, the waste management industry, the regulators and local government and should take care to have regard for the public's view of waste management.

z. What is clear is that the Government and industry must form a partnership for the management of hazardous waste to ensure that, in 2004 and beyond, we have an adequate and environmentally appropriate hazardous waste management infrastructure.

The Government regards many of these issues important ones for the Forum to address.

Government has already expressed a desire for such a Forum, and Defra is taking to steps to establish one. We anticipate a membership selected from Government Departments, the Environment Agency and the devolved administrations; local authorities; hazardous waste producers; waste management industry. In its Terms of Reference, the Forum will undertake to produce advice for Government outlining a possible way ahead within 6 months, and to provide advice on suggested targets for hazardous waste reduction based on Agency data within 18 months. The work of the Forum should be reviewed after 2 years to ensure it is delivering as requested.

Government has always striven to work closely with industry and will continue to do so. We are keen to work in partnership with industry and local authorities to provide an environmentally acceptable way forward for the management of hazardous waste.

Annex C

Further Government Action (as at 9 January 2003)

FOLLOW-UP TO RECOMMENDATIONS MADE BY THE AGRICULTURE AND ENVIRONMENT, TRANSPORT AND REGIONAL AFFAIRS COMMITTEES IN THE PREVIOUS PARLIAMENT

We asked Defra to provide an update on a number of recommendations that the Agriculture Committee and Environment, Transport and Regional Affairs Committee had made in the previous Parliament. We identified a number of recommendations that the Government had accepted and on which it had promised action.

Our questions appear below in *italicised text*. In some cases, Defra has simply answered our questions, in other cases, it has also provided a general update on the subject of our inquiries.

Second Report from the Environment, Transport and Regional Affairs Committee, Session 1997-98, Sewage Treatment and Disposal (HC 266)
Published 24.2.97

The Government's Response on Sewage Treatment and Disposal, Session 1997-98 (Cm 4023)
Published 30.7.98

Have the provisions set out in the Safe Sludge Matrix been made statutory?

The need to resolve legal issues delayed production of the revised Sludge (Use in Agriculture) Regulations. However, proposals for improvements to the regulations were announced on 21 October 2002 when a consultation paper was issued. The deadline for comments is 21 January 2003. The consultation paper is available on the Defra website.

Is all sludge that is recycled to land subject to stabilisation and pasteurisation?

The Government response to the Environment, Transport and Regional Affairs Committee Report in July 1998 stated that the case had not been made for requiring stabilisation and pasteurisation of all sewage sludge on public health grounds. This was based on a comprehensive review of the scientific evidence relating to the controls on the use of sewage sludge in agriculture. The revised Regulations will make statutory the requirement for sludge producers to treat sewage sludge to one of two stringent treatment standards and to introduce tighter harvesting and grazing controls, so as to reduce the potential for pathogens to be transferred into the food chain.

Is all sewage now treated to tertiary level at all times?

As was explained at paragraph 29 of the Government Response to the sub-committee's report, the Government did not accept that tertiary treatment of all sewage would be justified. The Government's policy remains that requirements to operate tertiary treatment should be applied selectively, along the lines set out in paragraphs 20-29 of the Government's Response to the sub-committee's report.

UPDATE/BACKGROUND

Sewage treatment standards are largely determined by the requirements of the Urban Waste Water Treatment Directive which specifies secondary treatment as the minimum level of treatment to be applied to significant discharges from sewage treatment works.

Good progress has been made in delivering secondary treatment. At 31 March 2002 99% (536 out of a total of 544) of discharges from sewage treatment works serving communities with greater than 15,000 populations, or its equivalent, received secondary treatment in England.

In England by the end of 2005 we will be providing a minimum of secondary treatment for all discharges from sewage treatment works serving communities with more than 2,000 population equivalent. This will provide a higher level of treatment than required by the Urban Waste Water Treatment Directive for discharges above this size, which sets secondary treatment for communities greater than 10,000 population equivalent where they discharge to coastal waters.

For tertiary treatment we have adopted a targeted approach to ensure that capital made available through the five-yearly Periodic Review of water company price limits by the Director General OFWAT is directed towards protection of waters sensitive to the effects of sewage discharges. In accordance with the legislation transposing the Directive Government has identified Sensitive Areas where monitoring shows that such areas need specific protection through tertiary treatment to combat problems of eutrophication and/or excess nitrate levels in waters used for water supply. The legislation requires waters to be reviewed at four-yearly intervals to confirm the status of existing Sensitive Areas and to establish whether other waters surveyed between reviews need protection through tertiary treatment.

Tertiary treatment of sewage treatment works discharges may also be required to meet minimum quality standards of waters designated under other Directives, such as the Bathing Waters or Shellfish Waters Directives which may be protected through disinfection to reduce pathogens present in waste water. Where required shellfish waters benefit from year round disinfection of discharges affecting them.

For identified bathing waters the Environment Agency's general policy is to set discharge consents for the provision of year round disinfection unless no user benefits will result. Applications from water companies for seasonal disinfection require information obtained from acceptable sources such as representative local user groups, eg yacht clubs, surf groups, canoeing clubs, local authority tourism and recreation departments. Long standing consents for discharges that have historically required seasonal disinfection only continue to receive seasonal disinfection but are subject to amenity use, which may entail the provision of tertiary treatment outside the bathing season.

Any designated waters under other Directives that require protection through tertiary treatment of impacting discharges also need to be listed under the Urban Waste Water Treatment Directive as Sensitive Areas. The table below lists the numbers of Sensitive Areas currently identified under the Urban Waste Water Treatment Directive in England. These Sensitive Areas implicate over 310 sewage treatment works in England in tertiary treatment.

