

# Autumn Performance Report 2005



**defra**

Department for Environment  
Food and Rural Affairs



# Department for Environment, Food and Rural Affairs

## **Autumn Performance Report 2005**

Presented to Parliament by the Secretary of State  
for Environment, Food and Rural Affairs  
by Command of Her Majesty  
December 2005

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## Foreword



This is the first opportunity that Defra has had to report against its Public Service Agreement (PSA) targets developed as part of the 2004 Spending Review. These targets were set out in my Five Year Strategy which was published in December 2004. Each of our PSA targets supports the delivery of Defra's strategic priorities which supports our aim of sustainable development. Some examples of the progress we have made include:

- **Sustainable development** - To support the establishment of the new UK Government Sustainable Development Strategy, *Securing the Future*, a revised set of indicators of sustainable development has been

established. These revised indicators will support the four priority areas of sustainable consumption and production, climate change and energy, protecting and enhancing our natural resources and the environment, and creating sustainable communities for a fairer world.

- **Climate Change and energy** - Throughout the year, the UK has held the Presidency of the G8 group and has focussed on two main themes – Africa and Climate Change. The UK has also held the Presidency of the European Union from July. The G8 group agreed on the need to make substantial reductions in greenhouse gases, and on a plan to exploit the cleaner technologies to meet our energy needs and safeguard the climate. The G8 group has committed to continue the dialogue beyond the Summit, including reaching out to the major emerging economies.

I was pleased to announce that in July, the Government launched a consultation on its proposals for the second phase of the EU Emissions Trading Scheme (EU ETS). This phase of the EU ETS will run from 2008 until 2012 and coincides with the first Kyoto commitment period. Emissions trading is central to UK and wider European action to tackle climate change. It gives industry an incentive to reduce carbon dioxide emissions, whilst enabling them to do so at least cost.

Closer to home the state of the local environment is a priority for many people and Defra is committed to securing cleaner streets, less litter and fly-tipping and fewer abandoned cars. The Clean Neighbourhoods and Environment Act provides local



authorities and other agencies with new powers to deal with the types of anti-social behaviour that degrade the environment. Provisions on litter, abandoned and nuisance cars and fly-tipping are now in force, and we intend to bring most of the other measures in the Act into force from April 2006.

- **Sustainable consumption and production** - The Government set out its waste strategy for England in Waste Strategy 2000. Since its publication five years ago the waste management landscape has considerably changed and Defra is currently undertaking a review of the strategy in the light of progress made and remaining challenges. This review will offer a clearer longer-term vision for waste and resource management as part of the Government's drive for sustainable development. Through the review, we will be able to reassess assumptions that have been made about costs, growth in waste and potentially achievable recovery and recycling rates based on new data, advancements in technology and a better understanding of environmental, economic and social impacts. The strategy will set out the Government's vision and strategic direction on waste for the next 15 or more years, as well as the policies and actions to deliver the strategy.
- **Protecting the countryside and natural resource protection** - I was pleased that a new right of access to open country was achieved across England on 31 October. This means that Defra is two months early in meeting its 2002 Spending Review Public Service Agreement target to open up public access to mountain, moor, heath and down and registered common land by the end of 2005.
- **Sustainable rural communities** – We are also continuing to help rural communities. For example, the England Rural Development Programme's annual report, published in August, shows that we continue to make substantial progress towards realising the ambitious environmental, social and economic outcomes envisaged in the programme. Among its many achievements were over 2000 full time equivalent jobs created or sustained under new Rural Enterprise Scheme projects.
- **Sustainable farming and food sector including animal health and welfare** - Agriculture has seen its biggest change in 30 years with Defra leading progress on rationalising and re-structuring the Common Agricultural Policy (CAP). English farmers have shown that with flexibility and innovation, reform of the CAP can and has worked. Defra is to spend more than £1 million over the next three years on a new Agriculture Change and Environment Observatory Programme which will monitor the effects of the CAP reform on the environment.

Earlier this year the new agri-environment scheme, Environmental Stewardship was launched. This will allow every farmer in England to earn payments for undertaking environmental management of the land. The scheme will offer further incentives to farmers encouraging them to convert to organic production methods.

On 14 October the Animal Health and Welfare Bill was published. This will be the most significant animal welfare legislation for nearly a century. Among other things the Bill introduces a duty on owners and keepers of all vertebrates - not just farmed ones - to ensure the welfare of those in their care.

These are challenging times for the Department to maintain the good work already achieved against our ambitious agenda, but I am confident that we can continue to make real progress in achieving our strategic priorities and meeting our PSA targets.

A handwritten signature in black ink that reads "Margaret Beckett". The script is cursive and fluid, with the first letter of each word being capitalized and larger than the others.

**Rt Hon Margaret Beckett MP**  
**Secretary of State for Environment, Food and Rural Affairs**

the 1990s, the number of people with diabetes has increased in all industrialized countries. In the Netherlands, the prevalence of diabetes is 6.5% (1). The prevalence of diabetes is expected to increase further in the next decades (2).

Diabetes is a chronic disease with a high prevalence. The prevalence of diabetes is 6.5% in the Netherlands, which is 1.5% higher than in the United States (3). The prevalence of diabetes is 10% in the United Kingdom (4). The prevalence of diabetes is 12% in the United States (5). The prevalence of diabetes is 15% in the United Kingdom (6). The prevalence of diabetes is 18% in the United States (7).

The prevalence of diabetes is 20% in the United Kingdom (8). The prevalence of diabetes is 25% in the United States (9). The prevalence of diabetes is 30% in the United Kingdom (10). The prevalence of diabetes is 35% in the United States (11). The prevalence of diabetes is 40% in the United Kingdom (12). The prevalence of diabetes is 45% in the United States (13).

The prevalence of diabetes is 50% in the United Kingdom (14). The prevalence of diabetes is 55% in the United States (15). The prevalence of diabetes is 60% in the United Kingdom (16). The prevalence of diabetes is 65% in the United States (17). The prevalence of diabetes is 70% in the United Kingdom (18). The prevalence of diabetes is 75% in the United States (19).

The prevalence of diabetes is 80% in the United Kingdom (20). The prevalence of diabetes is 85% in the United States (21). The prevalence of diabetes is 90% in the United Kingdom (22). The prevalence of diabetes is 95% in the United States (23). The prevalence of diabetes is 100% in the United Kingdom (24). The prevalence of diabetes is 105% in the United States (25).

The prevalence of diabetes is 110% in the United Kingdom (26). The prevalence of diabetes is 115% in the United States (27). The prevalence of diabetes is 120% in the United Kingdom (28). The prevalence of diabetes is 125% in the United States (29). The prevalence of diabetes is 130% in the United Kingdom (30). The prevalence of diabetes is 135% in the United States (31).

The prevalence of diabetes is 140% in the United Kingdom (32). The prevalence of diabetes is 145% in the United States (33). The prevalence of diabetes is 150% in the United Kingdom (34). The prevalence of diabetes is 155% in the United States (35). The prevalence of diabetes is 160% in the United Kingdom (36). The prevalence of diabetes is 165% in the United States (37).

The prevalence of diabetes is 170% in the United Kingdom (38). The prevalence of diabetes is 175% in the United States (39). The prevalence of diabetes is 180% in the United Kingdom (40). The prevalence of diabetes is 185% in the United States (41). The prevalence of diabetes is 190% in the United Kingdom (42). The prevalence of diabetes is 195% in the United States (43).

The prevalence of diabetes is 200% in the United Kingdom (44). The prevalence of diabetes is 205% in the United States (45). The prevalence of diabetes is 210% in the United Kingdom (46). The prevalence of diabetes is 215% in the United States (47). The prevalence of diabetes is 220% in the United Kingdom (48). The prevalence of diabetes is 225% in the United States (49).

The prevalence of diabetes is 230% in the United Kingdom (50). The prevalence of diabetes is 235% in the United States (51). The prevalence of diabetes is 240% in the United Kingdom (52). The prevalence of diabetes is 245% in the United States (53). The prevalence of diabetes is 250% in the United Kingdom (54). The prevalence of diabetes is 255% in the United States (55).

# Executive Summary

Defra's Autumn Performance Report (Cm 6692) sets out its progress against the Public Service Agreement targets reached under the 2004 Spending Review. More detailed reporting on this, and other areas of the Departmental business, will be published in Defra's 2006 Departmental Report.

## Chapter 1

In Chapter 1, the Department's key aim and strategic priorities are set out highlighting how Defra works for the essentials of life - food, air, land, water, people, animals and plants. The report looks at Defra's vision for the future and how its values, structure and ability to work with others will enable Defra to achieve its aim and strategic priorities. In particular it highlights that the pursuit of sustainable development, environmental, economic and social, is vital to achieving this vision. Underpinning the overall aim of sustainable development, Defra has agreed five strategic priorities which will achieve a range of outcomes which together will make a difference in these areas, climate change and energy; sustainable consumption and production; protecting the countryside and natural resource protection; sustainable rural communities; and a sustainable farming and food sector including animal health and welfare.

## Chapter 2

This chapter sets out Defra's progress<sup>1</sup> in delivering its aim and 2004 Spending Review Public Service Agreement targets by reference to the Department's strategic priorities.

### Sustainable Development

Defra's overarching aim is to promote sustainable development across Government and the country as a whole, measured by achieving positive trends in the Government's headline indicators of sustainable development.

The recent launch of the new *UK Sustainable Development Framework* and *UK Sustainable Development Strategy* (UKSDS) has helped to define clearly the shared priorities for action that need to be developed over the coming years to create the best conditions for success. The key challenge to successful delivery of this target is meaningful integration of concepts of sustainable development into all Government activities. This challenge is addressed in the UKSDS which contains over 200 commitments, owned by Defra and departments across

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<sup>1</sup> The Department also provides regular on-line updates against its the 2002 Spending Review targets. These can be found on HM Treasury's website at: [www.hm-treasury.gov.uk/performance/](http://www.hm-treasury.gov.uk/performance/). Updates for the 2004 Spending Review will be available when the 2002 Spending Review period ends.

## Executive Summary

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Government, which cover a broad span of topics. Defra's intention is that the commitments will be challenging for Government to deliver but that their successful implementation will mean that the agenda for sustainable development has been significantly advanced.

