
Water Stakeholders' Update – 16 November 2011

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Abstraction

Defra has a four-way project in conjunction with the Environment Agency, Ofwat and the Welsh Government that has been looking at what action could be taken over the short, medium and long term to move towards a more sustainable water abstraction system. We have also been engaging with stakeholders over the last year or so, particularly through the very useful workshop in February this year.

The Government committed to reform of the abstraction regime in the Natural Environment White Paper published in June 2011. Reform of the regime will provide clearer signals for investment to meet water needs and protect water ecosystem services. We also committed to take steps to restore sustainable abstraction more efficiently.

The Water White Paper will provide information on the direction of travel, process and timetable for reform of the abstraction regime. We intend to work very closely with stakeholders in this process. It will also announce more immediate measures to restore sustainable abstraction more efficiently and promote abstraction licence trading.

Bathing Water Directive

The revised Bathing Water Directive will be implemented between now and 2015. The implementation timetable is as follows:

- March 2011: Bathing water profiles to be established (Article 6). The EA published profiles for all the bathing waters in England and Wales in March and lines of text based on the profiles have been sent to bathing water controllers for the general descriptions which must be displayed on signs from 2012.
- May 2011: The Commission published the symbols that will be used EU-wide (after 2015) to display bathing water classifications (Excellent, Good, Sufficient and Poor) and advice against bathing where appropriate.
- Beginning of 2012 bathing season: Signs as required by Article 12 of the Directive must be in place at all bathing waters. Work is ongoing to implement this requirement and we have been advised by a working group made up of the EA, local authorities, Devolved Administrations, Visit England, the RNLI, RoSPA, the National Trust and the Health Protection Agency to prepare for the introduction of signs. Guidance about signage for bathing water controllers was issued in Oct 2010. We are preparing to consult on who should be responsible for providing the guidance, aiming to offer support for the small businesses and charities which run a number of privately owned bathing waters.
- 2012: The EA will begin monitoring against the standards of the revised Directive in preparation for reporting based on a 4 year data set to begin in 2015. The EA already prepares predicted classifications using these parameters and the latest set, based on 2008-11 data, is available on the Defra website.
- In line with Article 3 we provide a list of bathing waters in the UK to the Commission before the beginning of the bathing season each year. To encourage public participation as required by Article 11 we place information on the Defra website and

write to a range of stakeholders and NGOs in addition to local authorities. The Devolved Administrations are responsible for maintaining the list of bathing waters in their respective countries.

Biodiversity Offsetting

Biodiversity offsets are conservation activities designed to deliver biodiversity benefits in compensation for losses, in a measurable way. We think that biodiversity offsetting has the potential to deliver planning policy requirements for compensation for biodiversity loss in a more effective way. It has also has the potential to achieve multiple environmental benefits. In the Natural Environment White Paper we announced that we would establish a voluntary approach to offsetting, a test it in a number of pilot areas.

We asked people to express an interest in piloting biodiversity by 30 September 2011. 10 areas expressed an interest in being a pilot, and we have also had a range of proposals for complementary projects. Information about where the pilot areas are will be available later in the Autumn.

CAP Reform

The Common Agricultural Policy (CAP) provides a wide range of delivery mechanisms that are important to deliver environmental protection and improvement. Funding is available to support the delivery of specific mechanisms under Pillar 1 and Pillar 2. Through Pillar 1, which takes up around 77% of the current budget (for England), farmers can claim direct payments in return for implementing a range of basic legislative and good practice requirements under cross compliance (eg Soil protection review, Nitrates directive and Groundwater directive). Under Pillar 2 through the 4 axis of the Rural Development Programme (RDP), a range of opportunities are available to farmers such as, Targeted Small Grant Scheme (TSGS), agri-environment, and catchment sensitive farming (CSF) programme or change land use to woodland under the English Woodland Grant Scheme (EWGS).

Consultation on the next reform of CAP, in 2013, has now started. The EU Commission has indicated that CAP must continue to address food security and safety, and help secure economic development in rural areas. They have also indicated that environmental elements of CAP must be strengthened, including resource protection, biodiversity and addressing greenhouse gas emissions.

The Commission wants to enhance the environmental performance of CAP by adding a mandatory greening component to the basic cross compliance payment given to farmers through the Single Payment Scheme. These new greening components would take the form of simple, generalised, non-contractual environmental actions, beyond those already included in cross-compliance and they would command 30% of the Single Payment Scheme. The measures under consideration include the establishment of permanent pasture, crop diversification and ecological focus area (measures could include fallow land, terraces, landscape features, buffer strips and afforested areas).

The idea of ecological focus area has the potential to deliver a range of environmental outcomes including managing soil erosion, habitat creation, improving soil quality and possibly managing local flood risk if located in the right areas, and with management requirements attached. The Ecological Focus Area, if amended, potentially offers a valuable tool to protect water resources and deliver WFD outcomes, it has the potential within a given catchment to protect specific land areas at risk of soil erosion and run-off

if planned and targeted to high risk areas with that in mind.

Catchment Based Approach

Announced the Catchment Based Approach on 22nd March 2011 at the last Water Stakeholder Forum. The Approach focuses on the management of land and water in a co-ordinated and sustainable way that balances competing human demands at a catchment scale. We are already working with stakeholders to establish a framework for integrated catchment management across England in 2013. This will feed into River Basin Management plans to meet objectives under the Water Framework Directive.

The Environment Agency has already started hosting 10 pilot catchments and has received 70 expressions of interest from a variety of organisations across the country to host additional pilots.