Sensitive Area types in England and designation dates			
Sensitive Areas (Eutrophic)	Sensitive Areas (Nitrate)	Sensitive Areas (Bathing Waters)	Total
32 on 18.5.1994	3 on 25.2.1997	180 on 5.3.2002	300
45 (and 3 extensions) on 30.7.1998	4 on 5.3.2002		
32 on 27.6.2002	1 on 27.6.2002		

The Government intends to identify later this year as Sensitive Areas shellfish waters that benefit from tertiary treatment of qualifying sewage discharges impacting on them. Where required tertiary treatment may already be in place to protect shellfish waters or action programmes established that may entail tertiary treatment.

This targeted approach to the provision of tertiary has allowed the limited capital made available to water companies to be directed towards addressing other areas of greater concern such as the more polluting effects of storm water overflows, which deposit unsightly sewage related persistent synthetic solids, such as cotton buds, sanitary-ware and condoms into watercourses, on riverbanks and on beaches in addition to any effects on water quality.

The Government therefore currently has no plans to implement universal tertiary treatment in England.

**Thirteenth Report from the Environment, Transport and Regional Affairs Committee,
Session 1997-98**

The Protection of Field Boundaries (HC 969)

Published 12.11.98

Government Reply on The Protection of Field Boundaries, Session 1998-99 (Cm 2587)

Published 25.1.99

What action has been taken to extend legislative protection to all traditional field boundaries in the light of the Countryside Survey 2000?

Countryside Survey 2000 reported that the declines in the length of hedgerows and walls reported for the 1980s had, by 1998, been halted. In the case of hedgerows in England and Wales, there was some evidence that losses in the early 1990s had been reversed. The Survey also noted that the main threat had changed from hedgerow removal to loss of hedgerow quality, which needed to be addressed by promotion of good management.

Protection of important hedgerows remains an important part of the Government's conservation programme. In order to improve their efficacy, we expect to publish our proposals for amendments to the Hedgerows Regulations 1997 shortly. The consultation package will consider the need for the Regulations to protect hedgerows that are valued solely for their local or regional distinctiveness. It will also consider the need for protection of other countryside boundary features, such as stone walls, although this would require amendment of the primary legislation.

Third Report from the Agriculture Committee, Session 1998-99

The UK Pig Industry (HC 87)

Published 1.2.99

Fourth Report from the Agriculture Committee, Session 1998-99

The UK Pig Industry: The Government's Response (HC 367)

Published 6.4.99

Fourth Special Report from the Agriculture Committee, Session 1998-99

The Government's Response (HC 573)

Published 29.6.99

UPDATE

The Government welcomed these reports and the Committee's work in examining what has been a hard-pressed sector of British agriculture in recent years. The Government has done what it reasonably can to help the pig sector. In the past two years or so, some £60 million of taxpayers money has gone or will go direct to pig farmers, as well as £200 million of indirect support in areas such as private storage schemes, export refunds, development grants and market promotion. Ministers have been working with the industry to lend weight to their efforts to join up the supply chain. These efforts in support of the British pig industry will continue, but the future of the industry lies in the hands of its component parts.

What progress has been made on the recommendations, which the Government accepted, from the Red Tape Review Groups?

The majority of the recommendations from the 1999 Red Tape Reviews on IACS and Inspections, Intervention and other mini reviews have been implemented. Money has been saved in direct costs to industry as well as time saved in paperwork, for example by implementing a simplified procedure for granting "own use" approvals for imports of pesticides with a reduced fee, by streamlining intervention procedures, by better co-ordinated cattle inspections and the introduction of electronic IACS forms. The Food Standards Agency (FSA) has taken forward recommendations from the meat hygiene report.

What approaches does the Government use to monitor industry competitiveness?

There are a wide range of statistics collected and published by Defra on the UK pig sector. These allow analysis of trends within the UK and international comparisons.

The June Census and December Survey provide statistics on the size and structure of the UK pig industry. Similar statistics are brought together and published by Eurostat for all Member States. These allow international comparisons of trends across all sectors.

The Economic Accounts for Agriculture are the main set of macro-economic statistics compiled for the agriculture industry. These are compiled annually for all Member States and provide statistics on the value and volume of agricultural production, including pigs.

The Farm Business Survey measures changes in the profitability of different farm types annually. The data, together with information from occasional studies of the pig sector, enable the Department to monitor the competitive position of pig producers.

There are also a range of statistics produced on regular basis to describe market developments within the sector. Market prices, levels of production, overseas trade and supply statistics are compiled to monitor market trends. These allow international comparison of prices and an assessment of the trends in self sufficiency of the UK.

This information is published by Defra on its website www.Defra.gov.uk.

Fifth Report from the Agriculture Committee, Session 1998-99
Badgers and Bovine Tuberculosis (HC 233)
Published 27.4.99

Fifth Special Report from the Agriculture Committee, Session 1998-99
Badgers and Bovine Tuberculosis: Government Reply (HC 612)
Published 5.7.99

GENERAL UPDATE

The badger field trial was suspended for 10 months due to FMD. Surveying operations recommenced in January 2002 and included intensive surveys of the final three triplets. In order to deal rapidly with the backlog of work, contractors were employed to undertake 3-year surveys in a further 3 established triplets. Surveying to check for illegal activity in survey-only areas has been carried out which revealed only one case of unlawful activity and this was reported to the police.

On 29 April, Ministers announced that trapping operations would recommence on 1 May (i.e. after the closed season from 1 February to 30 April). Since that announcement, proactive follow-up culls have been undertaken in 4 triplets with a further 3 similar operations planned during 2002. Reactive culling will also be carried out in 2002 and the initial proactive culls in the final 3 triplets are also planned for this year. The programme for resuming trial operations has been drawn up in close

consultation with the ISG which provided guidance on priorities.