The Government is introducing a new set of high-level indicators: the UK Framework Indicators to give an overview of sustainable development and the priority areas shared across the UK.<sup>2</sup>

### Climate Change and energy

In conjunction with the Department of Trade and Industry (DTI) and Department for Transport (DfT), Defra is striving to improve the environment and the sustainable use of natural resources, including through the use of energy saving technologies, to help reduce greenhouse gas emissions and carbon dioxide emissions. We are on course to meet the Department's Kyoto target for reducing carbon dioxide levels and are moving toward the domestic goal of a 20 per cent reduction by 2010.

With DfT, Defra is also working to improve air quality by meeting the *National Air Quality Strategy* objectives for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3-butadiene. Defra is broadly on course to meet most of the Public Service Agreement air quality targets as a result of measures by central Government and local authorities but to build on this and to help achieve this target, additional measures may be needed to move towards closing the gap through a number of processes, including reviews of the *Air Quality Strategy* and the Climate Change Programme.

The Climate Change Programme is currently being reviewed to consider what additional policies are needed to put Government on track to meet emission reduction targets. The high level cross-Government project board which is managing the process will continue to function after the review to help drive forward policies to reduce emissions in all policy areas.

Defra continues to work with local authorities to help tackle air quality. Over 150 authorities in England have designated Air Quality Management Areas<sup>3</sup> and, so far, 100 authorities have prepared action plans setting out proposals to tackle the problems.

### Sustainable consumption and production

In September 2003, Defra and DTI jointly published the *UK Government Framework for Sustainable Consumption and Production, Changing Patterns*. This has been an important step in taking forward the World Summit on Sustainable Development (WSSD) commitment on the sustainable consumption and production (SCP) theme. It is a cross-cutting agenda which will closely inform other key areas of the Department's work, such as sustainable energy, the protection of natural resources and the food chain.

For example, Defra's 2002 Spending Review (SR2002) Public Service Agreement target is to enable 25 per cent of household waste to be recycled or composted by 2005-06. For the

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<sup>2</sup> More information on the new Sustainable Development Indicators and future updates on progress can be found at: <http://www.sustainable-development.gov.uk/performance/indicators-home.htm>

<sup>3</sup> Further information can be found at <http://www.airquality.co.uk/archive/index.php>

2004 Spending Review (SR2004) Public Service Agreement target this has been expanded to read “with further improvement by 2008.” This is a challenging target and a number of measures have been implemented to help achieve it including the set up of the Waste Implementation Programme (WIP) and the Waste and Resources Action Programme (WRAP). WIP’s objective is to divert biodegradable municipal waste away from landfill to help reach one of the requirements of the Landfill Directive<sup>4</sup>. WRAP is a major UK programme established to promote resource efficiency. Its main focus is on creating stable and efficient markets for recycled materials and products and removing the barriers to waste minimisation, re-use and recycling.

Defra has been and is continuing to step up the range of support services it offers to local authorities, and the acceleration of the national rate of recycling and composting confirms that the 25 per cent target is within reach.

### Protecting our natural resources

The Government’s *Rural Strategy 2004* published in July 2004 sets out the Government’s decision to establish Natural England; a powerful, independent agency<sup>5</sup> to protect and enhance our natural heritage while at the same time helping people benefit from a high quality environment, through improving access to our green space – including for recreation, health and learning. Natural England, to be formed from English Nature, the Countryside Agency and the Rural Development Service, will build on the strengths of the existing organisations to help deliver Public Service Agreement target 3.

#### *Reverse the decline in farmland birds*

The farmland birds target is a long-term programme with many factors that will influence its achievement. Reversing the decline in farmland birds is viewed as a measurable surrogate for conserving wildlife in the so-called wider countryside, for example the vast bulk of the countryside that lies outside of designated nature conservation sites such as Sites of Special Scientific Interest (SSSIs) and nature reserves.

#### *Protect Sites of Special Scientific Interest (SSSIs)*

The condition of SSSIs is a key indicator of the success of Defra’s biodiversity strategy, and a wider indicator of environmental sustainability. As such, the condition of SSSIs is an indicator for the *UK Sustainable Development Strategy*<sup>6</sup>, Defra’s *Sustainable Development Strategy*<sup>7</sup> and the *Strategy for Sustainable Food and Farming*<sup>8</sup>, as well as the *England Biodiversity Strategy*.

There are over 4,000 SSSIs in England covering over 1 million hectares of land<sup>9</sup>. SSSIs are notified under section 28 of the Wildlife and Countryside Act 1981, as amended by the Countryside and Rights of Way Act 2000, and range in size from less than half a hectare to over 63,000 hectares. On the basis of condition assessments completed at the end of September 2005, the percentage of the total SSSI area in target condition was 68.42 per cent up from 67.4 per cent in March 2005.

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<sup>4</sup> <http://www.defra.gov.uk/environment/waste/topics/landfill-dir/>

<sup>5</sup> <http://www.defra.gov.uk/rural/ruraldelivery/natural-england.htm>

<sup>6</sup> *A Better Quality of Life*. [http://www.sustainable-development.gov.uk/uk\\_strategy/content.htm](http://www.sustainable-development.gov.uk/uk_strategy/content.htm)

<sup>7</sup> *Foundations for Our Future*. <http://www.defra.gov.uk/corporate/sdstrategy/default.htm>

<sup>8</sup> *Facing the Future*. <http://www.defra.gov.uk/farm/sustain/newstrategy/index.htm>

<sup>9</sup> 4,117 SSSIs covering 1,072,537.66 hectares [www.english-nature.org.uk](http://www.english-nature.org.uk)

### Sustainable rural communities

The challenges facing rural England are many and diverse. Whilst most areas are economically thriving – benefiting from good communications, access to markets and a skilled labour force, and attracting new jobs and services – there are also some that are lagging behind. In relatively prosperous areas, there are also many individuals and households who face social exclusion, especially because of poor access to services and affordable housing. Equally, whilst the countryside remains rural England's greatest treasure, valued by everybody, in many areas there are pressures on natural resources.

As a response to the challenges and changes facing rural England, in July 2004, the Government announced its new devolved and targeted approach to rural policy and delivery. *Rural Strategy 2004* takes as its starting point the vision of sustainable rural communities first set out in the *Rural White Paper 2000* and identifies the key priorities for rural communities and for enhancing our natural environment, together with radical reforms to the delivery of Defra's policies. The new approach is based on devolving decisions and action closer to rural communities, targeting greater resources at areas of greatest need, and working in partnership at national, regional and local level.

*Rural Strategy 2004* is a significant step forward in rural policy terms and provided the underpinning context for Defra's work on sustainable rural communities in the latter part of 2004-05. It will continue to inform its rural policy for the next three to five years and the modernised delivery arrangements that will drive progress forward.

### Sustainable farming and food sector including animal health and welfare

This covers three of Defra's strategic priorities: to promote a sustainable, competitive and safe food supply chain which meets consumers' requirements; to promote sustainable, diverse, modern and adaptable farming through domestic and international actions; and to ensure high standards of animal health and welfare.

#### *Reform of the Common Agricultural Policy*

On 26 June 2003, Agriculture and Fisheries Ministers reached agreement on reform of the Common Agricultural Policy (CAP). It breaks the link between the vast bulk of direct payments and production. It introduces modulation, for the first time on an EU-wide basis, switching support from production subsidies to targeted support for environmental and rural development objectives. Defra will also be using the current review of the EU Rural Development Regulation to press for a greater transfer of funding from subsidy payments to environmental and rural development schemes. The Government will continue to create and use opportunities such as these to press for reforms which reduce the cost and increase the value of the CAP. The CAP reform will simplify the application arrangements for subsidy payments by replacing ten major CAP payment schemes with one new single payment. Farmers will have greater freedom to farm to the demands of the market as subsidies will be decoupled from production. At the same time, environmentally friendly farming practices will be better acknowledged and rewarded. The implementation of the CAP reform is central to England's *Strategy for Sustainable Farming and Food*.

### *Sustainable farming and food*

The Government's Strategy for *Sustainable Farming and Food: Facing the Future*, sets out how industry, Government and consumers can work together to secure a profitable and internationally competitive future for our farming and food industries, while contributing to a better environment, improving nutrition and public health and encouraging prosperous communities.

During 2005, key achievements include:

- significant progress on implementation of CAP reforms which is breaking the link between subsidies and production;
- the new agri-environment scheme, Environmental Stewardship was launched;
- the System Preview of the Whole Farm Approach was launched in September 2005 by Lord Bach with the first release of the live system due to be rolled out in February 2006; and
- continuation of work to develop an optimal package of measures for tackling diffuse water pollution from agriculture, with consultation planned in 2006.

### *Our steps to protect public health and ensure high standards of animal health and welfare*

The Bovine Spongiform Encephalopathy (BSE) epidemic continues to show a steady decline. The continued effective control of BSE is also reflected in the UK Government's major decision to replace the Over Thirty Month (OTM) rule with a system of robust BSE testing with effect from the 7 November 2005, allowing all healthy cattle born after August 1996 into the food chain.

The National Scrapie Plan (NSP) for Great Britain is a strategic long-term plan which consists of a breeding programme to increase the number of sheep that genetically are naturally resistant to Transmissible Spongiform Encephalopathies (TSEs)<sup>10</sup> e.g. scrapie. This breeding programme consists of different NSP schemes and initiatives.

On 1 March 2005 the Department published a strategic framework for the sustainable control of the Bovine TB disease in Great Britain<sup>11</sup>. The framework aims to develop a new partnership, applying the principles of the *Animal Health and Welfare Strategy* so that Government and stakeholders can work together constructively to reduce the economic impact of bovine TB and maintain public health protection and animal health and welfare.

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<sup>10</sup> <http://www.defra.gov.uk/animalh/bse/othertses/index.html>

<sup>11</sup> <http://www.defra.gov.uk/animalh/tb/strategy/newstrategy.htm>



### Efficiency Programme

The Efficiency Programme has been established to help the Defra family deliver the efficiency targets set as part of the settlement of 2004 Spending Review. By the end of financial year 2007-08, Defra will deliver financial efficiencies of £610 million and staff efficiencies of 2,400. The £610 million is a mixture of cash releasing efficiencies and productivity gains. They include £299 million in efficiencies from local authorities through waste services (for which Defra has policy responsibility).