We are delighted with this enthusiastic response – covering half of the 100 catchments in England - and are now in the process of selecting 15 of the additional catchments for close formal evaluation to inform the wider rollout after 2012.

Although only 15 additional pilots will be formally evaluated, all of the organisations which have expressed an interest will receive support to move forward with their proposals.

Daughter Directives

Priority Substances, Prioritisation, QA/QC Directive

Preparation for the next Commission Proposal on Priority Substances

The long-awaited Commission Proposal on Priority Substances has still not been brought forward. The latest information suggests adoption is now expected in either late November or early December but as the original timeline was 2010 there may yet be further slippage.

While we are not able to provide a detailed breakdown of the elements contained in the proposal, the Commission has recently released a paper that sets out a mechanism for a pilot exercise to investigate the feasibility for an EU Watch List. This approach is expected to form part of the proposal and, we understand, will be used to inform the list of candidate substances for inclusion in future rounds of prioritisation. It would establish a pan-European monitoring exercise to identify emergent pollutants.

QA/QC Directive

The transposition of the QA/QC Directive in England was transposed via a Direction to the Environment Agency given on 21 July 2011 and came into force on the 20 August 2011, the transposition deadline and published on the Defra Website Direction to the Environment Agency – The Chemical Analysis of Water Status (Technical Specifications) Directions 2011 published ISBN 978-0-85521-498-2. Notice of publication was given in the London Gazette

Groundwater Daughter Directive 2006/118/EC

Article 10 of the 2006 Groundwater Directive requires the Commission to review Annexes I and II of the GWD by 16 January 2013 and thereafter every 6 years and if necessary come forward with proposals for amendments. These annexes are used in assessing the chemical status of groundwater bodies and they list the parameters for which the starting points for assessing chemical status (termed either groundwater quality standards or threshold values) should be set.

In January the Commission sought suggestions, by March, from MS about changes to these Annexes. A UK position has been agreed at a technical level through the UK Technical Advisory Group (UKTAG), Groundwater Task Team and at policy level through discussions with the Devolved Administrations. Defra responded to the Commission recommending only minimal changes to the Annexes. The Commission subsequent report is in line with the UKs thinking and should have little effect on implementation.

The EA has recently revised parts 4 and 5 of their Groundwater Protection: Principles and Practice. (known as GP3). The document is aimed at anyone proposing an activity which may cause groundwater impacts and can be used when applying for a permit. They are seeking comments on GPS and have opened an online consultation for 12 weeks which runs until 23rd December 2011. This consultation can be found at <https://consult.environment-agency.gov.uk/portal/ho/waterqual/gp3/water>

Part 4 contains the EA position statements and information on legislation. This revision was needed to ensure the document includes recent changes to legislation such as those in the Groundwater Directive which are implemented through the Environmental Permitting Regulations and the Floods and Water Management Act on flooding and sustainable drainage.

Part 5 of GP3 are documents that provide detailed interpretation of legislation to provide clarity to our customers and help us to make clear and consistent decisions when protecting groundwater.

Environmental Permitting (EP)

The amending set of EP regulations due to come into force on 1st October 2011 have been delayed pending further Whitehall scrutiny. It is anticipated that they will now be implemented on 6th April 2012, introducing some further deregulatory measures; new "civil sanction" enforcement powers for the Environment Agency; and amendments in respect of gas produced by anaerobic digestion plants.

We are proposing to include a clause in the Water Bill to enable the management of water resources to be brought into EP, subject to consultation on subsequent secondary legislation. And we will continue to seek to identify further improvements to the EP regulations to reduce burdens.

EU Common Implementation Strategy Update

Expert group on Agriculture and water

There will be an oral update on this under the CAP Reform item at the meeting.

Expert Group on Climate Change and Water

The Expert Group are planning to run a number of workshops over 2011/12. The UK jointly hosted one of these workshops, along with Spain, looking at „water, adaptation to climate change and agriculture“. The workshop was held in Madrid (Spain) in September and over 90 attendees from a range of Member States attended. Presentations were received from, amongst others, the Water Directors of Spain, Poland and the UK, together with the Spanish Secretary of State and DG Env Head of Unit.

Representatives from industry, delivery bodies, policy makers, NGOs and consultancies attended to help identify the knowledge, action and policy requirements to support a sustainable water management in the agricultural sector in the context of increasing water challenges resulting from climate change. The workshop was timed to enable input, via the Strategic Co-ordination Group and Water Directors, into current EU policy developments, including discussions on CAP post-2013 and the 2012 Blueprint to safeguard Europe's waters.

4 main recommendations came out of the workshop. That Water Directors:

1. Agree that long term and geographically broad monitoring networks are essential to identify climate trends and inform flexible and appropriate adaptation. Act with caution to current financial pressures to review investment in monitoring. Ensure that our ability to pick up climate change signals in the water environment is not eroded, taking action to preserve monitoring sites with long time series and promoting broad and coherent monitoring networks.
2. Propose the European Commission utilise the information obtained at the workshop, which identified current evidence, key challenges and evidence requirements, for its forthcoming proposal for the next Research Framework Programme.
3. Encourage Member States to develop simple communications to stakeholders and policy makers about the impacts, challenges and uncertainties of climate change facing water management in the agricultural sector. Propose that CIS groups support this activity.
4. Recommend EU policies, including the CAP and EU water policy, should develop their mainstreaming of adaptation, specifically through greater explicitness in the identification and evaluation of multi-objective adaptation measures for water management in a long-term effective way.

These have been presented to the Strategic Co-ordination Group for comment.

