

Greening government: recommendations from WWF-UK

About WWF-UK

WWF is at the heart of global efforts to address the world's most important environmental challenges. We work with communities, businesses and governments to help people and nature thrive. Together, we're safeguarding the natural world, tackling climate change and enabling people to use only their fair share of natural resources.

Government decisions have a huge impact on the environment, both nationally and globally. The UK's economic and social wellbeing depends on the goods and services nature provides, yet many of these are being over-exploited or even lost. We need to green the machinery of government in the interests of society, the economy and our natural world.

Further information:

This document is a supplement to a longer report, Greening the machinery of government, produced by Duncan Brack for WWF-UK. A pdf version of the full report is available online at wwf.org.uk

SUMMARY The next government should put the environment at the heart of its decision-making. This is

essential because the UK's economic and social wellbeing depends on the goods and services nature provides, yet many of these are at risk.

To enable us to live within the environmental limits of our one planet – and for the UK to take advantage of new opportunities that a more sustainable economy would offer – we recommend making some changes to the procedures and structures of the next UK government. These, together with political will and commitment, would help ensure that public policy decisions do not undermine the natural resources on which we all depend.

This document is a supplement to a more detailed report we have commissioned on this subject – *Greening the machinery of* government: mainstreaming environmental objectives. It also reflects a number of proposals we are calling for in A Greener Budget: sustaining our prosperity in a changing world.

Both reports are available on our website, wwf.org.uk



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CONTEXT Unprecedented social and economic development in recent decades has been matched by a



WWF's Living Planet Index shows that global populations of land, freshwater and marine vertebrate species have halved since 1970 decline in the world's natural capital. This decline has been driven by over-exploitation, and by the loss and degradation of habitats.

This is evident in the UK, where 60% of wildlife species are in decline²; where the proportion of protected areas³ that are in 'favourable condition' has fallen from 6% to 3% between 2007 and 20134; and where air pollution causes some 40,000 premature deaths each year⁵. Climate change is likely to accelerate the decline. and population growth and higher living standards are adding to the pressure on the natural environment.

The human impact on natural resources is not felt evenly throughout the world, or even within nations: the poor are less able to adapt to the impacts of unsustainable exploitation and the effects of climate change. Much of the unsustainable exploitation is driven by demand in the developed world, and the UK is no exception: we consume natural resources derived from around the world. By importing goods and services we are 'outsourcing' biodiversity loss. But with the right policy frameworks the UK will be well placed to drive higher environmental standards of production throughout our supply chains and to support good environmental governance.

140,000

RESTORATION O **AROUND 140,000 HECTARES OI UPLAND PEAT BOGS WOULD DELIVER NE** BENEFITS OF £570N **OVER 40 YEARS IN** STORING CARBON

Protecting the environment and ensuring the sustainable use of natural resources need not mean that we derive less economic value from them. In fact the reverse is true. For example, planting woods of up to 250,000 additional hectares near cities can generate a benefit to society of £500m a year as people exercise and enjoy nature⁶. Restoration of around 140,000 hectares of upland peat bogs would deliver net benefits of £570m over 40 years in storing carbon7. And improving urban air quality would provide gains of £9bn-£20bn a year in avoided health costs8.

LIMITS OF **ONE PLANET**

ENVIRONMENTAL Not living sustainably – breaching the environmental limits of our one planet – presents huge risks to human development.

> Human social and economic wellbeing depends on the natural world. We rely on the stock of 'natural capital' (such as forests and oceans) to supply a range of 'services' (e.g. building materials and food) that sustain life and economic activity. A thriving, healthy, natural environment also matters to people for its intrinsic value. Successive governments have not properly evaluated or mitigated against the long-term risks of ignoring the environmental limits of our planet. This is reducing our social and economic resilience.

There are numerous indicators that demonstrate the consequences of breaching environmental limits: the changing climate, loss of our forests, declining fish stocks and shortages of fresh water in many parts of the world. Where human consumption has exceeded environmental limits, measures should be put in place to reverse this.

^{1.} http://wwf.panda.org/about our earth/all publications/living planet report/living planet report_graphics/lpi_interactive/

^{2.} State of Nature report.

^{3.} Annex 1 of the EU Habitats Directives.