The efficiencies were identified from the Gershon Cross-Departmental Review of Efficiency, which ran alongside the 2004 Spending Review and informed the settlement. They will be delivered from change initiatives being undertaken across the Defra family (e.g. Modernising Rural Delivery, Policy Centre Reform Programme, and Corporate Centre activity such as Transforming-HR, and the Rural Payments Agency Change Programme).

The Efficiency Programme works with the programme taking forward the recommendations of the Lyons Review on Relocation. This review, which was also part of the 2004 Spending Review, set a target for Defra to relocate 390 posts out of London and the South East by 2007-08.

During 2004-05, Defra delivered financial efficiencies of £110 million (of which £52 million was delivered by Local Authorities through efficiencies in environmental services). The Departmental Report, published in June 2005, identified £41 million of efficiency savings, however data has since been updated to reflect end-year outturns.

# Aim, strategic priorities and Departmental structure

Defra works for the essentials of life - food, air, land, water, people, animals and plants. Our success matters to everyone. The Department's remit is the pursuit of sustainable development - bringing together economic, social and environmental concerns. Therefore, Defra:

- brings together policy for the environment, rural matters, farming and food production;
- has responsibility for rural strategy, including social, economic and environmental aspects; and
- has roles in both European Union and global policy making, so that its work has a strong international dimension.

## Aim

Defra's aim is sustainable development, which means a better quality of life for everyone, now and for generations to come, including:

- a better environment at home and internationally and sustainable use of natural resources;
- economic prosperity through sustainable farming, fishing, food, water and other industries that meet consumers' requirements; and
- thriving economies and communities in rural areas and a countryside for all to enjoy.

### Strategic Priorities

Defra has five strategic priorities which underpin its overarching aim of promoting sustainable development. Ministers have agreed that, to make progress against these strategic priorities, it will be necessary to secure a number of key outcomes<sup>12</sup>, the majority of which are expressed as Public Service Agreement targets:

- **Climate change and energy** – making a full contribution, domestically and internationally, to addressing the long-term threats presented by climate change and unsustainable energy use, and to ensure adequate mitigation of the consequences which are already unavoidable;
- **Sustainable consumption and production** - breaking the link between economic growth and environmental degradation and resource use through promoting and enabling more sustainable patterns of consumption and production;
- **Protecting the countryside and natural resource protection** - creating a robust policy framework and evidence base in order to promote the sustainable use and enhancement of the country's natural heritage and ecosystems;
- **Sustainable rural communities** - encouraging sustainable regeneration in disadvantaged rural areas, promoting social inclusions and reducing deprivation, ensuring higher quality, more accessible public services to rural communities; and
- **A sustainable farming and food sector including animal health and welfare** - helping create a sustainable food and farming supply chain serving the market and the environment; putting in place systems to reduce risks of animal diseases; and being ready to control them when they occur.

In addition, the Department recognises that a significant part of its work is concerned with preparedness for emergencies and contingencies.

### Five Year Strategy

Defra's *Five Year Strategy, Delivering the Essentials of Life*<sup>13</sup> builds on the work the Department has been doing for some time to progressively clarify the department's purpose, and defining its priorities. The strategy identifies the priorities the Department will need to achieve over the next five years and beyond. Its themes and outcomes are in line with the Public Service Agreement<sup>14</sup> targets agreed in the 2004 Spending Review. The document sets out areas where additional emphasis is needed and where, if Defra is to make real progress, it needs to go further than Public Service Agreement targets (an example is the sustainable balance between supply and demand for water, where the Department has clear objectives but no Public Service Agreement target).

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<sup>12</sup> Outcomes sought under each strategic priority can be found in Annex B of the *Five Year Strategy*.

<sup>13</sup> The *Five Year Strategy* can be found on the Defra website at: <http://www.defra.gov.uk/corporate/5year-strategy/5yearstrategy.pdf>

<sup>14</sup> Details of which can be found online at: [www.defra.gov.uk/corporate/busplan/busplan.htm](http://www.defra.gov.uk/corporate/busplan/busplan.htm)

Defra's strategy will make a difference in two main ways: through environmental leadership and putting sustainable development into practice – in its key areas of supporting rural communities, and implementing the *Strategy for Sustainable Farming and Food* and in its role as the Government's champion of sustainable development. The Department will continue to take action and provide leadership locally, nationally and globally; not least by embedding the principles of sustainable development into all aspects of Government, and by making it easier for individuals and businesses to behave more sustainably. The Department also recognises the importance of its role in emergency planning and protecting the nation from threats such as flooding and animal disease and also the key role it will play in taking forward the Government's better regulation agenda.

### Vision

Defra's vision of the future is of a world in which climate change and environmental degradation are recognised and addressed by all nations and where low carbon emissions and efficient use of environmental resources are at the heart of our whole way of life. A future where, here in the UK, rural communities are diverse, economically and environmentally viable, and socially inclusive with high quality public services and real opportunities for all. A country where the food, fishing and farming industries work closely together with Government and are not dependent on output-related subsidies to produce safe, nutritious food which contributes positively to consumer choice and the health of the whole nation. A place where the land is managed in such a way as to recognise its many functions, from production through to recreation; where we seek to promote biodiversity on land and in our seas; and where the promotion of animal welfare and protection against animal disease is at the core of the way in which we farm and live. The pursuit of sustainable development, which means a better quality of life for everyone, now and for generations to come, is central to achieving this vision.

### Values

Our values are:

- **DIVERSITY.** We treat everyone fairly and encourage, value and recognise everyone's views and contributions;
- **EMPOWERMENT.** We give information, authority and trust to people so that they can make decisions and manage risks. We take personal responsibility for what we do and work creatively, embrace change and learn from successes and mistakes, constantly striving for improvement. We invest in our people and develop their potential;

## Chapter 1

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- **FOCUS.** Defra is focused on providing a high quality and efficient service to our customers. We plan our operations and policies carefully and base our policies on evidence;
- **RELATIONSHIPS.** We work with energy, enthusiasm, courtesy and consideration and value leadership and teamwork at all levels. We work together across the different parts of Defra, and we work in partnership with others, both within and outside Government, knowing that what we do makes a difference to people's lives; and
- **ACCESSIBILITY.** We work openly, honestly and with integrity and we share information with each other and our stakeholders.

### Organisational structure

To deliver Defra's agenda, it is essential that the Department works collaboratively and openly across organisational boundaries. In order to ensure that Defra focus on the five strategic priorities it is seeking to achieve, work is organised on a mixture of a programme and project management basis (with individual Senior Responsible Owners and Programme/Project Managers with clear accountabilities) and line/functional management (with senior managers ensuring that the staff under their direct responsibility work effectively with colleagues across the Department and outside).

The Secretary of State and her Ministers work closely with officials in setting a clear strategic direction for the Department, evaluating and monitoring performance. Clear leadership is provided by the Permanent Secretary and her Management Board who act collectively in terms of the overall management of the Department, with an emphasis on robust planning, performance and governance.

### Accountability

There are three main pillars of the Department's accountability arrangements:

- the Secretary of State has overall statutory and political accountability to Parliament for all matters associated with the Department. She determines the policy framework within which the Department operates, agrees the Department's role in meeting the Government's objectives and is accountable (with colleagues where appropriate) for delivery of the Department's Public Service Agreement;
- the Permanent Secretary as Head of the Department and Principal Accounting Officer has personal responsibility for the overall organisation, management and staffing of the Department and for Department-wide procedures in financial and other matters. The Accounting Officer has personal responsibility for the propriety and regularity of the public finances for which she is accountable; and

- the Management Board (chaired by the Permanent Secretary) is responsible for corporate strategic leadership of the Department. Managers and staff at all levels have the responsibility for delivering the Department's strategic priorities.

### Planning for delivery

Defra is placing considerable emphasis on the development of robust Delivery Plans which spell out how Public Service Agreement targets will be achieved and how progress towards them will be measured. The Delivery Plans aim to build capacity to deliver through the implementation and use of best practice and Programme and Project Management (PPM).

Delivery Plans and the adoption of PPM techniques are a major development in the way the Department operates. The Delivery Planning process helps each area to focus on key priorities, governance and stakeholder interests, risk, and methods of measuring progress. These plans enable areas to demonstrate the anticipated progress or trend towards the achievement of the target in a graphical format. They can be easily monitored and evaluated during implementation.

Delivery Plans are internal working documents and as such are subject to constant revision and change and in general are not published.<sup>15</sup> However, Defra's Delivery Plans are monitored on a regular basis and performance is monitored at bi-monthly stocktakes between the Senior Responsible Owner of the target and either the Permanent Secretary or the relevant member of the Management Board and also through six monthly delivery reports with HM Treasury.

### Our delivery strategy

Defra is developing a new Delivery Strategy. The focus of the core Department is to define policy outcomes and then to secure their delivery through other bodies.

To enable better delivery of our policies, the Delivery Strategy is helping the Department to build new relationships across the Defra family, across Government, and with the voluntary sector. These relationships are both of direct ownership and sponsorship (Non-Departmental Public Bodies such as the Environment Agency and English Nature, Executive Agencies like the Rural Payments Agency and the Central Science Laboratory) and of indirect sponsorship, partnership and influence (regional and local government, other government departments like the Department of Health, and the Office of the Deputy Prime Minister).

More detail on how these relationships help us to deliver Defra's strategic priorities can be found under individual Public Service Agreement targets in Chapter 2 of the Report. Chapter 2 also specifically explores the way the Department works with regional Government and local authorities.

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<sup>15</sup> With the exception of our flood defence delivery plans: <http://www.defra.gov.uk/environ/fcd/policy/sda26dp.pdf> and <http://www.defra.gov.uk/environ/fcd/policy/sda28dp.pdf>

# The Department's Ministers



### **Rt Hon Margaret Beckett MP, Secretary of State for Environment, Food and Rural Affairs**

As Secretary of State, the Rt Hon Margaret Beckett MP has overall responsibility for all Departmental issues on the environment, food (including agriculture, horticulture and fisheries) and rural affairs. Mrs Beckett represents the UK at the EU Agriculture and Fisheries Council and at the EU Environment Council. She leads for the UK in international negotiations on sustainable development and climate change.