The suspension of normal operations due to FMD and the priority given to the subsequent deployment of veterinary resources to clear the backlog of TB testing has resulted in delays to two important elements of the research programme closely linked to the trial. These are the Road Traffic Accident survey of badger carcasses for TB and TB99 risk analysis questionnaires. The RTA survey was relaunched in January in the 7 counties specified by the ISG but with submissions being lower than the target identified by the ISG. Consequently, contractors have been employed to help with this project and it is hoped to meet the ISG's target of examining 1200 carcasses this year

Negotiations were recently concluded with contractors to help address the backlog of TB99 questionnaires and this work will focus on breakdowns in trial areas.

[The Agriculture Committee recommended that MAFF publish its forward projections of the number of staff it will need to complete the trial within the five year period and how it proposes to meet this requirement.²⁹ The Government's response was "the projected complement of staff required in the MAFF Wildlife Unit is 202. This ceiling will be achieved through regular internal and external recruitment exercises to fill vacancies. There are currently 171 staff in the WLU".³⁰]

How many staff are now in place in the Wildlife Unit?

The projected complement of staff required in the DEFRA Wildlife Unit is 189. There are currently 165 staff in the WLU and a programme of internal and external recruitment is being carried out during 2002.

Were staff from the WLU redeployed because of Foot and Mouth disease? What implications does that have for the separate aspects of the 'Krebs' Trial?

Badger culling fieldwork was suspended from 23 February to 31 December 2001 due to Foot and mouth Disease. The majority of WLU staff were redeployed to assist in disease control measures. Field survey work in support of the Krebs Trial recommenced from 1 January 2002 with badger culling starting after 1 May following the end of the closed season. In March 2002 the ISG submitted a report to Defra on the effects of FMD on the field trial. This report was submitted to the Committee via Deirdre Kennedy's letter of 12 June 2002 to Gavin Devine. The ISG will update this assessment towards year end and, in particular, has notified its intention to review the implementation of the reactive strategy given the large numbers of TB breakdowns following FMD.

RECOMMENDATION ON AUDITING THE CULLING TRIAL

GENERAL UPDATE

The field operations and laboratory procedures undertaken by the Wildlife Unit and Veterinary Laboratory Agency are subject to internal audit procedures and scrutiny by ISG members. In addition a number of procedures are subject to external accreditation by the United Kingdom Accreditation Service.

A series of independent audits have been undertaken or are under way as follows:

- y) the humaneness of trial despatch procedures report was published in October 2000. A new auditor was appointed in August 2000 but only a limited amount of work was possible because of the intervention of FMD. The audit recommenced with the restart

²⁹ *Badgers and Bovine Tuberculosis*, Fifth Report of the Agriculture Committee, Session 1998-99, HC 233, para 86.

³⁰ *The Committee's Work: Session 1999-2000*, Second Special Report of the Agriculture Committee, Session 2000-01, HC 117, p. xlii, para 44.

of trapping in May 2002 and the resulting report will be published together with Defra's response.

- z) surveying and social group territory delineation audits were undertaken and the subsequent report was published January 2001. The efficiency of trapping audit planned for the same time was delayed first by security concerns and then by FMD. The audit report is expected to be published later this year. A further surveying audit commenced in August 2002 and its findings will be published in due course.
- aa) a statistical audit of the trial design has been completed and report published in November 2000. The auditor was reappointed with terms of reference adjusted to consider the effects of FMD on the trial.
- bb) audit of the trial's post mortem examination procedures is expected to commence shortly and findings will be published.
- cc) negotiations for the audit of TB99 are nearing completion and findings will be published.

The ISG noted in its second report that it had considered the audit of data collected and analysed in the trial and that it intended to carry out its own audit to supplement internal quality checks. The audit of data from the trial and related work is an area kept under continuous review with advice from the ISG.

Have all three monitoring processes recommended by the Bourne Group for the first triplet been completed? How will the monitoring processes be implemented in the other nine triplets?

The three monitoring processes recommended by the ISG are ongoing and are conducted in close liaison with the ISG as set out in the general update above.

RECOMMENDATIONS ON FUTURE POLICY

GENERAL UPDATE

Despite the disruption caused by FMD officials and industry have been able identify and develop a number of possible future policy options that could form part of a future bTB control policy. The possible options identified so far fall into two groups:

- a) supplementary diagnostic tests or different interpretations of diagnostic test results; and
- b) various methods to reduce the economic impact of bTB control without an unacceptable increase in the risk of disease spread.

What progress has the Government made in developing a range of policy options?

Two policy options on the use of diagnostic tests have been developed. A pilot will include an assessment of the use of the gamma interferon test as an adjunct to the skin test in herds with certain types of bTB incident. The pilot will also include an assessment of the option of the use of a more severe interpretation of the skin test. The purpose of the trial is to determine whether either

of these measures will help clear up infection more quickly and hence reduce the period of time the farm remains under movement restrictions.

A number of policy options have been developed to try to reduce the economic impact of bTB controls on farmers whose herds are placed under movement restrictions. This policy will allow

farmers whose herds are under restrictions to sell cattle under thirty months direct to slaughter through collection centres and dedicated slaughter markets. They will also be allowed to sell to fattening units, which are under movement restrictions, for onward sale to slaughter only. A veterinary assessment of the risks of allowing farmers with herds under restriction to trade cattle has been prepared, and a decision on movements which might be permitted and the controls necessary to limit the risk of spread of disease is expected soon.

When is the piloting of policy options likely to occur?

The piloting of policy options on the use of diagnostic tests is likely to start in November 2002. The pilot will include an assessment of the use of gamma interferon as an adjunct test to the skin test in herds with certain types of bTB incident. The pilot will also include an assessment of the use of a more severe interpretation of the skin test than that currently set out in the Annex to the European legislation (Council Directive 64/432). To inform future policy options, the ISG has drawn up a protocol designed to maximise the scientific data that can be collected in the pilot.

The piloting of policy options to reduce the economic impact of bTB controls on farmers placed under movement restrictions will start in October 2002.

What progress has been made in the development of a vaccine for both cattle and badgers?