Defra are working through the climate change adaptation reports from reporting powers and are currently reviewing those from the water companies. On the whole we are impressed with the time and effort that has been put into these and the risks and adaptation measures identified. Defra is also in the process of reviewing the draft climate change risk assessments for the water and biodiversity sectors.

Evidence Strategy for Water Availability and Quality Programme

A five year evidence plan has been published that sets out a strategic view of the programme's evidence needs. It also covers new, innovative ways of gathering evidence, and ways in which we can improve coordination of our evidence work across relevant parts of Defra, the Defra – Welsh Govt network and external evidence partners with a view to forming new collaborations.

Since its publication progress has been made on several of its key commitments. These include establishing closer working links between the evidence teams from across the Defra-Welsh Government network, sharing information on projects, plans, key contacts, and future evidence needs. New relationships have been forged with the wider research community and new collaborative ventures have been identified. These activities are designed to improve the impact of the Evidence teams and to increase efficiency in evidence delivery. Firm commitments are currently being sought to press ahead with this collaborative mode of working and with new and innovative ways of working that can benefit the entire evidence network.

The WAAQ evidence plan may be subsequently, up-dated to ensure it is fully aligned with key policy elements embodied in the Natural Environment White Paper, the White Paper on Reform of the Water Industry and the Review of the Water Industry Regulator.

Farming Regulation Task Force

The Task Force on Farming Regulation published its recommendations on 17 May. Government interim response was published on 3 November (<http://www.defra.gov.uk/publications/files/pb13675-farmregulationtaskforce-response.pdf>). Our final response to the recommendations will be published in the New Year.

Fish Passes / Eel Management Plans

Free Passage of Fish

A public consultation on the Government proposals to introduce measures to improve the passage of migratory and freshwater fisheries, through the introduction of fish passes and screens, took place in 2009. The majority of respondents supported the proposals as presented. Also in 2009, the Better Regulation Executive undertook a review to consider all forthcoming regulations and the potential impact that these may have on businesses, given the financial and economic climate. Following this exercise, the Free Passage of Fish Order was identified as a measure having significant impact on businesses, and implementation of the Order has been delayed.¹ However, it was also recognised that the measures required to meet the EU Eels Regulation (Council Regulation No 1100/2007) could not be delayed any further. Therefore, the provisions for the installation of an eel pass and screen was therefore included in the separate Eels Order². Work is continuing on the remaining components of the Free Passage of Fish Order. Defra plans a further consultation on the revised proposals and, subject to the relevant Parliamentary procedure and scrutiny, aims to bring the Order into force in late 2012.

Eel Management Plans

¹ The Government's Forward Regulatory Programme, 15 October 2009, available at <http://www.berr.gov.uk/files/file53203.pdf>.

² Eels (England and Wales) Regulations 2009, No. 3344, is available at <http://www.opsi.gov.uk/si/si200933>.

In 2007, the European Commission adopted Council Regulation No 1100/2007³ following advice from the International Council for the Exploration of the Sea (ICES) that the stock of the European eel (*Anguilla anguilla*) is outside safe biological limits across European waters⁴ and that measures need to be introduced to reduce the exploitation of all life stages of the eel and restore their habitats. This EU Regulation requires Member States to develop national management plans for each River Basin District; with the objective of “permit[ting] with high probability the escapement to the sea of at least 40% of the silver eel biomass relative to the best estimate of escapement that would have existed if no anthropogenic influences had impacted the stock”.

In December 2008, the UK submitted 15 Eel Management Plans for individual assessment to the European Commission, covering the River Basin Districts, as defined under the Water Framework Directive⁵, in England and Wales, Scotland and Northern Ireland. These plans were accepted by the Commission for final approval in March 2010. The first report back to the Commission on the monitoring, effectiveness and outcomes of Eel Management Plans is due in 2012 and working is progressing on developing the reporting template.

The use of alien and locally absent species in aquaculture

The Alien and Locally Absent Species in Aquaculture (England and Wales) Regulations 2011 came into force on 10 October 2011. This legislation implements Council Regulation (EC) No. 708/2007 on the use of alien species in aquaculture. The Order provides for a system of permits governing the use of alien and locally absent species in aquaculture, in order to minimise the possible impact of these species on the native aquatic environment.

Keeping or Release of Live Fish

This Order would modernise existing legislation for controlling the spread of non native fish, (The Prohibition of Keeping or Release of Live Fish (Specified Species) Order 1998 and subsequent amendment Order 2003) which is considered inflexible and not sufficiently risk based. In addition the Order would address the problem created by recent harmonisation of European fish health rules which has potentially freed up more non- native species for importation into the UK. A consultation was carried out in 2010⁶ and we propose, subject to Parliamentary procedures and scrutiny that the SI should come into force in 2012.

Flood and Water Management Act Implementation

The Flood & Water Management Act needs to be commenced by ministerial order before it comes into effect.

Timetable

³ Council Regulation No 1100/2007 of 18 September 2007 establishing measures for the recovery of the stock of European Eel is available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:248:0017:0023:EN:PDF>

⁴ Report of the 2006 session of the Joint EIFAC/ICES Working Group on Eels Rome, 23-27 January 2006. ICES CM 2006/ACFM:16.367pp.

⁵ Water Framework Directive 2000/60/EC , available at <http://www.defra.gov.uk/environment/water/wfd/index.htm>.

⁶ <http://webarchive.nationalarchives.gov.uk/20100505154859/http://www.defra.gov.uk/corporate/consult/fish-imports/index.htm>

Oct 2010 and Jan 2011: The 1st and 2nd implementation phases commenced **definitions, SI making powers and provisions** requiring the EA and LLFA to develop strategies for risk management.