### **Elliot Morley MP, Minister of State for Climate Change and the Environment.**

He is responsible for:

Climate change; Global and Marine Biodiversity (including OSPAR); Genetically Modified Organisms; Policy on agri-environment, including relevant aspects of the England Rural Development Programme; Waste (including incineration issues); Radioactive Substances; Chair of Green Ministers (ENV(G)); Environment Agency; Water; Floods and Coastal Defence; Lead responsibility for Business Continuity and Resilience; Horizontal Environmental Issues.



### **Jim Knight MP, Minister for Rural Affairs, Landscape and Biodiversity.**

He is responsible for:

Sustainable Rural Communities; Commission for Rural Communities; Natural Environment and Rural Communities (NERC) Bill; Natural England; Rural Development Service (RDS); England Rural Development Programme (ERDP); Natural Resource Protection and Rural Service Delivery; Global and national biodiversity (including Convention on International Trade in Endangered Species (CITES) and Convention on Biological Diversity (CBD)); National Parks; Areas of Outstanding Natural Beauty (AONBs); Sites of Special Scientific Interest (SSSIs); Horse Issues; Forestry; Access; Rights of way; Common land (incl. Commons Bill); Inland Waterways; British Waterways; UK spokesperson at Fisheries part of Agriculture and Fisheries Council during EU Presidency.



### **Lord Bach, Minister for Sustainable Farming and Food**

He is responsible for:

Sustainable farming and food strategy; Common Agriculture Policy (CAP); Rural Payments Agency (RPA); Agri-environment; Trade issues; Food industry; Levy bodies; Non-food crops (including biomass); Organics; Plant health; Plant varieties and seeds; Departmental science (including Central Science Laboratory (CSL) and Centre for Environment, Fisheries and Aquaculture Science (CEFAS)); Chemicals; Pesticides; Pesticides Safety Directorate (PSD); Nano-technology; Kew; Covent Garden Market Authority; Regulation; Departmental administration/efficiency (Gershon)/e-business/Freedom of Information.



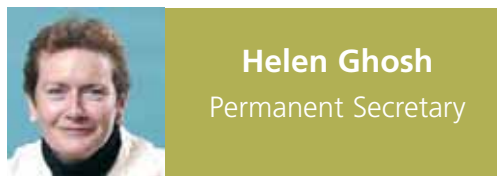
### **Ben Bradshaw MP – Minister for Local Environment, Marine and Animal Welfare**

He is responsible for:

Air quality and noise; Animal Health and Welfare Strategy; Animal Welfare Bill; Fisheries; Lead role on planning; Regional and local Government issues; Local environmental quality; Marine issues (including Marine Bill and OSPAR; marine nature conservation and whaling); State Veterinary Service (SVS); Veterinary Laboratories Agency (VLA); Veterinary Medicines Directorate (VMD); Waste; Departmental Green Minister; UK spokesperson at Agriculture Council and Chair of Fisheries part of Council during EU Presidency.



# The Department's Management Board



**Bill Stow**  
Director General,  
Environment



**Andy Lebrecht**  
Director General,  
Sustainable Farming,  
Food and Fisheries



**Ursula Brennan**  
Director General,  
Natural Resources and  
Rural Affairs



**Donald Macrae**  
Solicitor and Director General,  
Legal Services



**Andrew Burchell**  
Chief Operating  
Officer



**Debby Reynolds**  
Chief Veterinary Officer and  
Director General, Animal  
Health and Welfare

## Aim, strategic priorities and Departmental structure

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**Ian Gattidge**

Director Finance, Planning  
and Resources



**Prof. Howard Dalton**

Chief Scientific Adviser  
Director General  
Science, Economics and Statistics  
Science Head of Profession



**Francesca Okosi**

Director  
Improvement and Delivery Group



**Mark Addison**

Director General



**Bill Griffiths**

Non-executive  
Director



**Elizabeth Ransom**

Non-executive  
Director



**Johnston McNeill<sup>16</sup>**

Non-executive  
Director

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<sup>16</sup> Johnston McNeill's appointment to the Board is to strengthen the representation on the Board of people with skills in operational delivery, and process excellence. It is also in keeping with the proposals for Corporate Governance in central government departments, that recommend that the Board should consider appointing as members of the Departmental Board one or more senior officials from significant agencies or any non-departmental public bodies (NDPBs) through which it conducts its business.



# Progress against our 2004 Spending Review Public Service Agreement targets

This chapter reports on the Department's nine 2004 Spending Review Public Service Agreement targets. In line with the 2005 Departmental Report (Cm 6537, June) Defra has brigaded reporting for each Public Service Agreement target as these relate to the Department's strategic priorities. Underneath each Public Service Agreement target there is a current assessment against progress. For a short overview of the Department's progress against our current Public Service Agreement targets please see Appendix 6.

*Defra's central aim is sustainable development - defined as 'development which enables all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations'.*

## Promoting sustainable development

**Public Service Agreement target 1: To promote sustainable development across Government and in the UK and internationally, as measured by:**

- the achievement of positive trends in the Government's headline indicators of sustainable development;
- the UK's progress towards delivering the World Summit on Sustainable Development commitments, notably in the areas of sustainable consumption and production, chemicals, biodiversity, oceans, fisheries and agriculture; and
- progress towards internationally agreed commitments to tackle climate change.

## Chapter 2

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Sustainable development is a Government-wide priority, on which Defra leads and champions.<sup>17</sup> In addition, Defra contributes to international discussion and action on sustainable development issues.

Elements of the 2004 Spending Review target carried over from the 2002 target on domestic promotion of sustainable development are on course with progress in line with plans and expectations.

The 2004 Spending Review target has been expanded to include international sustainable development and climate change commitments for which no assessment of progress has yet been made. A full assessment for all elements of the target will be based on trend analysis of a new indicator set and achievement of *UK Sustainable Development Strategy* commitments. Fully updated data to support this assessment will not be available until late 2006.

Defra's Public Service Agreement on sustainable development for the period 2005-08 provides fuller coverage of the key areas of the Department's work that contribute towards achievement of sustainable development.

Three areas of Defra's work now make up the target. These are:

- Domestic sustainable development - delivery of the commitments contained in the new *UK Government Sustainable Development Strategy*<sup>18</sup>; and progress as measured by a new indicator set;
- International sustainable development – delivery of commitments made at the World Summit on Sustainable Development (WSSD) in the six key areas on which Defra leads; and
- Climate Change – delivery of international commitments.

### Revised UK Sustainable Development Framework and Strategy

The recent launch of the new *UK Sustainable Development Framework* and *UK Sustainable Development Strategy (UKSDS)* has helped to define clearly the shared priorities for action that need to be developed over the coming years to create the best conditions for success. The key challenge to successful delivery of this target is meaningful integration of concepts of sustainable development into all Government activities. This challenge is addressed in the UKSDS which contains over 200 commitments, owned by Defra and departments across Government, which cover a broad span of topics. Defra's intention is that the commitments will be challenging for Government to deliver but that their successful implementation will mean that the agenda for sustainable development has been significantly advanced.

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<sup>17</sup> The Government's sustainable development website can be found at: [www.sustainable-development.gov.uk](http://www.sustainable-development.gov.uk)

<sup>18</sup> *Securing the future – delivering UK sustainable development* <http://www.sustainable-development.gov.uk/publications/uk-strategy/uk-strategy-2005.htm>

### *Performance*

For a short overview of progress towards achieving this target please see Appendix 6<sup>19</sup>. The structure of this chapter is based on the UKSDS which provides the basis for delivery of this target. The UKSDS sets out what the UK Government proposes to do in the areas for which it retains responsibility across the UK and for England.

The four priority areas for UK action are:

- sustainable consumption and production;
- climate change and energy;
- natural resource protection and environmental enhancement; and
- sustainable communities.

Climate change and energy and natural resource protection issues are covered by Defra's Public Service Agreement targets 2 and 3 and are addressed later in this chapter.

### **Sustainable Development Programme Board**

The Sustainable Development Programme Board will oversee delivery of the UKSDS and its commitments whilst also acting as the programme board for Public Service Agreement target 1. The Board comprises senior officials from the departments most closely involved in the development of sustainable development policy and its delivery.

The Board's terms of reference are:

- to ensure consistency of implementation;
- to provide assurance on delivery;
- to provide a network of sustainable development champions within and between departments;
- to identify priority areas, to prevent unnecessary duplication between departments;
- to monitor, at an early stage, key areas of upcoming/developing policy with a significant impact on the sustainable development agenda;

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<sup>19</sup> The Department has produced a revised and updated Delivery Plan for its sustainable development target, which resolves a comment made by the Efra select committee on the absence of an up-to-date plan for the previous 2002 Spending Review target. It is intended that the new Delivery Plan will be regularly updated as activities to implement strategy and international commitments become more defined. The plan includes details on how the Department will continue to deliver on its World Summit on Sustainable Development and international climate change commitments.

## Chapter 2

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- to discuss key cross-cutting themes, such as the proposed Comprehensive Spending Review, the better regulation/efficiency agenda and policy appraisal; and
- to provide oversight of progress towards delivery of Defra's sustainable development Public Service Agreement target, including domestic, international and climate change aspects.

### Sustainable consumption and production

In September 2003, Defra and the Department of Trade and Industry (DTI) jointly published *Changing Patterns, the UK Government framework for sustainable consumption and production*. This sets out how the UK is taking forward commitments on sustainable consumption and production (SCP) agreed at the World Summit on Sustainable Development (WSSD) in 2002 through the pursuit of four key policy objectives:

- 'decoupling' economic growth and environmental degradation;
- focusing policy on the most important environmental impacts associated with the use of particular resources, rather than the total level of all resource use;
- increasing productivity of material and energy use, as part of the Government commitment to increase the productivity of the nation; and
- encouraging and enabling active and informed individual and corporate consumers who practice more sustainable consumption.

Both the Department's *Five Year Strategy* and the new *Sustainable Development Strategy: Securing the Future* build on *Changing Patterns* by detailing how Defra will achieve these objectives through actions to promote:

- better products and services, which reduce the environmental impacts from the use of energy, resources or hazardous substances;
- cleaner, more efficient production processes which strengthen competitiveness; and
- shifts in consumption towards goods and services with lower impacts.