In 1999, MAFF initiated, through open competition, funding of a new research programme at the Veterinary Laboratories Agency (VLA) at Weybridge (and their sub contractors) and at the Institute of Animal Health at Compton on the development of TB vaccines for cattle and badgers with approximately £1.4 million annual expenditure. Defra continued funding this programme and has this year funded two new projects at VLA maintaining in 2002 a similar level of funding as previously. The vaccine research programme is an internationally linked effort particularly with the human TB vaccination programme. It is also linked to the cattle pathogenesis research programme and involves collaborative work with the University College, Dublin.

DEFRA has sought the advice of the DEFRA TB vaccine programme advisor, Dr Jo Colston, the Independent Scientific Group (ISG) on Cattle TB and other external scientists on the scientific content and quality of this programme. The ISG itself has, this year, set up the Vaccine Scoping Study Sub-Committee to assist in advising DEFRA Ministers on the feasibility of pursuing a TB vaccination strategy for either cattle or wildlife. The Sub-Committee's remit also includes consideration of future research requirements in addition to those already in place. Four meetings of the Sub-Committee have already taken place. It is intended that the report to Ministers be ready early in 2003.

The Chief Veterinary Officer has initiated an inter-departmental committee to consider in advance the administrative and legal approval processes that would be necessary to allow a vaccine (if the research projects are successful and a suitable vaccine becomes available) to be put into use with a minimum of delay. The fourth meeting of the Committee is planned for December.

Eighth Report from the Agriculture Committee, Session 1998-99

Sea Fishing (HC 141)

Published 5.8.99

Seventh Special Report from the Agriculture Committee, Session 1998-99

Sea Fishing: Government Reply (HC 853)

Published 2.11.99

GENERAL UPDATE

The EU had an obligation to review the Common Fisheries Policy by the end of 2002. In the course

of 2001 the European Commission published a document assessing the CFP, as a basis for consultation on the future direction of policy on management of sea fisheries. Subsequently in May 2002 the Commission issued a first set of legislative proposals, which would make wide ranging adjustments to the CFP, to address perceived short comings and to strengthen management in order to promote sustainability of fish stocks and the sea fishing industry.

What progress has been made on establishing a strategy for the management and development of the UK fishing industry?

As reported earlier to the Committee, Fisheries Departments initiated consultations with representations of the sea fish industry on a strategy, by inviting the Fish Industry Forum to put forward its views. As a result of its work the Forum identified a number of key issues on which it sought a resolution with Fisheries Departments; and it proposed the establishment of a new working process with the Departments to address these issues.

The Secretary of State and Fisheries Ministers of the devolved administrations have welcomed this approach as a basis for developing dialogue; and Departments are working constructively with the industry to implement it. This process should enable Departments and the industry to tackle major management and development issues and to contribute to an agreed strategic approach to the industry's future.

What progress has been made in the review of fixed quota allocation units?

In October 2001 Fisheries Departments wrote to vessel owners and interested organisations inviting comments on proposals for the future management of the UK's fisheries quotas following a review of the operation of fixed quota allocations (FQAs). The consultation letter also provided clarification of the legal position as to the "ownership" of quota.

In the light of the consultation exercise Ministers announced on 15 August 2002 that the system of FQAs would be maintained and be further reviewed in 2006 and that, with effect from 1 September 2002:

- (i) fishermen would be allowed to separate FQA units from licences when undertaking vessel licensing transactions, with special provision being made for those wishing to retain their FQA units pending acquisition of a replacement vessel;
- (ii) vessels of 10 metres and under would be permitted to fish against "sectoral" quota allocations managed by producer organisations on the same terms as vessels over 10 metres.

What progress has been made on reviewing regulations not linked to quota management?

The Government has continued to seek to minimise the level of intervention and the complexity of regulation, within the context of achieving effective management of fish stocks. It has maintained close consultation with the fishing industry on a wide range of issues and has sought to take account of the industry's views in the development of both Community and national legislation. An example has been the joint industry / departmental working group on technical conservation which has looked at the development and implementation of Community conservation measures, including emergency plans for the recovery of cod and hake stocks. During negotiations on the emergency hake recovery measures adopted under Commission Regulation No. 1162/2001, agreement was secured that vessels fitted with functioning satellite monitoring terminals would not have to submit manual reports (e.g. by fax, telex, radio etc) on entry to and exit from the special hake conservation boxes, establishing a precedent for further action.

A further review of fishing vessel licensing and capacity penalties has now been completed and a report will be published shortly. The general view of the joint industry/departamental licensing working group is that existing arrangements should be maintained pending the outcome of the

current reform of the CFP.

The Commission's proposals for reform of the CFP include a substantial revision of measures for control of fleet capacity and fishing effort. Fisheries Departments consulted the industry on the Government's policy towards the EU negotiations. Ministers took account of both the seriousness of the condition of fish stocks and the need to promote a more sustainable industry, and the short term implications of regulation on the industry.

The Commission has informally indicated an intention to review the grading standards for fish. Fisheries Departments are currently consulting the sea fish industry on how grading should most appropriately be applied in sympathy with commercial marketing practices.

Ninth Report from the Agriculture Committee, Session 1998-99
MAFF/Intervention Board Departmental Report 1999 (HC 852)
Published 28.10.99

First Special Report from the Agriculture Committee, Session 1999-2000
MAFF/Intervention Board Departmental Report 1999: Government Reply (HC 148)
Published 17.1.00

RECOMMENDATION ON THE EFFICIENT DELIVERY OF POLICY OBJECTIVES

[We expect MAFF to examine rigorously other heads of expenditure to ensure maximum efficiency in delivering policy objectives.]

What changes were implemented as a result of the Better Quality Services Review of CAP Administration?