July 2011: National FCERM strategy for England published, providing a national framework for local communities to develop local solutions to the flood and coastal erosion risks they face, and underpinning the new „Partnership funding“ approach. It ensures that local decisions made in one area take account of impacts on another. The strategy was developed by the EA with close cooperation from Defra to ensure it reflects government policy.

July 2011: 4th commencement phase brought into force the following requirements:

- FRM authorities must act in a manner consistent with the National strategy and Information sharing guidance when exercising their flood and coastal erosion risk management functions.
- They must also act consistently with local strategies (although for water companies the requirement is to „have regard to“ local strategies and guidance).
- When exercising any other function that may affect a flood risk or coastal erosion risk, Risk management authorities must have regard to the national and local strategies (for example highways, spatial planning, and emergency planning).

The amendments implemented in schedule 2:

- have given existing statutory powers to an additional authority, transferred powers to a different body, and taken away powers from some bodies where these were held concurrently with others
- repealed provisions in relation to Coast Protection Authorities since these bodies do not exist in practice
- modified or clarified powers to carry out flood risk management related works
- provided powers to make bye-laws in relation to powers provided for under sections 38 and 39.

1st October 2011: Commencement order came into force in England and Wales.

- It gives flood and coastal erosion risk management authorities a duty to aim to make a contribution to towards sustainable development and require the Secretary of State to issue guidance about this duty (section 27). The guidance, which has been subject to a consultation exercise, was published on 1 October.
- The commencement order also commences definitions and statutory instrument making powers in Schedule 4 related to the introduction of a risk-based approach to reservoir safety.
- It also commences section 44 – which allows water companies to devise company social tariffs to reduce charges for individuals who would have difficulty paying in full.
- Finally in November 2011 the order will commence various provisions with respect to Wales only, where the equivalent provisions for England were commenced in July 2011.
- On 1 October 2011 existing privately owned gravity sewers and lateral drains transferred to water and sewerage companies under the Water Industry (Schemes for Adoption of Private Sewers) Regulations 2011. The transfer of

ownership brings about a fairer approach for water customers and ensures a better maintained, more efficient sewerage system.

What's happening now?

Sections 38 and 39 of the Act provide powers to local authorities, internal drainage boards and the EA to carry out works in the interests of nature conservation, the preservation of cultural heritage or people's enjoyment of the environment or of cultural heritage. The need for these provisions arose due to the definition of flood and coastal erosion risk management in the Act, which otherwise limits powers of risk management authorities to measures necessary to reduce the harmful effects of flooding or erosion, whereas much of the work that is needed to meet environmental objectives and statutory requirements involves managing flooding and erosion to gain the beneficial effects of these processes.

- The Act requires the Minister to apply the compensation, compulsory purchase and powers of entry provisions of Water Resources Act 1991 to the exercise of works powers under sections 38 and 39.
- The Order applying those provision is currently in the process of being debated through both Houses of Parliament. The House of Lords debate was completed on 17th October and the House of Commons debate is scheduled for 3rd November.
- Subject to Parliamentary approval of the Order we will then commence the remaining parts of s38 and 39.

What's happening next?

- Later this year the Environment Agency intend to publish their reservoir safety consultation which will set out the Environment Agency's proposals for how they will designate large raised reservoirs as high risk under the Act, and seeks views on those proposals.
- Defra will also consult on the proposed content of secondary legislation on reservoir safety
- **SuDS** - We are considering measures to increase the uptake of SuDS in England and Wales for new and existing properties and construction. Queries from other government departments have meant the proposed summer consultation on the draft regs and SuDS national standards has been postponed. We are working to resolve those queries and will continue to work closely with key parties to ensure the consultation addresses their areas of concern, particularly around avoidance of new burdens and proposed new implementation dates.
- Defra is still aiming to consult this year and implement the policy in 2012.

Floods Directive

PFRA

All PFRA's except one have been completed and received by EA for review by 22 June. IoW PFRA expected in time for publication deadline. On track for publication by 22 December 2011. EA asking LLFAs whether they intend to publish on own websites, EA will publish the balance.

a) Significant risk areas

All 10 indicative Flood Risk Areas proposed by EA have been accepted by LLFAs with some minor variations for administrative/local drainage reasons.

b) Next stages

Mapping – EA is commissioning a series of pilots to determine what additional detail is needed or might be provided by LLFAs to improve maps to meet Floods Directive standards. Rather than improve maps only in the Flood Risk Areas, the improvements will be rolled out to all of England (and Wales).

Reporting – EC development of reporting sheets/schema. Flood Risk Management Plan reporting sheet now agreed, with scope to report by referring to the plans themselves rather than repeating details in the sheet. First draft of reporting schema for the mapping stage expected by end of the year.

UK reporting: following completion of the PFRA on 22 December, EA, SEPA and DARDNI to send their draft reporting sheets and schema to Defra by 22 February 2012 for quality assurance by 22 March 2012 when EA/SEPA/DARDNI will submit to EC.

Flood Risk Management Plans – we are at an early stage in determining how these will be prepared, using a combination of SWMPs, SMPs and CFMPs. Interested to hear how DAs are developing their ideas.

Local and Regional Government Change – LEPs/Replacement for RDAs

The Regional Development Agencies (RDAs) are in the final stages of closure and will cease to exist by March 2012. Delivery of the socio-economic elements of the Rural Development Programme for England (RDPE) came to Defra in July 2011 but is still being delivered locally.