Good progress is being made in efforts to deliver **better products and services** through agreement of an European Union (EU) Framework Directive on the Eco-design of Energy-using Products; expansion of the Market Transformation Programme through increased funding provided by the Business Resource Efficiency and Waste Programme (BREW); and conclusions from the Advisory Committee on Consumer Products and the Environment (ACCPE) on its proposals for a dedicated 'products body', on which the Department will be consulting later this year. Defra is also working with others across the EU and internationally

to build international co-operation on product policy and rising product standards, including through the creation of an international products taskforce.

Alongside the ongoing intelligent use of regulation and economic instruments to promote **cleaner, more efficient production processes, which strengthen competitiveness**, BREW is funding a range of activity which aims to help businesses become more profitable through better management of resources, energy and waste. Defra is on target to manage £284 million funding through this programme over the next three years. In August, Defra launched with DTI a new Sector Sustainability Challenge to support collaborative projects focused on taking forward sector or supply-chain initiatives to put sustainable consumption and production into practice.

Our efforts to **shift consumption towards goods and services with lower impacts** focussed on action in three key areas:

- 'Environment Direct' - a web-based information service which will offer consumers advice on the impacts of different goods and services and how to make sustainable consumption choices. An initial scoping study has been completed but, Defra has yet to agree an operating model with Ministers and identify a suitable source of funding. The Department aim to launch the service in late 2006;
- developing and building consensus around a practical vision of sustainable consumption through the work of the Round-table on Sustainable Consumption (jointly led by the Sustainable Development Commission and the National Consumer Council), which is on schedule to report its findings in March 2006; and
- through a refocussed Environmental Action Fund, funding of £6.75 million over three years is supporting 35 voluntary sector organisations to deliver community level projects focussed on changing behaviours towards sustainable consumption outcomes.

Underpinning all Defra's activity has been a focus on strengthening the evidence base. The Department is on track to fund approximately £1 million of projects this year on the key areas of: scale of challenge and environmental limits; consumption; competitiveness; economic analysis; food; and sustainable procurement.

In tracking policy outcomes, Defra has developed in consultation with stakeholders a basket of SCP 'decoupling' indicators<sup>20</sup>. These currently show a broadly positive picture of decoupling across the economy with only four exceptions:

- water use (abstractions from non-tidal surface water and groundwater sources);
- farmland birds<sup>21</sup>;

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<sup>20</sup> [http://www.defra.gov.uk/environment/statistics/scp/download/scp\\_rpt200506.pdf](http://www.defra.gov.uk/environment/statistics/scp/download/scp_rpt200506.pdf)

<sup>21</sup> Information on farmland birds is contained later in this chapter.



## Chapter 2

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- CO<sub>2</sub> emissions from construction and mining; and
- greenhouse gas emissions from international aviation bunkers.

Defra has made a commitment to update these indicators three times a year, whilst continuing to develop approaches for evaluating the direct impacts of the Department's policy activities.

During 2004-05 Defra has continued to strengthen its arrangements for delivering SCP policy goals, including through the creation of a structured programme of work and a robust governance structure to provide assurance to Defra's Management Board and Sustainable Development Strategy Programme Board about progress. An SCP Programme Board has been established consisting of Directors from across Defra and representatives from DTI, the Environment Agency and the Sustainable Development Commission (SDC). A balanced scorecard for the programme is in place which provides information to the programme board on the status of results, the quality of management processes, people in the programme and effectiveness of stakeholder engagement.

The biggest risk to programme delivery arises from the potential for growing consumption of goods and services to outweigh any environmental improvements from cleaner products and production systems, and the difficulties inherent in changing these patterns of consumption. The programme's focus on strengthening the evidence base in all areas, the monitoring of decoupling indicators and ongoing concerted action around the areas of promoting sustainable consumption, products and production, are intended to mitigate this risk.

Defra work jointly with DTI across all areas with either Defra or DTI taking a lead in each initiative. DTI are represented on the programme board and there are regular bi-laterals between Director Generals. The Environment Agency also has a key role in this agenda and is also represented on the programme board. An action plan has been agreed between respective policy leads in the Agency and Defra, progress against which is monitored on a quarterly basis.

### Sustainable Procurement

As described in *Securing the Future*, Margaret Beckett and John Healy have established a business-led Sustainable Procurement Task Force under the chair of Sir Neville Simms, Chairman of International Power plc. Its main task is to develop a national action plan that will enable the UK to be recognised as among the European Union (EU) leaders in sustainable procurement by 2009. The Taskforce is on target to report in April 2006.

Defra has overseen the establishment of a central point of expertise on timber (CPET) that is providing free advice and guidance for the public sector and its supply chains. This supplements the work already done, with support from Department for International Development (DfID), Foreign and Commonwealth Office (FCO), the Forestry Commission, the UK timber trade and environmental non-governmental organisations (ENGOS), to promote the purchase of legal and sustainable timber by public authorities at home and abroad. The international timber market is responding positively to this shift in demand.

Defra has continued to lead on the public sector food procurement initiative (PSFPI) which is encouraging public bodies, farmers, food producers and caterers to collaborate on the production and consumption of more nutritious and sustainable food. A combination of promotional events, workshops, production of a catering toolkit, pilot projects and case studies is beginning to bear fruit. Central departments are implementing food procurement action plans and initiatives by the Department of Health (DH) and the Department for Education and Skills (DfES) are ensuring that PSFPI objectives are being built into their initiatives to improve catering operations in hospitals and schools. Defra ensures that this work is co-ordinated by chairing an implementation group comprising representatives of the English public sector.

Defra is also leading on EU work to measure and assess 'green' public procurement, with the aim of setting an EU-wide benchmark target to encourage the average performance by 2010 to match that of today's best performers.

### International Climate Change

The key climate change commitment in the UKSDS was to launch the revised UK Climate Change Programme in Summer 2005<sup>22</sup>. This Public Service Agreement target also includes work to deliver international climate change commitments and specifically UKSDS commitments in this area. The revised Programme will be published in early 2006 to take account of the contents of the Pre-Budget Report.

The Kyoto Protocol came into effect on 16 February 2005, after significant high-level lobbying of the Russian Federation by the UK. It provides the first ever framework for international action with binding emissions limitation or reduction targets to begin to tackle this global problem. Under the first commitment period of the Kyoto Protocol, the UK must reduce its greenhouse gas emissions by 12.5 per cent below base year<sup>23</sup> levels by 2008-12.

The first commitment period under the Kyoto Protocol may only reduce global emissions by 1 to 2 per cent below the business as usual scenario without the United States on board. However, the first commitment period is only a first step in the right direction. Ultimately, a wider, more comprehensive approach is needed.

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<sup>22</sup> Information on Climate Change can be found later in this chapter.

<sup>23</sup> The base year used to determine progress towards the UK's Kyoto Protocol target is made up of 1990 data for carbon dioxide, methane and nitrous oxide, and in accordance with Article 3.8 of the Protocol, parties can use either 1990 or 1995 data for the fluorinated gases (hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride).

Global participation is the most effective way to reduce the cost of action, such as through the development of new technologies that increase the likelihood of avoiding dangerous interference with the climate. The United States and the major developing country emitters must be involved, consistent with the United Nations Framework Convention on Climate Change (UNFCCC) principles of equity and the common but differentiated responsibilities of countries, and any future framework for action is likely to need greater flexibility to recognise the diverse circumstances of the nations involved.

The 10th Conference of the Parties (COP) in Buenos Aires in December 2004 provided a first step to delivering these objectives by agreeing both to hold a Seminar of Government Experts (SOGE) in May 2005 to discuss future action and also to implement an action plan on adaptation, particularly for more vulnerable countries. The SOGE was held in Bonn on the 16-17 of May, and helped to identify a range of important questions to be addressed on actions beyond 2012. Most importantly, many Parties expressed a willingness to address these questions in a formal context – a number of developing countries referred to the need for a ‘Montreal Mandate’ to kick off formal negotiations on the post-2012 climate regime. The UK and EU are keen to ensure that the momentum generated by the SOGE is used to set up a more formal process to discuss the post-2012 regime at the next COP in Montreal, Canada.

The UK holds the Presidency of G8 throughout 2005, and the Prime Minister has made climate change a major theme, with the prime objective being to raise the profile of climate change as a matter deserving the urgent attention of Heads of Government in the G8 and outside it, and promote an international consensus on the need for further action to control emissions.

The Prime Minister, in his speech to the World Economic Forum in Davos, Switzerland, stated three broad aims for the UK’s presidency to tackle climate change:

- to set a direction of travel. Whether because of the risks associated with climate change or related issues of security of energy supply, there is a need to send a clear signal that whilst we continue to analyse the science we are united in moving in the direction of greenhouse gas reductions;
- to develop a package of practical measures, largely focused on technology, to cut emissions of greenhouse gases; and
- to engage countries outside the G8, like China and India, on how their growing energy needs can be met sustainably and how they can adapt to the impacts of climate change.

There has been unprecedented scientific, political and public debate about climate change this year. For example, the National Science Academies from all the G8 countries along with China, India and Brazil issued a joint statement in June highlighting the global consensus on the science and urged governments 'to identify cost-effective steps that can be taken now to contribute to substantial and long-term reduction in net global greenhouse gas emissions'.

### **Climate Change Related Events**

The International Scientific Steering Committee of the Stabilisation conference produced a report that summarises the scientific findings presented, which can be found on the conference website<sup>24</sup>. A book containing the scientific findings presented at the conference will be published by Cambridge University Press in December 2005, and was launched in December 2005 at the Eleventh Conference of the Parties to the UNFCCC in Montreal.

### **Energy and Environment Ministerial Roundtable**

As part of the UK's climate change activities in 2005, Defra co-hosted with DTI on 15-16 March an Energy and Environment Ministerial Roundtable in London. Ministers from around 20 countries including all G8 countries, China, India, Brazil, South Africa and Mexico, attended and considered the scale of energy demand over the next 50 years and identified the international and national policy drivers which exist to meet these needs through investment in lower carbon energy systems. Despite different national circumstances, Ministers shared many common goals of energy and environment policy which included:

- creating the conditions for economic development and poverty eradication by improving the accessibility and affordability of modern energy services;
- providing security of supply with energy systems that are resilient, reliable and diversified; and
- protecting local and global environmental quality, including addressing greenhouse gas emissions.