^{4.} Defra. Biodiversity 2020: a strategy for England's wildlife and ecosystem services. Indicators. December 2014. https://www.gov.uk/government/uploads/system/uploads/attachment_data/ file/382484/2b._Priority_habitats_2014_final.pdf

^{5.} Natural Capital Committee - Third report to the Economic Affairs Committee.

^{6.} Natural Capital Committee - Third report to the Economic Affairs Committee.

^{7.} Natural Capital Committee – Third report to the Economic Affairs Committee. 8. Natural Capital Committee - Second report to the Economic Affairs Committee.



world. But to deal better with future environmental challenges, government requires a more coherent strategy, recognising the importance of the natural environment to our wellbeing and economic prosperity, and a longer-term outlook.

GOVERNMENT

THE ROLE OF Government policymaking and spending power can exert huge influence over human impacts on the natural world. While very good progress has been made in a number of areas, it is clear

> that policymaking and economic planning in the UK are not currently set up to deal with future environmental challenges.

There appear to be three key underlying problems:



First, there is no coherent, over-riding strategy on the natural environment. This means there are no common objectives for government departments to work towards, nor any indicators through which departments may be held to account.



Second, there is a failure in understanding and recognition of the fundamental importance of the natural environment to our wellbeing and economic prosperity. Instead, nature has been treated as a free resource. Moreover, the protection of nature is perceived as a constraint to growth, rather than as something that is fundamental to economic and social wellbeing.



Third, political short-termism does not provide for the longer-term response that many environmental challenges **require.** For example, the impacts of climate change only become evident over time and are not given equal consideration alongside what are regarded as more 'urgent' political issues. Moreover, the absence of a long-term framework set by government leads to under-investment by business and government in the technologies and approaches needed to overcome environmental challenges.

RECOMMENDATIONS The incoming government has an opportunity to refer FOR REFORM

has an opportunity to reform current arrangements and bring environmental considerations into the mainstream of policymaking.

A precondition for any reform must be political leadership and commitment from the highest levels in government. Without this, no amount of institutional reform will be successful. Beyond that, we are calling for a package of measures to ensure that government decision-making takes better account of the environment, so that we live within the environmental limits of our planet.

A wide range of possible approaches – and a number of recommendations – are set out in the full *Greening the machinery* of government report by independent consultant Duncan Brack.

Such a package should include the following 12 key components:



1. Assess the risks

We believe that climate change and the degradation of our natural resources pose a strategic and systemic risk to the health of our economy - and therefore to society - in the mid to long term. As such, the government should:

- Commission a review of the implications of resource insecurity for the UK economy, taking into account the exacerbating effects of climate change (a 'Stern for Resources'). Such an assessment could be undertaken by a newly-created Office of Environmental Responsibility, which we propose below. Another option would be to extend the UK's National Security Strategy to include such an assessment, reporting to the National Security Council. All public bodies should be required to report on the extent to which the risks identified by the analysis pose a threat to their ability to fulfil their responsibilities, along the US model.
- Improve risk assessment procedures, including via a new natural capital stress test to evaluate macro-economic risk exposure (mirroring the stress-testing used in the UK banking system).



2. Deliver against existing environmental objectives

Government should commit to demonstrable progress against the full range of existing environmental objectives that the UK has signed up to, and where commitments have been made. These include objectives under the internationally-recognised Convention on Biological Diversity (CBD), strong leadership on climate change, eradicating environmentally-damaging subsidies, implementing the reformed Common Fisheries Policy, and upholding EU directives on the protection of birds, habitats, fresh water and the marine environment.



3. Think long term

There should be a coherent and long-term (25 years) strategy on the natural environment. Parliament should set statutory objectives and indicators for government to ensure this is delivered. These would be binding on the current and subsequent governments and concern the protection and improvement of natural capital at home and abroad, ensuring social and economic return without exceeding the environmental limits of the planet.



4. Establish an Office of Environmental Responsibility

An Office of Environmental Responsibility (OER) would advise government on meeting the above strategy and objectives. It would report on progress (for example, through a State of UK Environment report) and hold government to account. An OER could sit alongside the Natural Capital Committee or subsume its functions. It would be at arm's length from government, reporting to HM Treasury or the Cabinet Office.