Local Enterprise Partnerships have taken over as the main delivery body for economic development and, one year on, have become more established in this role. There are now 38 LEPs covering 98% of England with a couple more possibly in the pipeline. Quite a few of them were party to bidding for funds from the Regional Growth Fund and over 20 of them have/will have Enterprise Zones within their boundaries.

Defra has established good working relationships with the majority of LEPs and we host regular Round Table meetings focusing on policy priorities where LEPs will be key to local delivery such as growth in the rural economy, stimulating growth which is environmentally and socially sustainable as well as in economic terms and development of the farming, food and fisheries sectors. We value the local knowledge and experience that LEPs can bring to policy development and have, for instance, been involving them closely in the Rural Economy Growth Review. A number of others are working with EA and NE in developing an ecosystems toolkit to be used in economic decision making and others have expressed an interest in determining how they might work with Local Nature Partnerships when they form. On the ground, LEPs are already working in various ways with our arm's length bodies, for instance, on land use planning for Enterprise Zones.

Local Nature Partnerships

Local Nature Partnerships are a key commitment in the Natural Environment White Paper. LNPs are partnerships of stakeholders who will work at a strategic scale to improve the range of benefits and services we get from a healthy natural environment. We envisage about 50 LNPs forming, but are not being prescriptive about size and scale as we want people to form partnerships that make sense for the natural environment at a local level. Prospective partnerships can apply to become an LNP when applications open early in the New Year. We envisage the first LNPs being announced next summer. We are working closely with key stakeholders to develop the LNP concept and guidance for applicants. Further information can be found on the Defra website: <http://www.defra.gov.uk/environment/natural/whitepaper/local-nature-partnerships/>

Marine Strategy Framework Directive Update.

This is an update on the key milestones and events in the UK MSFD implementation plan between now and mid 2012 (table 1) and highlights recent progress at a regional/EU level.

A Statutory Instrument transposing the Marine Strategy Framework Directive into UK law came into force on 15th July 2010. This puts in place a clear legal framework to enable the Marine Strategy Framework Directive to be implemented in the UK.

Between now and 2012 the UK must establish exactly what Good Environmental Status (GES) means for our seas, and develop targets and indicators which are relevant for our waters to ensure we achieve GES at a national level.

The Centre for Ecology and Aquaculture Science (Cefas) and the Joint Nature Conservation Committee (JNCC) have, in conjunction with other key experts, developed technical advice to support Defra and the Devolved Administrations in finalising proposals for UK targets and indicators for GES.

A series of technical meetings have been held throughout 2011 to allow the wider stakeholder community an opportunity to feed into the development process, with attendees from industry and NGOs. The next opportunity for Stakeholders to shape the UK approach to meeting the requirements of the Directive will be through the formal consultation process which will begin in February 2012.

Key MSFD events and milestones.

Table 1.

Timing	Milestone Description
24th October 2011	MSFD Impact Assessment submitted to Regulatory Policy Committee (RPC) for clearance.
17th November 2011	UKMMAS Marine Assessment Reporting Group meeting to sign off UK Initial Assessment.
Beginning December 2011	Anticipated date for RPC clearance of UK Impact Assessment.
Early February	Formal Consultation begins on UK initial assessment,

2012	determination of GES and targets and indicators.
February 2012	Event/workshop to launch formal consultation (date tbc).
May 2012	Formal consultation ends. Responses analysed and appropriate amendments made to UK Initial Assessment, determination of GES and associated targets and indicators. Revised Impact Assessment produced.
July-September 2012	Submission of final UK 2012 deliverables to EU Commission.
July 2014	Establishment and implementation of a coordinated monitoring programme for the ongoing assessment of GES.
December 2015	Development of a programme of measures designed to achieve GES by 2020.
December 2016	Implementation of the programme of measures.

Regional/EU level progress.

OSPAR ICG COBAM will host a workshop on the 2-4th November 2011 in the Netherlands to facilitate a comparison of Contracting Parties indicators and associated targets for the MSFD biodiversity Descriptors (Biodiversity, Invasive Species, Food Webs, Seafloor Integrity).

OSPAR ICG-MSFD will hold a complimentary meeting over 13th-14th December 2011 in Madrid to facilitate the comparison of Contracting Parties determinations of GES and targets for the remaining Descriptors (Fish & Shellfish, Eutrophication, Hydrographical Conditions, Contaminants, Contaminants in Seafood, Litter, and Noise).

OSPAR ICG-SEA (socio-economic analysis) met on 13th October 2011 and reviewed and agreed the draft inception report for the regional project being undertaken by a consortium led by Eftec. The project is co-funded by a number of OSPAR countries including UK and comprises four main tasks:

1. overview of typologies of marine sectors and/or uses and definitions in national data sets
2. detailed sector analysis (of ports and shipping, and tourism and leisure)
3. assessment of availability and comparability of national data with recommendations for improvements; task includes an additional spatial analysis
4. regional overview of national information on use of marine water waters and cost of degradation.

A Common Understanding of the MSFD document has been drafted by a small subgroup of the EU WG-GES. It provides a shared interpretation across Member States of Articles 8, 9 and 10 of the Directive (Initial Assessment, Determination of GES, and Targets). This will be signed off by Marine Directors in December 2011.

The Commission organised a closed door meeting at the beginning of September for Member States to exchange thinking on targets and GES determinations. Only the Netherlands, Germany, Belgium, Finland, and the UK offered up any substantial examples for consideration however it did prove a useful opportunity to discuss other

Member States positions in more detail.