Ministers identified as a priority the need to establish clear, long-term national policy frameworks in order to mobilise investment from the private sector in lower carbon technologies. The co-Chairs' summary is available on the Defra website<sup>25</sup>.

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<sup>24</sup> <http://www.stabilisation2005.com/outcomes.html>

<sup>25</sup> <http://www.defra.gov.uk/corporate/international/energy-env/pdf/eemr-cochairs.pdf>

### **Workshop on Innovation and Research into Energy**

As a follow up to the Evian Action Plan the UK hosted a Workshop on Innovation and Research into Energy on 11-12 May 2005 in Oxford. Energy researchers from the G8 and the 5 emerging economies met to discuss ways to improve international collaboration on cleaner energy. The meeting was well attended with most countries fielding a mix of government officials and technical experts. The workshop was broadly split into two parts, the first considering the general role of collaboration in the efforts to develop new technologies - including the efficacy of existing efforts, how they could be improved and any need for new networks. The second part looked into specific technology areas to consider the role of existing or potential collaboration in that area. The output of the workshop was a summary note that made recommendations for how international collaboration could be improved to facilitate development and subsequent take-up of low-carbon energy technologies.

The G8 summit in Gleneagles, Scotland concluded on 8 July 2005 with an agreement that included:

- a statement on the importance of climate change, including an agreement that human activity does contribute to climate change. It also agreed that greenhouse gas emissions need to slow, peak and reverse and that we need to act to make 'substantial cuts' in emissions. In addition the G8 agreed to 'act with resolve and urgency now';
- a package of actions to combat climate change. Building on existing work in order to increase the speed with which greenhouse gas emissions are reduced. The package includes improvements to energy efficiency in both appliances and buildings, cleaner vehicles, aviation, work on developing cleaner fuels, renewable energy and promoting research and development and the financing of future projects. In order to assist with this the G8 has engaged with the International Energy Agency (IEA) and asked them to undertake further work on actions to reduce emissions and improve funding for clean technologies in developing countries; and
- agreement to a new dialogue on Climate Change, Clean Energy and Sustainable Development between G8 countries and other interested countries with significant energy needs. The dialogue will allow continued, more informal discussion of the issues around climate change and measures to tackle it, such as those agreed at Gleneagles. This dialogue will also help create the condition for more constructive negotiations within the United Nations (UN) framework.

### **The Dialogue on Climate Change, Clean Energy and Sustainable Development**

At Gleneagles the G8 countries committed to an ongoing Dialogue on Climate Change, Clean Energy and Sustainable Development. The first Ministerial meeting was held on the 1 November 2005 in London. 20 countries with growing and significant energy needs met to discuss options for moving towards a more sustainable and secure energy future. The meeting also highlighted the progress made in implementing the Gleneagles Plan of Action since the G8 Summit in July.

The meeting shaped the further work to be carried out under the Dialogue by the partner countries and international and regional institutions, such as the World Bank and the International Energy Agency.

The Dialogue Partners agreed to work together on:

- deployment of clean technologies, such as renewable energy technology and carbon capture and storage, to put global emissions on a path to slow, peak and decline;
- incentives for large scale private sector investment in low carbon technologies, working with the World Bank;
- a new model for cooperation between developed and developing countries, as put forward by China, India, Brazil, South Africa and Mexico at Gleneagles; and
- reinforcing action on adapting to the impacts of climate change.

The discussions set the scene for constructive discussions on strengthening international action on climate change at the Montreal UN Climate Conference, which was held in December 2005, and looked forward to the Russian Government's focus on energy under their G8 Presidency in 2006.

### **The Most Environmentally Sustainable G8 Presidency**

Minimising the environmental impact of presidency activity and offsetting carbon emissions were important priorities for the UK's G8 Presidency. This was broken down into two parts: minimising, as far as possible, the environmental impact, including the carbon emissions associated with our Presidency; and offsetting those unavoidable emissions e.g. flights by delegates to the UK. The Foreign and Commonwealth Office focussed on three key areas: procurement, transport and governance. The strategy included using high occupancy and clean-fuelled vehicles to transport delegates, encouraging media and non-government organisations to use buses and sourcing Fair-trade or local produce for the G8 Summit.

The UK Presidency was the first to have its emissions offset, which, in conjunction with minimising the environmental impact, resulted in the most sustainable G8 Presidency to date.

The discussions at Gleneagles included a session with the Heads of Government from Brazil, Mexico, South Africa, China and India. Following this meeting the outreach countries issued a joint statement for international cooperation on climate change for the future. This was the first time leaders from other countries outside of the G8 were invited to a G8 Summit. This is particularly significant on climate change, as these countries are set to have very substantial rises in their emissions as they develop and their economies grow.

The UK has been using its Presidency of the European Union (EU) in the second half of 2005 to continue to engage with key international partners. To this end, climate change was on the agenda of the EU summits with China and India which resulted in the successful agreement of the EU-China Partnership on climate change and the EU-India Initiative on clean development and climate change. Of particular note, within the EU-China Partnership is the UK-led near Zero Emissions Coal (nZEC) project, which aims to develop and demonstrate in China and the EU advanced, near-zero emissions coal technology based on carbon capture and storage by 2020 (the UK will contribute £3.5 million – Defra £3 million, DTI £0.5 million – to the first phase of the project). The EU-Russia summit was an excellent chance to consider what experiences can be shared with regard to the implementation of the Kyoto Protocol, to ensure that its mechanisms are up and running as soon as possible. The UK Presidency will also continue discussions on the development of an EU medium-term and long-term strategy for tackling climate change. This will support discussions at the 11th Conference of the Parties to the United Nations Framework Convention in 2005 on further international action to combat climate change. Details of this will be available in the 2006 Departmental Report.

### Engaging developing countries

Positive engagement with developing countries is key to the success of any international action to address climate change. With a rapid growth in greenhouse gas emissions, emerging economies such as China and India will play an increasingly important role in global efforts to tackle climate change. Moreover progress with the US is likely to remain stalled without some indication that these major economies are prepared to take on commitments to minimise greenhouse gas emissions at some point in the future.

Defra has been heavily involved in engaging with key developing countries, notably in 2005 through the inclusion of Brazil, China, India, Mexico and South Africa at Gleneagles, and through the EU-China and EU-India Summits.

Defra has also been working to strengthen bilateral relations, particularly with India and China. As part of this Defra is supporting a number of projects that follow up the Department's commitments and political statements with concrete actions.

Developing countries are particularly vulnerable to the impacts of climate change. It is important that the international community assists these countries in coping with climate risks and adapting to longer-term climate change. Furthermore, a number of developing countries are increasingly linking this agenda with international efforts to reduce greenhouse gas emissions. Defra initiated the March 2005 G8 Environment and Development Ministerial meeting, which focussed on Africa and Climate Change issues, and was underpinned by a joint Defra/Department for International Development study on climate change in Africa. Defra demonstrated further commitment to this agenda by announcing £400,000 funding over the next 3 years for an initiative to develop Africa's scientific capacity to identify and manage climate risks.

### Adaptation to climate change in the UK<sup>26</sup>

Defra's *Five Year Strategy* highlighted the strategic importance that the Department will place on adapting to climate change over the next five years. In particular, it announced the Department's intention to launch a *UK Adaptation Policy Framework (APF)* in 2005 to draw together efforts on adaptation to climate change across Government. The first phase of the *APF* has been under development and a consultation to identify existing activity to adapt to climate change across government, at regional and local levels, and among stakeholder organisations took place in November 2005. A research study into objective-setting for adaptation policy is underway. A research study *Linking adaptation research and practice* was completed for Defra in July 2005. It found that within every sector investigated adaptation was already happening, albeit at an early 'capacity-building' stage. However, it also indicated that weather impacts or climate change itself often have only a minor influence on adaptation compared to other drivers for change, such as cost-savings or regulation. To date there appear to have been very few adaptations undertaken solely in response to expected climate change. These findings reinforce our approach that adaptation to climate change must be built into many different policies and programmes, alongside all of the other drivers that influence behaviour.

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<sup>26</sup> Under the United Nations Framework Convention on Climate Change (Article 4.1 (b)), all Parties have a requirement to formulate, implement, publish and regularly update national and where appropriate, regional programme containing measures to facilitate adequate adaptation to climate change.



### **Assessing the impacts of climate change in the UK**

The UK Climate Impacts Programme (UKCIP) was set up by Government in 1997 to co-ordinate a stakeholder-led assessment of the impacts of climate change at regional and national level and to help organisations prepare for the impacts. From an initial focus the assessment of impacts, UKCIP has had an increasing role in helping organisations move towards adaptation action.

*Measuring Progress* was published by UKCIP in June 2005 – this report integrated findings from all UKCIP studies to date, identifying key impacts in sectors and regions, and discussing emerging evidence of progress in adaptation. The *Changing Climate for Business* report was also launched, reviewing the experiences of UKCIP's pilot project with a select group of trade associations and professional bodies, and introducing a new programme of work with the business sector, including the 'Business Areas Climate Impact Assessment Tool'.

The third UKCIP User Forum was held on 1 November in Birmingham. It brought together researchers and decision-makers to hear of new advances in studies of the impacts of climate change and of practical progress on adaptation action. Delegates were involved in a number of workshop sessions, providing input in to the development of new initiatives like Defra's cross-regional research programme, the new UK climate change scenarios and developing the business case for local authorities to consider adaptation.

The day concluded with a report from Charlotte Harper, Severn Trent Plc and Chair of Sustainability West Midlands Climate Change Partnership on the work ongoing in planning and agriculture within the partnership.

### **Supporting adaptation in other countries**

Environment and Agriculture Ministers from across Europe - EU Member States, accession countries (Bulgaria and Romania), candidate countries (Turkey and Croatia) along with those from European Economic Area (EEA) countries (Iceland, Norway and Liechtenstein) attended the first ever joint Ministerial informal meeting of the two groups in London over the weekend of 9 - 12 September.

The joint discussion on climate change and agriculture focused on the significant challenges and opportunities that climate change presents to European agriculture, and examined agriculture's role in reducing greenhouse gas emissions.