The review of CAP administration, undertaken as part of then-MAFF's Better Quality Services (BQS) programme, led to the merger of the Intervention Board and CAP payment functions within the Regional Service Centres to form the Rural Payments Agency (RPA). The review also addressed Defra's contribution to the wider rural economy through the creation of the Rural Development Service (RDS) and greater integration with the Government Offices for the Regions.

RDS came into effect from 1 April 2001, whilst RPA was formally established on 16 October 2001 having operated under single management since 1 April 2001. The longer term programme to maximise RPA's efficiency in CAP scheme administration by making use of the latest technology runs until end-2004 and is progressing on schedule. Progress was reported to the Select Committee on a regular basis. Further information on RPA has been submitted in the form of a memorandum for the Committee's inquiry into its role and administration.

What changes were implemented as a result of the Better Quality Services Review of IT?

The Better Quality Services (BQS) review of MAFF IT published in April 2000 recommended a programme of internal restructuring of the delivery and management of IT in Defra. The BQS review also recommended that, if the desired outcomes were not delivered, the option of strategic outsourcing should automatically be triggered.

Some key actions taken to implement the BQS IT review were as follows:

- a. an e-Business Director was appointed in late 2000 to lead the change management programme;
- b. changes were made in the department's IT steering committee (called the 'e-Business

Sub Committee') which is now chaired from the business rather than IT side and adopts a more strategic role;

- c. IT budgets for individual projects are now held by policy directorates which have a greater responsibility for IT investment;
- d. there is greater separation of the roles of customer support and IT delivery on major projects.

In early 2001, the foot and mouth outbreak became the major priority for MAFF, including its IT department, and implementation of the BQS review had to be put on hold along with many other aspects of MAFF's business. By early summer 2001, some policy directorates were wishing to procure their IT separately, leading to a risk of fragmentation in the department's IT. It was also not possible given other priorities for MAFF to invest in 2001/02 in implementation of the BQS review recommendations for enhancing efficiency.

Thus, following the creation of Defra in June 2001, a new review was undertaken. This concluded that to meet the changed circumstances, a programme to outsource IT service delivery should be initiated. The IT outsourcing programme was launched in January 2002, following a 'Gateway 0' review by the Office of Government Commerce. The early stages of the programme have focused on the precise scope and nature of the outsource.

What other Better Quality Services Reviews have been completed? What progress has been made in implementing their findings?

In total 19 Better Quality Service reviews have been completed against the original programme, amounting to around £200 million of departmental services. The recommendations of these reviews are being taken forward and monitored as part of the annual business planning process or, in the case of larger projects, through benefits realisation programmes.

Will reviews of 60% of the programme, by value, be completed by March 2003? When will the review of the whole programme be completed?

The Government decided to discontinue the Better Quality Services scheme as a centrally managed initiative earlier this year and are developing alternative programmes to drive forward the public services agenda. This means that we are no longer required to complete 60% of the programme by March 2003. However, although there is no formal programme, Defra is using BQS as a management tool to review departmental functions. Currently major reviews of the Defra estate and Personnel functions are taking place.

RECOMMENDATION ON THE COSTS OF THE BSE INQUIRY

[We expect information to be made available on the full cost of the inquiry to the public purse, including, for example, the cost of officials' time in all relevant departments.]

When will information on "the cost of the Inquiry itself, the dedicated liaison units in the departments sponsoring the Inquiry and legal support for witnesses. In addition, it will include estimates of the cost of the serving officials who are witnesses to the Inquiry and of those divisions who have provided information and advice or central services to the Inquiry. It is also intended that this additional information will be provided for all departments involved with the Inquiry" be made available?

The full estimated costs of the BSE Inquiry to the public purse, including the cost of the Inquiry itself, the dedicated liaison units in the departments sponsoring the Inquiry and legal support for witnesses, are as follows. These figures also include estimates of the cost of serving officials who

gave evidence to the Inquiry and of those divisions who provided information and advice or central services to the Inquiry.

- The BSE Inquiry, £14.9 million;
- The Ministry of Agriculture, Fisheries and Food (including the Department for Environment, Food and Rural Affairs), £9.0 million;
- The Department of Health, £3.2 million;
- Other administrations and departments (including the devolved administrations, the Department of Trade and Industry, the Health and Safety Executive and the Department for Employment and Education), £0.8 million.
- The total cost of the BSE Inquiry to the public purse is therefore estimated to be £27.9 million.

CONCLUSION ON THE IMPORTANCE OF INDUSTRY COMPETITIVENESS BEING CONSIDERED BY MAFF

[We also express the firmest possible belief that, whether MAFF continues in its present form or a successor body is established, the competitiveness of the agriculture, fisheries and food industries must be a central consideration of government. We are unconvinced that this has been a sufficiently high priority of MAFF. This is a matter that we will continue to raise with the Ministry at every opportunity.]

How does the Department judge whether its work to promote industry competitiveness has been successful?

The Department has a systematic programme of evaluation of its policies, and plans are well advanced for the evaluation of the Action Plan for Farming and the England Rural Development Programme. Policies relating to industry competitiveness will also be evaluated and progress will be monitored by reference to the suite of indicators of competitiveness for the food chain industries published in February 2002 in the Department's economic report "Development of competitiveness indicators for the food chain industries". The report can be found in Defra's website www.Defra.gov.uk/esg/economics/Competit.pdf

The Curry Commission set out a long-term vision for a sustainable farming and food industry. In its strategy document published in December 2001 the Government outlined the key principles of sustainable farming and food now and in the future. The changes needed are complex and some are long-term. The Department will monitor and report on changes both through pursuing the action priorities identified and by building in the necessary further strategy work on animal health and welfare, plant health, the non-food aspects of the food industry and the nutrition action plan. Working with the Implementation Group and the Industry, the Government will develop the approach to monitoring and evaluating the strategy based on the evaluation plan already published in draft.

