

**Tuesday 7 May, House of Commons
Committee Room 6, 5.00 – 6.00pm
Brexit and the Environment Bill
(Non-Verbatim Minutes)**

The All-Party Parliamentary Group's February meeting was on the topic of Brexit and the Environment Bill. The following were guest speakers:

- **Sally Randall, Director for Floods and Water, DEFRA**
- **Guy Thompson, Managing Director, EnTrade**
- **Lucy Lee, Landscape Stewardship Manager, WWF**

Baroness McIntosh chaired the session, welcomed attendees and introduced the panellists, inviting Sally Randall to speak first.

Sally Randall gave an overview of the Environment Bill saying that it was the first major bill of its nature in 20 years. It's key aim is to put the 25-year Environment Plan on a statutory footing. The Bill intends to set up an Office of Environmental Protection (OEP), and covers four major themes, air quality, waste, natural environment and water.

She said that the creation of the OEP is to champion and uphold environmental standards and to hold the government to account. The Bill will put environmental protections in to law, meaning policy makers will have to abide by environmental practices when legislating or making policy.

Moving on to talk specifically about water, Sally Randall said that DEFRA had set out some key headlines for what they expect the Bill to cover and the Government has published several consultations covering various aspects including long-term planning of water supply and water waste. The consultations asked questions about modernising water and the need to enhance the powers of the Environment Agency so that they are more closely aligned with environmental practices. She commented that DEFRA are now analysing responses to the consultation and Ministers will consider this, before introducing the Bill once Parliamentary time allows.

Guy Thompson spoke about the generic opportunities that lie at the heart of the Environment Bill, noting that the launch of a recent UN report showing that natural eco systems are in terminal decline demonstrates that more needs to be done to protect the environment. The Environment Bill is therefore an exciting opportunity. It is not just about mapping existing EU legislation into UK legislation, but there is an opportunity to put some steel in the Government's 25-year Environment Plan.

He made three points about the role of the water industry in delivering the Bill. Firstly, that water companies can and should do more on environmental leadership which will require better integration of environment and land policy. Guy Thompson said that water companies can play an essential role in place based environmental leadership and the government is right to expect that from them.

Secondly, he said the Bill should take steps to ensure there is better integration between environmental improvement plans with local development plans and industrial strategies.

This will require clear targets to be put in place, and more flexibility on how these targets come together through secondary legislation.

Thirdly, he focused on the role of markets. He said that it is important that the Bill sets out a long-term coherent framework, but that it needs to be something different from the traditional top-down legislative approach. Guy added that too often policy has been made in silos and that these need to be broken in order to make a step change.

Lucy Lee welcomed the Government's commitment to deliver a better environment for future generations. From WWF's perspective, it is important to make sure that the Environment Bill is not regressive. She noted that the consultation on water resource management planning is a positive step forward.

She said that WWF were very pleased with the 25-Year Environment Plan and that it would be underpinned by the Bill, including the setting up of the OEP. WWF are keen that the Bill creates more certainty for companies so that they can invest and take their own action to mitigate environmental risk, particularly as Government regulation on environmental practice can be a catalyst for productivity. Lucy stated that WWF has called for a due diligence obligation as part of the Bill, so that businesses have to look at what impact they are having on the environment through their supply chain and report back on how they are implementing measures to protect the environment.

Lucy Lee stated that WWF welcome the suggestion of having a spatial framework and planning at a regional level. Finally, she said that companies cannot solve environmental issues alone and must work with others to improve the situation.

Baroness McIntosh thanked the speakers for their contributions and then opened the floor to questions from the audience. She asked how parliamentarians and the sector can be sure that there will be detailed policy on the face of the Bill, rather than through secondary legislation.

Sally Randall said that Ministers have recognised that there is an appetite for more detail on the face of the bill but that there will always be somethings that lend themselves better to secondary legislation.

Guy Thompson said it is important that the Bill allows water companies the space to do the right thing voluntarily, as traditional regulation can make water companies more prescriptive.

Angela Smith MP asked about the risks of the Environment Bill. She said that it is worrying that the enforcement powers of the OEP do not match the powers that the European Court of Justice currently have. She was also concerned that there is a potential overlap of remit between Natural England, the Environment Agency and the OEP which could create confusion.

Sally Randall responded by saying that the aim of the OEP is not to be a regulator of consumers or water companies, but rather to hold Government and others to account. It is intended to be a watchdog, which means its job is to check other regulators and cover strategic cases of breaches in environmental law.

Baroness Young asked whether there is a need to rethink the remit of Ofwat to make sure that the regulator gives enough focus to environmental priorities.

Sally Randall said that the Government accepts that Ofwat is an independent, but DEFRA sets out strategic objectives for the regulator, including environmental objectives.

Baroness McIntosh said that the main problem with the Bill is that it lacks the mechanisms to enforce action. She asked what mechanisms would be in the Bill to ensure that it keeps issues such as pollution under review and protect our water and waste water systems.

Sally Randall commented that these sorts of mechanisms would be considered.

Jim Clark, Thames Water mentioned the importance of restoring nature as part of the Bill, but asked what level it would need to be restored to? Would this level be agreed in the Bill?

Lucy Lee responded by saying that it is important to have independent panels to set these targets.