Defra funds collaborative research on the impacts of climate change in developing countries to help them assess their vulnerability to the adverse effects of climate change.

Defra has been working with the Chinese Ministry of Science and Technology (MoST) to develop a national assessment of the impacts of climate change on Chinese agriculture. The first phase of this collaborative project was completed in May 2004. A second phase of the project was launched in September 2005. The new phase of the study will explore the effect of climate change on water availability and the impact of this on projected crop yields, as well as further refining estimates from phase 1 and carrying out regional scale work.

Defra also funded a collaborative research programme with the Indian Ministry of Environment and Forests (MoEF) to develop a national assessment of the impacts of climate change in India. The programme involved eight Indian institutes that worked to assess the impacts of climate change on sea level variability, water resources, forests, agriculture, health, energy, industry and transport infrastructure. Key sheets on the project's main findings were published in September 2005 and can be found on the Defra website<sup>27</sup>. Full technical reports from the project will be made available in 2006.

### International Sustainable Development

In 2002, Margaret Beckett led for the UK Government at the World Summit on Sustainable Development (WSSD). World leaders underlined their commitment to global sustainable development and called for a step change from words to action. Since 2002 Defra, along with other government departments, has worked to deliver and to accelerate delivery of those commitments arising from the Summit.

Defra Ministers took the lead in a number of United Nations (UN) meetings. These include the United Nations Environmental Programme (UNEP) Governing Council /Global Ministerial Environment Forum, during which there were useful discussions on poverty and environment links. The Commission on Sustainable Development 13 (CSD13) in April 2005 agreed prioritised measures for making further progress on the Millennium Development Goals (MDGs) and WSSD commitments on water, sanitation and human settlements. CSD13 also transmitted a clear message to the September 2005 Millennium Review Summit on the importance of environmental sustainability to international development, and the complementarity's of WSSD and MDG goals.

The overall outcome of the Millennium Review Summit on environmental and sustainable development issues was broadly positive, with much of the Gleneagles Summit language on climate change being endorsed. There was useful language on environmental governance, which provides an opportunity for the further strengthening of UNEP, including the EU's proposal for a specialised agency or United Nations Environmental Organisation (UNEO), and Commitment by UN members to support developing country efforts to implement national strategies to achieve the MDGs including MDG7 on environmental sustainability.

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<sup>27</sup> <http://www.defra.gov.uk/environment/climatechange/impacts-india/index.htm>

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In June 2005 Defra published updated plans for delivering on its commitments arising from the WSSD. These plans are an update to those published in May 2004 and cover the WSSD commitments where Defra has responsibility for leading UK policy: Agriculture; Chemicals; Fisheries; International Biodiversity; Oceans; and Sustainable Consumption and Production. The plans set out the intermediate steps needed to meet the longer term aims. They also outline progress so far<sup>28</sup>. This has included:

- publication of *Securing the Benefits* – the joint UK response to the Prime Minister’s Strategy Unit report on the future of the fishing industry in the UK. The response sets out the work of the four fisheries administrations to achieve the aim of a fishing sector that is sustainable and profitable and supports strong local communities, managed effectively as an integral part of coherent policies for the marine environment; and
- contribution as the UK Presidency to the development of the Strategic Approach to International Chemicals Management through UNEP. This agreement was developed further in September 2005 and will be formally finalised and adopted internationally in February 2006.

Work taking place across government on international sustainable development was brought together in the UKSDS. This is summarised in a table of the UK’s international priorities for sustainable development primarily arising from WSSD, Doha, Monterrey and the Millennium Development Goals. The table, which will be used for monitoring purposes, includes aims, lead departments and sources of information.<sup>29</sup>

The UKSDS also announced the launch of a new Defra fund to accelerate delivery of the WSSD commitments. The £10 million WSSD Implementation Fund will fund three strands of work over the next three years:

- establishing high level sustainable development dialogues (SDDs) with rapidly developing countries (India and China in the first instance). These will build on, and provide a framework for, existing country-level activities as well as identify new areas of collaboration;
- using and promoting multi-stakeholder partnerships as a means of implementation<sup>30</sup>. As part of this work a new Learning Network on partnerships has been established for officials across Government; and
- identifying opportunities to accelerate international delivery of WSSD commitments on which Defra leads.

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<sup>28</sup> <http://www.sustainable-development.gov.uk/delivery/global-local/international/wssd/deliveryplans2005.htm>

<sup>29</sup> <http://www.sustainable-development.gov.uk/delivery/international/index.htm>

<sup>30</sup> <http://www.sustainable-development.gov.uk/delivery/global-local/international/partnerships/partnerships.htm>

## Natural Resources and Enhancing the Environment

### *Approach to the protection and enhancement of UK natural resources*

The UKSDS committed Defra to work with stakeholders to develop a clear vision and coherent approach for the UK to the protection and enhancement of natural resources by the end of 2005. Ministerial approval has now been secured for developing this approach and vision. These will be published towards the end of December 2005 / early 2006.

### *The establishment of Natural England and the Commission for Rural Communities through the NERC Bill*

The Natural Environment and Rural Communities (NERC) Bill was subject to pre-legislative scrutiny early in 2005 and was introduced into the House of Commons in May. The Bill completed its Commons stages in October and received its Lords Second Reading on 7 November 2005. Subject to the passage of the Bill, we aim formally to establish Natural England (and the Commission for Rural Communities) as NDPBs in October 2006.

### *Research into environmental limits*

A short scoping study has been commissioned to recommend how Defra should define and apply environmental limits and assess the robustness of the evidence base. This work is due to be completed in 2006. Initial identification of further evidence needs will then be conducted.

### *Defra and Sustainable Communities*

Sustainable communities deliver sustainable development locally. The Government's vision is to create sustainable communities everywhere, in rural and urban areas.

Local government, local strategic partnerships (LSPs) and communities have a vital role to play if they are to make 'sustainable communities' a reality. Defra has improved the delivery of genuinely sustainable communities in the following ways:

- jointly with the Academy for Sustainable Communities, Defra has commissioned work to develop a training programme for LSPs which will equip them with the necessary skills and knowledge to deliver genuinely sustainable communities;
- Defra has embedded sustainable development into the Guidance sent to over 60 Local Area Agreement (LAA) pilots. The Department is providing specific support to 5 LAA pilots to explore the best ways they can be used to help deliver sustainable development;

- Defra has jointly published with the Audit Commission, a stronger set of local quality of life indicators<sup>31</sup>, helping local authorities and communities to monitor their progress in delivering sustainable development locally; and
- Defra has worked jointly with the Local Government Chronicle to sponsor a new set of awards for local partnerships which recognise and reward the work they are doing to deliver genuinely sustainable communities.

### *Ensuring it happens*

The UKSDS focuses on the need to enable, encourage and engage people and communities in the move towards sustainability; recognising the need for Government to lead by example.

### **Sustainable Development Action Plans**

The UKSDS includes a specific commitment for Government bodies to produce Sustainable Development Action Plans. These plans will help to define more clearly the specific contributions departments, and their associated bodies, will make towards delivery of the Strategy.

The SDC is actively supporting the production of action plans and has made detailed guidance available for departments. All departments should have action plans in place by the end of 2005. Defra is currently producing its own action plan which will detail how the Department plans to become 'best in class' on key operational elements and how it will meet its strategy commitments.

Action Plans will be subject to scrutiny by the SDC and will form a key component of the evidence they use to assess progress in priority areas under their 'watchdog' role.

### **Behavioural Change**

Governments, businesses, families and communities, the public sector, voluntary and community organisations all need to make different choices if Defra is to achieve its vision of sustainable development. The new sustainable development strategy recognises that a much more active, comprehensive and consistent approach is needed if deep-seated habits are to change.

In order to identify, share and promote best practice Defra is establishing a behavioural change forum across Government and other stakeholders. The forum will work to promote the understanding of behaviour change as a key policy skill, underpinned with relevant research and a series of workshops or annual conferences. The first meeting of interested departments has shown considerable appetite for this which fits well with emerging agendas from the Co-ordination of Research and Analysis Group (CRAG). A research project, to identify practical lessons from recent policy packages that have sought to influence behaviour, is being let in September and will report by spring 2006.

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<sup>31</sup> <http://www.audit-commission.gov.uk/reports/NATIONAL-REPORT.asp?CategoryID=ENGLISH^573^SUBJECT^17^REPORTS-AND-DATA^AC-REPORTS&ProdID=0D488A03-8C16-46fb-A454-7936FB5D5589>

## Community Action 2020

The UKSDS included a commitment to develop a programme of support for community action on sustainable development. The Government launched *Community Action – Together We Can*<sup>32</sup> in June 2005. *Together We Can* is designed as a catalyst for thinking globally and acting locally in communities across England.

Defra has engaged the voluntary and community sector in delivering sustainable development as part of the Government's wider *Together We Can* action plan by:

- establishing a new partnership with the first 15 national voluntary organisations to increase wider community action on sustainable development and embed it in their everyday work;
- commissioning work to improve the sustainable development training, tools and advice available to communities;
- launching a new web portal<sup>32</sup> with practical information for communities about how to make a difference on sustainable development and a searchable database of volunteering opportunities in sustainable development; and
- promoting community action on sustainable development at 30 local, regional and national events including jointly sponsoring two major community sector conferences.

## Sustainable development research

Defra continues to sponsor the Sustainable Development Research Network (SDRN), to facilitate and strengthen the links between providers of research and policymakers across government. The Network, coordinated by the Policy Studies Institute (PSI), aims to support the delivery of sustainable development through improving the evidence-base underlying policy development. By the end of 2006, Defra, working closely with the Network, expects to complete scoping research on people's well-being, valuing the natural environment, environmental limits, and pressures on the natural environment.

## Sustainable operations

The UKSDS committed Government to review the *Framework for Sustainable Development on the Government Estate*. Proposals will be made in 2006 for achieving a significant change in the performance of Government operations.

To take this commitment forward a Sustainable Operations Board has been established to oversee the way that departments manage their land and buildings. Specifically, the Board's remit is:

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<sup>32</sup> <http://www.sustainable-development.gov.uk/delivery/global-local/community.htm>

- to take forward the review of the *Framework for Sustainable Development on the Government Estate*;
- to make proposals for achieving a 'step-change' in operational performance; and
- to share best practice and knowledge.