For any further information or if you have any queries on any aspects of MSFD Implementation please email naomi.matthiessen@defra.gsi.gov.uk

National Policy Statements

The Planning Act 2008 enables the production of National Policy Statements (NPS), which can be found at:

<http://www.legislation.gov.uk/ukpga/2008/29/introduction>

The draft **Waste Water NPS** provides a framework for decision making by the Infrastructure Planning Commission, or its successor, on waste water Nationally Significant Infrastructure Projects. It also provides information on two potential projects of national significance. These are a sewage treatment works scheme at Deephams in North East London and a waste water collection, storage and transfer tunnel (the Thames Tunnel).

Consultation on the draft Waste Water NPS, and its accompanying documents (Appraisal of Sustainability, Habitats Regulation Assessment, Impact Assessment and Equalities Impact Assessment) took place between 16 November 2010 and 22 February 2011. The NPS was also subject to Parliamentary scrutiny, as required under the Planning Act. A report was produced by the EFRA Select Committee on 5 April 2011, which can be found at:

<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmenvfru/736/73602.htm>

We are currently in the process of finalising the NPS, taking into account all of the EFRA Committee's recommendations together with the responses received as part of the public consultation. In accordance with the procedures in the Planning Act, we will respond to the EFRA Committee's recommendations by the end of this year when laying the final Waste Water NPS before Parliament for approval.

Defra is currently only producing two NPSs, the draft Waste Water NPS and the Hazardous Waste NPS.

Natural Environment White Paper

See separate update note

Nature Improvement Areas (NIAs)

What are NIAs?

The Natural Environment White Paper commits Government to assist partnerships of local authorities, local communities and landowners, the private sector and conservation organisations to establish new **Nature Improvement Areas**, based on a local assessment of opportunities for restoring and connecting nature on a significant scale.

Nature Improvement Areas are a new name for the "Ecological Restoration Zones" proposed by the [Making Space for Nature Review](#). Although the characteristics of Nature Improvement Areas will vary across the country according to what is possible and what is needed, these will be places where:

- opportunities to deliver ecological networks, both in terms of large area scale and valuable benefits accruing to wildlife and people, are particularly high;
- a shared vision exists among a wide partnership including statutory and voluntary sectors;
- significant enhancements of the network can be achieved over large areas by enlarging and enhancing existing wildlife sites, improving ecological connectivity and/or creating new sites;
- the surrounding land use is better integrated with the management of the ecological network; wildlife habitats and underpinning ecosystem processes are restored, helping to mitigate climate change impacts; and
- people are inspired by their enhanced experience of the outside world.

NIAs are fundamental to achieving the step change that is necessary for the creation of a coherent and resilient ecological network in England. Defra and its agencies are providing £7.5 million over the current spending review period towards a competition to fund 12 initial NIAs. These 12 will help us to understand what works and it is envisaged that they will inform how the approach could be rolled out more widely.

Latest News and next steps

The NIA competition was launched in July and a total of 76 applications were received, covering a wide area of England and including both a considerable range of landscapes and habitats (such as farmland, wetland, heathland, grassland, woodland and urban), and a range of types of partnerships including those led by farmers, NGOs, local authorities, National Parks, AONBs and national committees.

The judging panel, chaired by Professor Sir John Lawton, met on 21st October and selected the 20 applications to go forward to the next stage. These 20 first-stage winners are shown on the attached map below and listed in a table at the end. They represent a good geographical spread, range of habitat and landscape types, and partnerships.

See Map of NIA Applications

On Friday 4th November, we are holding a workshop for the 20 first-stage winners, to explain what we are looking for in their full business plans, to receive a presentation from the Heritage Lottery Fund, and to develop the monitoring and evaluation framework through which we will capture the learning from these 12 and apply it to roll out the approach more widely.

16th December is the deadline for submission of full business cases. By the end of January, the panel will short-list 15 bids for interview. In early February, the panel will receive presentations and select the final 12. By the end of February, the 12 winners will be announced and will be able to start work from 1st April 2012.

Applications through to the 2nd Stage of the NIA Competition

Title	Type Broad Description
Big Chalk NIA	Chalk Downland
Birmingham and Black Country Living Landscapes	Urban/wetland/River/heath
Cumbria Lakes to Fell	Lakes/Fells
Dearne Valley Green Heart NIA	Catchment/woodland
Greater Manchester Wetlands NIA	Wetland/Bog
Greater Thames Marshes NIA	Estuary/ Agri/Marsh/ Urban
Hampshire Farmers Linking Landscapes	Chalk Downland
Humberhead Levels NIA	Lowland wetland/peat
Marlborough Downs	Chalk Downland
Meres and Mosses of the Marches NIA	Wetland
Morcombe Bay Limestone & Wetlands	Limestone/wetland/grass
Nene Valley NIA	Post Ind/river/wetland
Northern Devon NIA	Catchment/woodland/grass
Plymouth Natural Network	Urban/Catchment/wood
South Downs Way Ahead NIA	Chalk Downland
The Dark Peak: Public and Private Lands Partnership	Peak District
The Lee Catchment NIA	Urban/wetland/River
Warwickshire Coventry & Solihull NIA	Wetland/wood/urban
Wild Purbeck	River/wetland/Heath/wood
Wye Valley NA	Catchment

New England Biodiversity Strategy

The Government signalled in *The Coalition: our programme for government* its view that much more needed to be done to protect biodiversity. In addition, during 2010, the UK agreed new EU and global biodiversity targets for 2020, recognising that the natural environment plays an important role underpinning our economy and contributing to our health and wellbeing.

Following up on these commitments, a new biodiversity strategy for England, entitled "*Biodiversity 2020: a strategy for England wildlife and ecosystem services*" was published in August 2011. This strategy will guide our conservation efforts in England over the next decade to 2020.