5. Mainstream environmental thinking in HM Treasury

We propose a new cabinet-level ministerial post of Chief Secretary for Sustainability in the Treasury. This would for the first time establish a clear ministerial mandate and priority for the Treasury to deliver on environmental objectives. This minister would chair a new Sustainable Development Cabinet Committee to help coordinate environmental action across government departments. We would also like to see the Treasury introduce a new section on natural capital in the annual Budget report. This would include information on our stocks of natural capital, service/benefits provision, risks, liabilities, future outlook and investment requirements.

6. Policy appraisal

The process by which environmental impacts are assessed in policy appraisal is deficient. We would like to see strengthened impact assessments, improvements to the Treasury Green Book, and reform to government economic modelling to account better for the costs and benefits to the economy of action on the environment.

7. Ensure better Parliamentary scrutiny

Strengthening parliamentary committee structures would provide better scrutiny of government decision-making and proposed regulations. Reform here would ensure greater transparency and accountability to Parliament and could include the allocation of more resources from the National Audit Office to the Environmental Audit Committee to scrutinise the actions of government.

8. Create a strong environment department

There are concerns that Defra has insufficient clout in Whitehall and should therefore be scrapped. However, such 'machinery of government' changes, whereby departments are created, merged or scrapped, are highly disruptive. And wherever any new departmental boundaries were drawn, it would still be necessary to work across all Whitehall departments, given the cross-cutting nature of environmental issues. Against this background we recommend that the new government examines where Defra could be strengthened, perhaps by taking on functions of other departments to provide it with a more coherent and powerful policy portfolio. If there were moves by the new government for greater consolidation of departments, a merger of Defra and the Department for Communities and Local Government has potential.

9. International environmental leadership

While the UK is a global leader on climate change, we would like the UK government to re-engage on wider environmental issues such as contributing to the protection of the world's oceans and forests – resources on which we depend in the UK. The secretary of state for Defra has not attended a CBD meeting since the UK played a pivotal role in defining the

global biodiversity targets in 2010. This should be addressed through the creation of an International Environment Minister positioned in the Foreign and Commonwealth Office. This role would provide leadership and accountability in addressing the UK's international environmental footprint, driving action on this across government. It would also perform a key function in joining up international finance with international environment policy, which currently lie in separate government departments.

10. Government getting its own house in order

The government and the wider public sector should commit to more ambitious targets to reduce the environmental impact of their offices and operations. Reducing carbon emissions, water use and waste from the public sector estate and travel would deliver environmental benefits and cost savings to taxpayers. It would also help to catalyse action by businesses and households. Using the public sector's procurement power would help improve standards of environmental performance throughout the supply chain (for example, by only procuring fish and timber from sustainable sources).

11. Improve civil service capabilities

The level of understanding and expertise in assessing the environmental impacts of government policymaking is patchy across the Civil Service. A 'government sustainable development service' – analogous to the government legal service and government economic service – would help improve training and professional development.

12. Strengthen inclusiveness

The achievement of many environmental goals requires long-term behavioural change on the part of individuals, businesses and communities as much as of government. This will be impossible to achieve unless the public have the chance to participate in and make their views heard on the development of policy and, where possible, share in its delivery. The Round Table on Sustainable Development should be recreated to provide one route to this; and the Green Economy Council should be reviewed in the light of the other proposals made in this paper.

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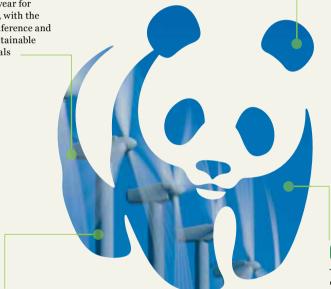
Greening government – in numbers

£9BN-£20BN

Air pollution is estimated to cost £9bn-£2obn a year. Better management of 'natural capital' could help reduce this and similar costs

2015

This is a critical year for the environment, with the Paris climate conference and agreement of Sustainable Development Goals



3.8 YEARS

The average period between UK general elections since 1945 has proved a challenge to long-term thinking

60%

of UK species assessed in the 2013 *State of Nature* report have declined during the last 50 years. Action is needed to reverse these declines



Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

wwf.org.uk

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