I am pleased to announce that we have now introduced the government’s flagship Environment Bill. There is a clear and urgent scientific case, and growing public demand for acting decisively to address biodiversity loss and climate change. The Environment Bill is a central part in the government delivering a step-change in environmental protection and recovery. It will also support recent legislation to reach net-zero carbon emissions by 2050 by minimising our waste, cleaning our air and water, and restoring habitats to allow plants and wildlife to thrive.

We published the Draft Environment (Principles and Governance) Bill in December 2018, which set out draft proposals for environmental governance after we leave the EU and were grateful to receive pre-legislative scrutiny reports from both your Committee and the EFRA Committee in April 2019, and the EU Energy and Environment Sub-Committee in the House of Lords in February 2019. Since then, the government has developed an ambitious package of additional policy measures to enhance our environment which will be presented in the Bill.

I’ve outlined further details of the measures in the Bill below. But first, I wanted to provide a summary of the position we’ve reached on three of your key recommendations, specifically on the independence of the OEP, environmental principles policy statement and the enforcement of climate change policy. Further detail on these and the remainder of your Committee’s recommendations are set out in the government’s response to your report, which accompanies this letter.

**OEP independence:**

We welcome the views of the Committee and are committed to ensuring the OEP is independent of government. We have introduced a new statutory obligation on the Secretary of State, in exercising functions in respect of the OEP, to have regard to the need to protect the OEP’s independence. This will ensure that when making ministerial appointments to the OEP, the Secretary of State considers the preferred candidates’ ability to act objectively, impartially and independently of government.
In order to ensure its financial independence, the OEP will be provided with a five year indicative budget which is formally ring-fenced by HM Treasury within any given Spending Review period. This safeguard, to which we will make a commitment through a Written Ministerial Statement, will provide the OEP with longer term certainty of resources.

We welcome and agree with the EAC’s recommendation that clause 12 of the draft Bill on the exercise of the OEP’s functions should be amended to ensure that the OEP’s independence is reinforced. We have therefore amended this so the OEP must act objectively and impartially, replacing the previous duty that the OEP must just “have regard to the need” to act in this way.

*Environmental principles policy statement:*

We are committed to ensuring that the principles are placed on a clear legal footing which is why the list of principles is included on the face of the Bill. We have strengthened the statutory duty on Ministers of the Crown to ‘have due regard’ to the environmental principles policy statement, bringing it in line with the ‘Public Sector Equality Duty’ in the Equality Act 2010. We agree with the EAC’s recommendation to include an objective for the principles, and have therefore added a requirement that the Secretary of State must be satisfied that the statement will contribute to the improvement of environmental protection and sustainable development.

*Enforcement of climate change policy:*

The committee recommended that the OEP include climate change mitigation in its remit. Climate change and the natural environment are two sides of the same coin, and we agree with the committee that climate change should be put on the same footing as the rest of environmental law. We have therefore deleted the former exclusion at clause 31(3)(a) of the draft Bill.

Taken together the measures in the Bill will help to manage the impact of human activity on the environment, create a more sustainable economy, and enhance well-being and quality of life. The Bill will engage and empower citizens, local government, and businesses to deliver environmental outcomes and create a positive legacy for future generations.

*Introduction to the Environment Bill:*

As set out in the draft Bill we will establish a new system of green governance and accountability, creating a world-leading environmental watchdog in the Office of Environmental Protection (OEP), and enshrining Environmental Principles in law, which will embed environmental values at the heart of government policy making. To ensure the UK continues to drive forward ambitious action to tackle climate change, we are bringing climate change legislation within the enforcement remit of the OEP. The Bill will also implement a new statutory cycle of target setting, monitoring, planning and reporting to help deliver significant, long-term environmental improvement. This will include Environmental Improvement Plans (EIPs), the first being the 25 Year Environment Plan, and a framework for setting legally-binding targets in four priority areas: air quality, waste and resource efficiency, water, and nature. Together they will drive action by businesses and wider society to deliver environmental improvement alongside sustainable growth.