Fifth Report from the Agriculture Committee, Session 1999-2000
The Government's Proposals for Organophosphate Sheep Dips (HC 425)
Published 23.5.00

Sixth Special Report from the Agriculture Committee, Session 1999-2000
The Government's Proposals for Organophosphate Sheep Dips: Government Reply (HC 865)
Published 1.8.00

Please update the Committee on authorisations of closed systems for transferring OP dip concentrate into the dip bath since 31 August.

How often will these authorisations be subject to review?

The temporary approval to market three OP sheep dips in their existing containers with the addition of a vented tap expired on 31 August 2001. On 9 November 2001 the Government announced the return to the market of two OP sheep dips in new containers that included an entirely closed system for transferring the OP dip concentrate from the container into the dip bath. The one remaining OP sheep dip product returned to the market in closed containers on 1 July 2002.

As with all veterinary medicinal products, the marketing authorisations for these products will require renewal every five years.

Have any changes been made to the Certificate of Competence?

On 17 August 2000 the Veterinary Medicines Directorate (VMD) consulted a range of interested organisations on this issue. The responses to this consultation were considered by the Official Group on Ops, a cross-Departmental group of officials with responsibilities for policy on Ops, including the Health and Safety Executive. Their advice on how to take this matter forward was submitted to Ministers on 24 January 2001. In order to better inform her decision the then Minister of State, Baroness Hayman asked to attend a sheep dipping exercise. However the outbreak of Foot and Mouth Disease prevented such a visit because of livestock movement restrictions (including sheep moving for dipping) and visits to farms because of biosecurity risks. The current Minister has recently been asked to reconsider the Official Group on Ops advice on the scope of the Certificate of Competence for the use of sheep dips.

Sixth Report from the Agriculture Committee, Session 1999-2000
The Implications for UK Agriculture and EU Agricultural Policy of Trade Liberalisation and the WTO Round (HC 246)
Published 4.7.00

Seventh Special Report from the Agriculture Committee, Session 1999-2000
The Implications for UK Agriculture and EU Agricultural Policy of Trade Liberalisation and the WTO Round: Government Reply (HC 926)
Published 30.10.00

What baseline analysis has been completed so that the effects of further trade liberalisation on UK agriculture, food industries and consumers can be assessed?

OECD publishes estimates of the effect of agricultural policy on producers, consumers and taxpayers for countries, including the EU. Defra calculates similar information for the UK. Changes in policy will be reflected in these calculations.

Ninth Report from the Agriculture Committee, Session 1999-2000
MAFF/Intervention Board Departmental Report 2000 (HC 610)
Published 2.8.00

First Special Report from the Agriculture Committee, Session 2000-01
MAFF/Intervention Board Departmental Report 2000: Government Reply (HC 52)
Published 19.12.00

RECOMMENDATION ON REVIEWING REGULATION

[We recommend that MAFF produce a timetable within three months for a systematic audit of all regulations that are currently applied to the agriculture and fishing industries, setting out dates for the completion of each stage of the audit. We also urge that the Red Tape Review Groups be invited to review progress on implementing agreed outcomes and publish a progress report on a quarterly basis.]

Has DEFRA reconsidered the need for a systematic audit of all regulations applied to the agriculture and fishing industries?

Some regulation is unavoidable if the Government is to safeguard public and animal health, the environment and public funds, but our aim is to keep regulation to a minimum. We have a long term strategy (2007) to introduce risk-based regulation to all sectors including agriculture. New risk assessments, standardised permits, better reporting arrangements etc. will keep charges down and reduce the bureaucracy of regulation.

To minimise the burden of regulation on farm businesses we have implemented the majority of the recommendations from the 1999 Red Tape Reviews on IACS and Inspections, Intervention and other mini reviews and the Better Regulation Task Force on environmental regulations and farmers published in November 2000. Money has been saved in direct costs to industry as well as time saved in paperwork, for example by implementing a simplified procedure for granting "own use" approvals for imports of pesticides with a reduced fee, by streamlining intervention procedures, by better co-ordinated cattle inspections and the introduction of electronic forms.

More recently the Government's Regulatory Reform Action Plan, published in February 2002 identified 268 areas for reform across Government, including 59 entries covering aspects of Defra's responsibility. Many will be completed over the next two years but others are longer term. Policy Divisions are encouraged to make full use of powers under the Regulatory Reform Act 2001 aimed at speeding up the reform process.

As indicated previously the Government fully recognises the importance of continuing to monitor the effectiveness of regulations with all stakeholders and, where appropriate, to seek changes to domestic or European legislation to minimise the burdens on industry. However we still believe that a systematic review of all the statutory instruments affecting agriculture and fisheries (not all of which impose burdens on industry) would be very costly not only to the Government but also to the industry who would need to be involved.

We have convened a cross-cutting Steering Group on the Regulation of Agriculture. This is chaired at Director-General level, reports to the Management Board, and brings together representatives from across government whose activities affect farmers and growers. The Group has embarked upon an ambitious programme of work designed to develop a smarter approach to regulation that concentrates upon outcomes rather than processes, and embeds good practice into everyday farming activities.

One way this programme will be taken forward is by developing a whole farm approach to regulation in the agriculture and horticulture industries. This is a long-term strategy (7-10 years) to integrate different government contacts with farm businesses in order to reduce costs and

burdens while improving outcomes. This approach raises a number of complex technical, data protection and privacy issues which we will need to resolve in liaison with stakeholders and farming industry representatives.

As far as environmental regulation is concerned, the Environment Agency is seeking to streamline its approach and is currently examining a number of new approaches. One area being examined is the possibility of integrating farm visits so that as many areas of the Agency's work as possible are covered in a single visit to the farm (thus avoiding multiple visits by different agency staff). Another area being examined is the adoption of a more risk based approach to the regulation of the sector. This means that the Agency will use information on the activities taking place on the farm, together with information on the management performance of the farm to target visits to those farms that pose the highest environmental risk.