The new strategy is closely linked to the Government's Natural Environment White Paper (published in June 2011) which set out the government's vision for the natural environment for the next 50 years. The White Paper outlined the key elements of our approach to biodiversity issues. The strategy addresses these in more detail with a more specific focus on biodiversity, in the context of the international commitments.

The new strategy builds on the successful conservation work that has gone before, but

entails a shift in emphasis, moving towards a more effective, more innovative and more integrated landscape-scale approach to conservation, exemplified by the Nature Improvement Areas initiative. Another significant change, in line with the government's ambitions with regard to localism and Big Society, is recognising the need to put people at the heart of biodiversity policy, through engaging people and better valuing what nature does for us in decision-making. The strategy also identifies key issues to engage with, including water management.

The strategy sets an enabling framework for biodiversity action across England by partners at all levels.

Nitrates

NVZ Review

The Nitrates Directive requires Member States to review the extent of their NVZs and the effectiveness of their Action Programmes every four years and to make amendments as appropriate (i.e. revised NVZs, and reinforced or additional Action Programme measures). Work to review the method by which nitrate vulnerable zones are identified is now well under way. It is led by the Environment Agency and supported by a working group that includes academic experts and industry stakeholders. Substantive work on reviewing the Action Programme, which sets out what farmers need to do to reduce nitrate pollution, begins in early April with a workshop to which key stakeholders have been invited. We expect to consult on both new designations and a revised action programme in October 2011. Any changes to the Action Programme or designations will come into force from January 2013.

Non-Agricultural Diffuse Water Pollution

There will be an oral update at the Water Stakeholder Forum.

Ofwat Review

Defra's review of Ofwat, led independently by David Gray, was published in July 2011.

The review concluded that no major changes were needed to the structure of Ofwat. The regulator has contributed to considerable achievements in the 20 years since privatisation. However, the review recommended a number of changes to the existing regulatory framework to ensure Ofwat was fit to meet future challenges.

The most important of these were a need for Ofwat to reduce the regulatory burden whilst improving the incentives framework, and working in a more joined up way with the other regulators in the sector, the Environment Agency and the Drinking Water Inspectorate.

The review also looked at options on the future of consumer representation in the water sector. David Gray recommended that the functions of CCWater be retained, and preferably in CCWater. The review looked at the proposal from BIS to move consumer functions into Citizens Advice, but concluded the status quo held more benefits for consumers.

Government will respond officially to the review in the Water White Paper, but both Government and Ofwat have already started work on the recommendations.

You can view the review at <http://www.defra.gov.uk/news/2011/07/06/review-of-ofwat->

[published/](#)

Septic Tanks

We are conducting a review of the arrangements, introduced under the Environmental Permitting Regulations 2010, for householders to register their septic tanks for an exemption the requirement to obtain a permit by 1 January 2012. The review is in response to the views of many householders who have queried why registration is necessary and what benefits it brings.

The review will take a fresh look at the registration issue and establish what is the best approach for managing the environmental risks from the domestic sewage effluent from septic tanks and similar installations.

The review includes the Environment Agency holding a round of discussions with key players to identify a possible alternative approach. Defra is also planning a workshop with these and other interested stakeholders, probably in December.

Central to the review will be establishing how far the information that registration was designed to collect can be gathered without having to subject householders to the burden of supplying the information.

An essential outcome of the review will be to make available to septic tank owners in suitable way clear information about how to look after septic tanks and what controls they need to comply with.

The Environment Agency will report by the end of 2011 to the Minister, so that the Government can announce and launch for consultation whatever approach it wishes to propose going forward. New measure will need to be in place by December 2012.

Sewage Sludge

In October 2010 Defra received Commission proposals for a review Council Directive 86/278/EEC concerning the protection of the environment and in particular soil, when sewage sludge is used in agriculture. The key proposals are for: changes to heavy metal limits, widening the scope of the Directive to include bio-waste a ban on untreated sludge, more stringent time periods for grazing and fruit and vegetables, and pathogen standards for conventionally and enhanced treated sludge.

We now understand that work on the revision has been suspended and is awaiting results of a study now due in December. Based on the outcome of the study the Commission will decide whether to cancel or continue with the revision of the Directive. Once this is known Defra will take a view on whether changes to its own Sludge (Use in Agriculture) Regulations are necessary.

Earlier this year Defra contributed to a market study carried out by OFT on the behalf of Ofwat which aimed to gain an understanding of whether the market for organic waste treatment services, in particular the sewage sludge treatment sector, is working well and if not, what might be done to improve it. The OFT report has now been published and in the near future Defra will be discussing with Ofwat the recommendations of the report.

Shellfish Waters Directive

We have completed a review of shellfish water designations, as a result of which we

have designated six new shellfish waters, 10 shellfish waters have been extended, there have been two mergers, each of two existing shellfish waters, and four shellfish waters were dedesignated.

The Environment Agency prepares and updates pollution reduction plans for all 98 bathing waters in England. These outline the necessary improvements within each water. There are a significant number of improvements; combined sewer overflow monitoring and investigations included in water company business plans for the next five years. They also continue to examine and address diffuse sources where necessary.

The Directive will be repealed by the Water Framework Directive in Dec 2013 and we are funding research into how best to develop a microbial standard which will help maintain the same level of protection under WFD as the Shellfish Waters Directive.

Sustainable Drainage Systems

There will be an oral update at the Water Stakeholder Forum.