The Bill will drive a major shift in maximising resource efficiency, minimising waste, and moving towards a more circular economic model. We will introduce measures based on the ‘polluter pays’ principle, create a simplified approach to recycling, and tackle waste crime.
Powers to introduce new extended producer responsibility schemes will make producers responsible for the full net costs of managing their products at end of life, encouraging them to design their products with re-use and recycling in mind. New government powers to set resource-efficiency standards for products will drive market and consumer behaviour towards durable, repairable, and recyclable products. To tackle plastic pollution, the Environment Bill will enable the creation of new charges for other single-use plastic items, similar to the carrier bag charge, which will incentivise a shift towards the use of more reusable items. We are also taking powers to establish deposit return schemes which will further incentivise consumers to reduce litter and recycle more.

The Bill will enable greater local action on air pollution, ensuring responsibility is shared across local government structures and public bodies; better enabling them to tackle emissions from burning coal and wood; and bringing forward powers for government to mandate recalls of vehicles and machinery when they do not meet relevant legal emission standards. The Environment Bill makes a clear commitment to set a legally binding target for the pollutant with the most significant impact on human health, fine particulate matter.

The Environment Bill will help to secure long-term, resilient water and wastewater services. The Bill will introduce additional requirements for water company planning for future water supply and wastewater and drainage networks, enabling more resilient solutions to drought and flooding. In a changing climate, these measures will ensure the water regulator has the powers it needs to respond to changing priorities. The Bill enhances flood and coastal erosion risk management, allowing for the expansion of existing internal drainage boards or the creation of new ones where there is local appetite to do so. We are also reforming elements of abstraction licensing to link it more tightly to our goal of restoring water bodies to as close to natural state as possible, and are creating a power to update the lists of substances and their respective standards which are potentially harmful to surface waters and groundwater.

The Environment Bill supports and enables action to create or restore wildlife rich habitats to enable wildlife to recover and thrive. The Bill introduces mandatory biodiversity net gain, to ensure that new developments enhance biodiversity and help deliver thriving natural spaces for communities. This will also support certainty in the planning system and therefore the delivery of new housing, while retaining and providing habitats that can enhance biodiversity. Provisions requiring the development of Local Nature Recovery Strategies (LNRSs) across England will support better spatial planning for nature recovery, by setting out priorities and opportunities for protecting and investing in nature within a local area. The Bill also strengthens a duty within the Natural Environment and Rural Communities (NERC) Act 2006 to ensure public authorities play their part in conserving and enhancing biodiversity.

The Environment Bill gives the Secretary of State the power to amend two pieces of legislation regulating the use of chemicals in the UK (REACH 2008). This will allow the Secretary of State to take further steps where necessary to ensure a smooth transition to a UK chemicals regime following the UK’s exit from the EU. It will also make it possible to keep the legislation up to date and respond to emerging needs or ambitions for the effective management of chemicals.

The Environment Bill is the result of extensive public consultation. In July 2019 we published six government responses to consultations on measures in the Bill. Alongside the Bill we will also publish the government response to the consultation on protecting and enhancing England’s trees and woodland, covering measures to increase the transparency and accountability in the process of felling street trees.
Over half of all measures in the Environment Bill are to be extended beyond England and adopted across the Devolved Administrations. The positive extent of the join up demonstrates our ambition in working with the Devolved Administrations across the UK to better protect the environment and strengthen the Union, while respecting the devolution settlement. This join-up is the result of extensive engagement with the Devolved Administrations over the past year by both Ministers and officials during which we have discussed all policy areas of the Bill and is extremely welcome.

The Environment Bill is one of the key vehicles for delivering the ambitious vision we set out in the 25 Year Environment Plan. It will also enable us to make big steps towards delivering our goal that this will be the first generation to leave the natural environment in a better state than we found it. I would welcome your support in ensuring successful parliamentary passage of this landmark legislation. It is a tremendous opportunity and I hope that you will agree we should grasp it with both hands.

Regards,

Theresa Villiers