In the Sustainable Farming and Food Strategy we have pledged the following approach to any new regulation:

i. We will evaluate the costs and benefits and consider alternative approaches before new regulation is introduced, and only proceed where regulation is the best way to achieve the outcomes society wants.

ii. We will apply the Better Regulation Task Force's key principles that we must be transparent, accountable, proportionate, consistent and targeted. More specifically, to help drive up standards in the least burdensome way, we are already committed to:

- information – to ensure that those we regulate are able to access good information about current and proposed regulation.
- consultation – with those concerned on the best way of implementation so that we can achieve the desired outcome in the least burdensome way.
- co-operation – advice to those being regulated to find best method of securing the outcomes we want.
- capacity building – to enable farming interests in particular to engage in the policy formulation process in Europe at an early enough stage to make a difference.
- regular consideration of regulation which is no longer necessary and can be removed, or made less burdensome.

iii. We are committed to an integrated and co-ordinated approach to improving standards, looking at the whole farm and building around farmers' day to day activities to embed smarter practices into everyday business planning and husbandry activities.

Seventh Report from the Agriculture Committee, Session 1999-2000
Horticulture Research International (HC 484)
Published 11.7.00

Eighth Special Report from the Agriculture Committee, Session 1999-2000
Horticulture Research International: Government Reply (HC 927)
Published 30.10.00

Fourth Report from the Agriculture Committee, Session 2000-01
Horticulture Research International (HC 53)
Published 31.1.01

Sixth Special Report from the Agriculture Committee, Session 2000-01
Horticulture Research International: Government Reply (HC 411)
Published 10.4.01

What progress has been made on preparing a bill to change HRI's status?

Have all staff transferred to HRI's employment? If not, what progress has been made? Is it still believed to be possible to achieve the transfer without primary legislation?

Was a single pension scheme introduced on 1 April 2002? If not, why not?

In its response to the Committee's Fourth Report, the Government took the view that bringing forward primary legislation to deal with HRI's status at that stage would prejudice the outcome of the Quinquennial Review. The issue of harmonisation of employment and pension arrangements at HRI was being pursued separately, although this was subsequently overtaken by the Quinquennial Review which began work in December 2001.

The Review Team's report was published on 23 September. The main recommendations are that:

- a) HRI should cease to be a Non-Departmental Public Body sponsored by DEFRA;
- b) HRI Wellesbourne, together with the sites at Kirton and Efford, should continue to operate as a registered company and a registered charity. The existing affiliation agreement between HRI Wellesbourne and Warwick University should be maintained, with a complete merger being considered in the medium term;
- c) This new organisation should receive a DEFRA contract initially for four years for carrying out an agreed programme of horticultural R&D;
- d) HRI East Malling should either close or become an independent research station under the auspices of the East Malling Trust for Horticultural Research; and
- e) HRI Wye should be transferred to Imperial College at Wye.

DEFRA invited comments on the report by 18 November – prior to taking decisions about HRI's future. Legislative requirements - together with employment and pensions arrangements - will be considered as part of those decisions on HRI's future status and organisation, and in their subsequent implementation. It is hoped to reach a conclusion about HRI's future in the New Year.

Fourth Report from the Environment, Transport and Regional Affairs Committee, Session 2000-01

Inland Waterways (HC 317)

Published 14.3.01

The Government's Response on Inland Waterways, Session 2000-01 (Cm 5149)

Published 19.6.01

What progress has been made on the development of an environmental management framework for the independent authorities?

AINA expects to publish an environmental management framework – A Reference Guide to Good Environmental Practice for Waterway Management – in the new year.

What measures are in place to monitor the extent to which the independent authorities have adopted best environmental practices?

The Government considers that the independent navigation authorities should manage their waterways in an environmentally-friendly way. The Government would encourage them to maintain high environmental standards, guided by the good practice advice contained in AINA's Reference Guide to Good Environmental Practice for Waterway Management. Bodies such as the Environment Agency and English Nature regulate compliance with statutory environmental requirements.

What provisions are included in the British Waterways' Water Grid PPP to ensure that projects to encourage water transfer do not have adverse impacts on the environment?

Independent environmental consultants appointed by British Waterways (BW) have identified the main environmental constraints which could possibly arise from the operation of the Watergrid as the spread of alien species, and changes in water quality. BW will consult widely with its users and regulators about all water transfer proposals and will ensure that mitigation measures are built into all proposals to minimise any adverse environmental impact. In particular, proposals involving the bulk transfer of water using the waterway network will be subjected to a full environmental impact assessment, and sales of water to customers to environmental assessments will be carried out in accordance with BW's environmental code of practice.

Fifth Report from the Environment, Transport and Regional Affairs Committee, Session 2000-01

Delivering Sustainable Waste Management (HC 36)

Published 21.3.01

Fourth Special Report from the Environment, Food and Rural Affairs Committee, Session 2001-02

Delivering Sustainable Waste Management: Government Reply (HC 659)

Published 5.3.01

Has the consultation paper been published?

If so, what were conclusions has DEFRA drawn about the proposed revision of exemptions?

UPDATE

The Government's Response to this Report was published on 5 March 2002. So only limited progress has been made on this report. The Prime Minister's Strategy Unit undertook a review of the implementation of the strategy which was published in November 2002.

The consultation paper has not yet been published but the Government intends to publish it shortly.

What progress has the Government made in its examination of how it can improve the testing and take-up of new waste disposal technologies?

This issue was considered by the Prime Minister's Strategy Unit in their study of the Waste Strategy

Has the cross-Government group reported its findings? If so, what ways to promote sustainable development through Government procurement did it identify?

The cross-Government group is expected to put its recommendations to Ministers shortly.