The Canal & River Trust

On 14 October 2010, the Government announced its proposal to transfer the powers, duties and assets of British Waterways in England and Wales into a new, independent 'national trust' for the waterways. The new waterways charity will be called the Canal & River Trust (CRT).

The intention is to give waterways users, and the communities that live alongside them, a greater involvement in how they are managed. Moving the waterways to a new civil society body will achieve this by giving key stakeholders a role in the governance of the waterways, and enabling them to bring their expertise and passion to the organisation. There will be a raft of opportunities for those with an interest in the waterways to become more involved at a community level, as volunteers or members of waterways partnerships, or at a national level as members of the Council or even Trustees.

The move should also improve the long term financial sustainability of the waterways, by offering new opportunities for growing income from private and commercial sources, efficiencies, and growth in volunteering to help maintain and develop heritage, environmental and amenity assets. Government is committed to a sustainable future for our inland waterways, and is currently negotiating with the Transition Trustees to agree a long term funding agreement for the new charity.

The Government intends to take a phased approach to delivery of this vision, with British Waterways' canals, rivers, docks and reservoirs in England and Wales transferred into the CRT in April 2012, subject to parliamentary consent and time, and the inclusion of the EA navigations in 2015/16 subject to affordability and the agreement of the Trustees. Scotland has decided that its canals, and British Waterways Scotland, will remain in the public sector.

A public consultation on the proposals took place between March and September. Following a positive response to this consultation, the Government confirmed its commitment to the creation of the CRT and in September launched a supplementary consultation on the detail of the Order to transfer the statutory duties of British Waterways to the CRT. Government is currently considering the responses to that consultation.

Water Resource Management Plans

It is a statutory duty on the 21 water companies based mainly or wholly in England to produce Water Resource Management Plans. The current Plans cover the period 2010 to 2035 and describe how each company aims to secure a sustainable demand-supply balance over this period. Water companies should follow a „twin track“ approach to managing supplies, where demand management alone may not secure future water supplies and some new or enhanced supply eg a reservoir may be necessary. Demand management includes consideration of leakage management as well as water efficiency measures, metering etc.

The draft Plans were consulted on in 2008, following which each water company prepared a statement of response to the representations received on its Plan. The Secretary of State announced decisions on the next steps for the Plans in 2009. In reaching those decisions, consideration was given to the draft Plans, responses received on the public consultations and the statements of response as well as technical advice from the Environment Agency. The Secretary of State agreed that 18 of the 21 Plans could be finalised for publication and all 18 have now been published.

Of the remaining three, the Secretary of State concluded there were issues that should be given further consideration in public. Public inquiries into the South East Water and Thames Water plans were held in summer 2010. The Secretary of State has subsequently directed changes to the South East Water plan, which was published in December 2010, and asked for technical advice on the further work needed on the Thames Water plan before it can be published. Portsmouth Water, the subject of the remaining plan, updated its draft Plan and restarted the statutory process by consulting on that updated draft, rather than go forward with a public inquiry. That consultation has finished and Portsmouth Water has now submitted its statement of response to the representations made and the Secretary of State will now consider the next steps for the plan.

Now that the first statutory round is nearing its conclusion, Defra is undertaking a review of the water resources management plan process. The review will identify opportunities to reduce costs and burdens and ensure a better alignment with Ofwat’s periodic review process. The review report will be produced by early April and placed on Defra’s website.

Water White Paper

The Water White Paper will be published in December and is a key commitment in the Department’s Structural Reform Plan. The Water White paper will look at:

- Abstraction reform;
- Our new approach to improving water quality;
- How the water planning framework will ensure resilient infrastructure;
- Market reform;
- Affordability for householders; and
- The actions that society can take.

WFD Funding

In April this year, the Secretary of State announced that £92 million will be provided over the next four years to improve the health of our rivers, lakes and estuaries and help achieve our aims under the Water Framework Directive.

We are allocating the funding to delivery partners which includes the Environment Agency, Natural England, the Coal Authority, the Rivers Trust and the Wildlife Trusts.

All projects will contribute to bringing water bodies to Good Status and are over and above measures in River Basin Management Plans. In the case of Natural England's projects, there is particular attention focused on water bodies within SSSIs, SACs and Natura 2000 sites.

WFD Invasive Non-native Species

As part of the WFD funding, Defra has allocated £5 million to fund projects which deliver against Water Framework Directive targets on non-native species in England. This fund will support research into understanding and managing aquatic invasive non-native species. These projects include, for example, research into the management of non-native crayfish and the development of bio-control agents for some of the most invasive aquatic weeds. A significant proportion of the fund will also be allocated to community groups who coordinate and take action on invasive non-native species locally. In 2011/12 Over £250,000 has been allocated to projects across England. Finally, some of the fund will be used to promote good practice and encourage responsible behaviours in the aquatic environment.

EU strategy on Invasive Non-native Species

The Commission is developing a EU Strategy on Invasive Alien Species, this is expected to be in the form of a wide-ranging Directive proposal in quarter 3 of 2012. In considering what such a strategy might look like, the Commission has enhanced the information it has from various consultants reports by running 3 technical working groups involving a range of interests. UK representatives (Govt and otherwise) maximised the UK contribution by volunteering as lead or co-authors for over half of the 9 final papers. Those working groups have now completed their task and reported on the CIRCA public website. The Commission is planning an online stakeholder consultation for quarter 1 of 2012.

WFD Catchment Restoration Fund

We are also making progress on developing the Catchment Restoration Fund – the mechanism through which we will provide funding to not-for-profit organisations to help deliver additional new projects in England to meet our WFD objectives. The Fund is set to run for three years from next April with projects established from April 2012.