Eighth Report from the Agriculture Committee, Session 2000-01
New Covent Garden Market (HC 173)
Published 4.4.01

First Special Report from the Environment, Food and Rural Affairs Committee, Session 2001-02
Horticulture Research International: Government Reply (HC 272)
Published 22.10.01

UPDATE

The main outstanding issues from this report are arrangements for future capital investment in New Covent Garden Market and the proposal for a Review of London Markets. These are closely linked.

In June 2002, in conjunction with the Corporation of London, the Government commissioned Mr Nicholas Saphir to undertake a Review of London Markets and to produce an initial report by the end of September 2002. This deadline was subsequently extended to allow additional information to be taken into account.

The terms of the reference of the Review were as follows:-

To consider:

whether the existing London wholesale market facilities are well adapted to the needs of the business communities and users which they serve;

the effect on the operation of the markets of the legislation which governs them;

the potential impact of product diversification and changing demand for the services provided by wholesale markets; and

the scope for developing a co-ordinated strategy for the future management of the markets;

and to make such recommendations to the Secretary of State and the Corporation of London as the reviewer considers appropriate, after having regard to the practicality and legal and financial implications of implementing them.

How far advanced is the Government in preparing the necessary legislation to enable it to sell New Covent Garden Market?

The Government has received Mr Saphir's report on his review of the provision of wholesale markets in London and is considering the way forward in the light of his recommendations.

If legislation is not being prepared what measures are being undertaken to secure the necessary investment required to upgrade New Covent Garden Market?

The Covent Garden Market Authority commissioned a study of capital investment requirements and submitted to DEFRA in September 2001 a schedule of proposals for capital investment in the period to March 2007. Agreement has been reached with the Treasury that the Authority may retain its excess revenues, which, with the available depreciation reserves, will finance the planned works until April 2004. Funding for investment beyond that date is under consideration but decisions may need to take into account the recommendations of Mr Saphir's report.

MINUTES OF PROCEEDINGS RELATING TO THE REPORT

WEDNESDAY 8 JANUARY 2003

Members present:

Mr David Curry, in the Chair

Ms Candy Atherton	Mr Mark Lazarowicz
Mr David Borrow	Mr David Lepper
Mr Colin Breed	Mr Austin Mitchell
David Burnside	Mrs Gillian Shephard
Mr David Drew	David Taylor
Mr Michael Jack	Mr Bill Wiggin

The Committee deliberated.

Draft Report [*Annual Report of the Committee 2002*], proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 24 read and agreed to.

Annexes agreed to.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

A Paper was ordered to be appended to the Report.

Ordered, That the Appendix to the Report be reported to the House.—(*The Chairman*).

The Committee further deliberated.

[Adjourned till Wednesday 15 January at a quarter past Nine o'clock.]

**ENVIRONMENT, FOOD AND RURAL AFFAIRS
COMMITTEE REPORTS IN THE CURRENT PARLIAMENT**

Session 2002-2003

FIRST REPORT, Reform of the Common Fisheries Policy, HC 110, published 28 November 2002.

Session 2001-2002

FIRST REPORT, The Impact of Foot and Mouth Disease, HC 323, published 23 January 2002 .

SECOND REPORT, The Countryside Agency, HC 386, published on 13 February 2002.

THIRD REPORT, Radioactive Waste: The Government's Consultation Process, HC 407, published 13 February 2002.

FOURTH REPORT, Disposal of Refrigerators, HC 673, published 20 June 2002.

FIFTH REPORT, Genetically Modified Organisms, HC 767, published 18 June 2002.

SIXTH REPORT, Departmental Annual Report 2002, HC 969, published 17 July 2002.

SEVENTH REPORT, Illegal Meat Imports, HC 968, published 23 July 2002.

EIGHTH REPORT, Hazardous Waste, HC 919, published 26 July 2002.

NINTH REPORT, The Future of UK Agriculture in a Changing World, HC 550- I, published 6 November 2002.

TENTH REPORT, The Role of DEFRA, HC 991, published 14 November 2002.

FIRST SPECIAL REPORT, Government Reply to the Eighth Report of Session 2000-01 from the Agriculture Committee, New Covent Garden Market, HC 272, published 22 October 2001.

SECOND SPECIAL REPORT, Government Reply to the Seventh Report of Session 2000-01 from the Agriculture Committee, The Implementation of IACS in the European Union, HC 273, published 22 October 2001.

THIRD SPECIAL REPORT, Government Reply to the Ninth Report of Session 2000-01 from the Environment, Transport and the Regions Committee, The Draft Water Bill, HC 499, published 14 January 2002.

FOURTH SPECIAL REPORT, Government Reply to the Fifth Report of Session 2000-01 from the Environment, Transport and the Regions Committee, Delivering Sustainable Waste Management, HC 659, published 5 March 2002.

FIFTH SPECIAL REPORT, Government Reply to the Committee's Second Report, The Countryside Agency, HC 829, published 14 May 2002.

SIXTH SPECIAL REPORT, Government's Interim Reply to the Committee's First Report, The Impact of Foot and Mouth Disease, HC 856, published 21 May 2002.

SEVENTH SPECIAL REPORT, Government Reply to the Committee's Third Report, Radioactive Waste, HC 1221, published 24 October 2002.

EIGHTH SPECIAL REPORT, Government Reply to the Committee's Fifth Report, Genetically Modified Organisms, HC 1222, published 24 October 2002.

NINTH SPECIAL REPORT, Government Reply to the Committee's Sixth Report, The Departmental Annual Report 2002, HC 1223, published 24 October 2002.

TENTH SPECIAL REPORT, Government Reply to the Committee's Seventh Report, Illegal Meat Imports, HC 1224, published 24 October 2002.

ELEVENTH SPECIAL REPORT, Government Reply to the Committee's Eighth Report, Hazardous Waste, HC 1225, published 24 October 2002.

TWELFTH SPECIAL REPORT, Government Reply to the Committee's Fourth Report, Disposal of Refrigerators, HC 1226, published 24 October 2002.

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