The annual report on Sustainable Development in Government (SDiG) which sets out departments' performance against targets in the current Framework is based on an analysis by independent consultants. To ensure that this process is seen to be wholly independent of Government, the Sustainable Development Commission (SDC) now have responsibility for producing this report, which was published on 2 December 2005.

### Sustainable Development delivery

In order to create more powerful incentives for delivery of the commitments in the UKSDS, the strategy creates a sustainable development 'watchdog'. From 2006 a strengthened SDC will act as advocate, adviser and 'watchdog' for sustainable development. The 'watchdog' will report on progress and provide assurance on implementation of the Framework and the commitments in the Strategy. The SDC will use a range of evidence to reach its conclusions. Its findings and recommendations will be made independently of Defra but will influence the assessment of progress towards achieving the Public Service Agreement target.

Significant progress has been made towards this commitment since the UKSDS launch. A revised remit covering the enhanced SDC role will be agreed with joint sponsors in Wales, Scotland and Northern Ireland, and will be ready in early 2006. SDC will shortly appoint its own Director and significant additional funding has already been provided to facilitate necessary changes, which may include a future change of SDC status.

### Indicators

To support the establishment of the new *UK Government Sustainable Development Strategy, Securing the Future*, a revised set of indicators of sustainable development have been established. There is no longer a set of indicators with a specific 'headline' role. There are instead 68 indicators supporting the four priority areas of sustainable consumption and production, climate change and energy, protection of our natural resources and enhancing the environment, and creating sustainable communities for a fairer world.

Reporting for Public Service Agreement target 1 in the following pages summarises progress as shown by the component measures of the indicators supporting each of the priority areas. This is based on a traffic light system: green signifying improvement; amber little or no change; and red deterioration. The summary is the number of component measures showing green, amber and red traffic lights, along with key messages. There is some intentional repetition across the priority areas as some indicators or component measures relate to more than one priority area.

A list of the indicators, their component measures and the traffic light assessments are available on the sustainable development website<sup>33</sup>. It also shows which measures contribute to reporting for each priority area and describes the basis of assessment (not all components contribute to the reporting). All the indicators are fully reported within the UK Government sustainable development website<sup>34</sup>, which includes charts, assessments of progress, commentary and access to the data used. *Sustainable development indicators in your pocket 2005* available on the website and in printed form<sup>35</sup>, also provides this information.

The new Strategy includes a commitment to establish measures for international sustainable development, which will provide reporting to meet the expansion of the 2004 target to include international issues. These will include indicators:

- showing how the UK compares internationally by setting UK indicators against comparative trends in other countries;
- reporting on indicators of global and EU trends; and
- exploring the feasibility of indicators to measure UK impacts overseas, this would be on a pilot basis, looking at specific countries and key sectors.

Some preliminary international indicators are presented on the sustainable development website.

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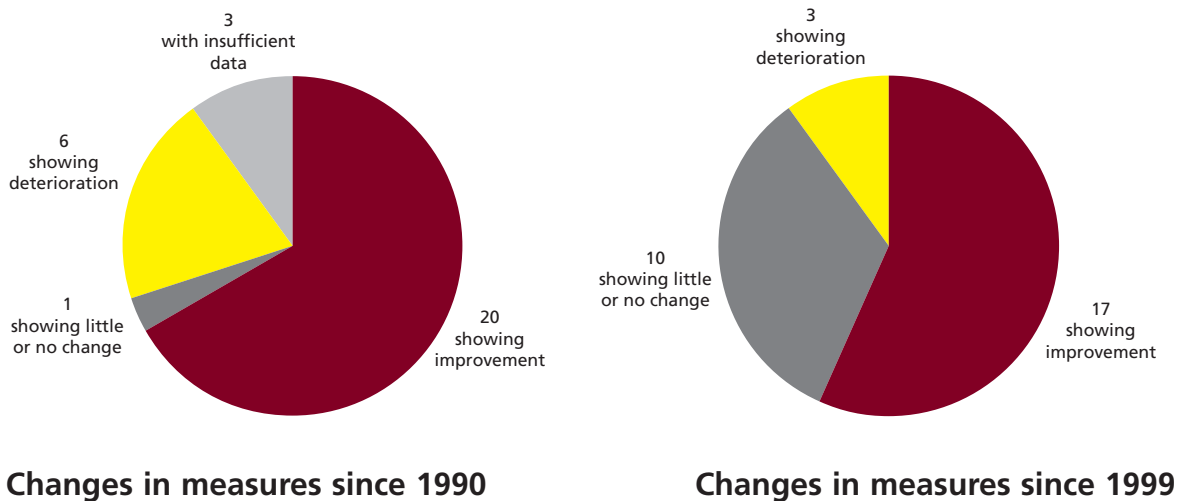
<sup>33</sup> <http://www.sustainable-development.gov.uk/delivery/global-local/community.htm>

<sup>34</sup> [www.sustainable-development.gov.uk](http://www.sustainable-development.gov.uk)

<sup>35</sup> *Sustainable development indicators in your pocket 2005*, Defra, 2005 PB11008



**Figure 1: Priority area: Sustainable consumption and production**



### Compared with 1999

A third of the measures show little or no change, including carbon dioxide emissions from cars and road freight, farmland bird populations, river water quality, resource use and waste arisings.

3 measures show deterioration:

- greenhouse gas emissions from aviation;
- household carbon dioxide emissions; and
- water loss through leakages.

### Compared with 1990

Two-thirds of the measures show improvement including air pollutant emissions, carbon dioxide emissions from manufacturing and services, and land recycling for development.

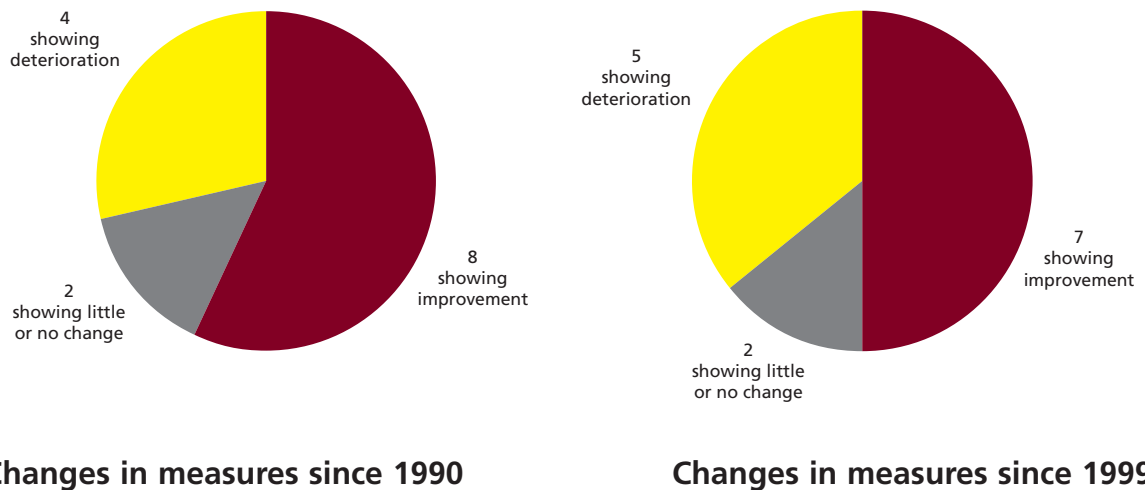
6 measures show deterioration:

- greenhouse gas emissions from aviation;
- carbon dioxide emissions from cars;
- carbon dioxide emissions from road freight;
- farmland bird populations;
- water abstractions; and
- household waste arisings.

For 3 measures there are insufficient data available to make an assessment: domestic water consumption; waste; and fish stocks.

30 indicator component measures are used to review progress for this priority area.

**Figure 2: Priority area: Climate change and energy**



**Compared with 1999**

Half the measures show improvement including renewable electricity, sulphur dioxide emissions from electricity generation, and greenhouse gas emissions from manufacturing, agriculture and service sectors.

5 measures show deterioration:

- greenhouse gas emissions from aviation;
- energy supply (consumption exceeding UK production);
- fossil fuels used in electricity generation;
- household carbon dioxide emissions; and
- nitrogen oxide emissions from electricity generation.

**Compared with 1990**

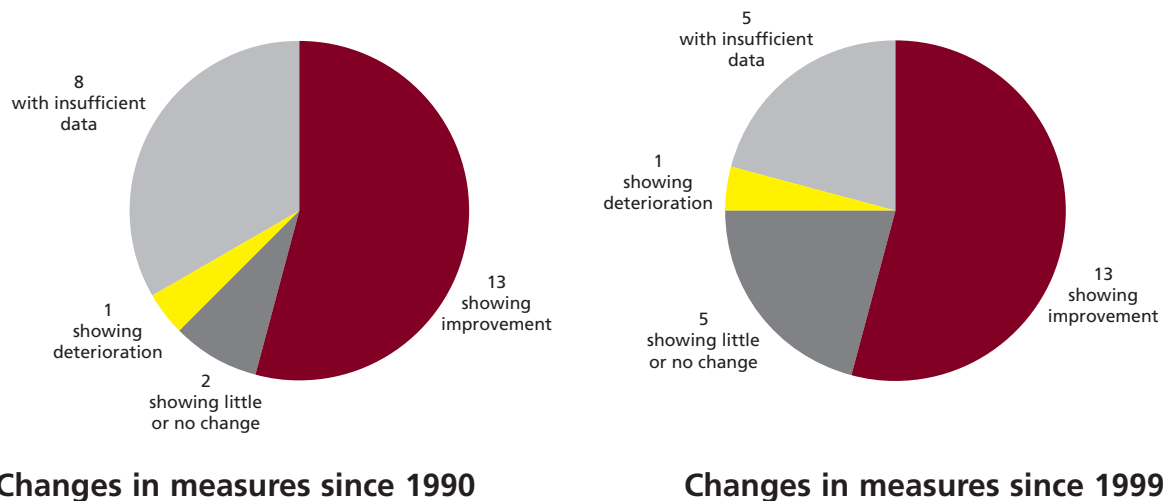
Additionally nitrogen oxide emissions from electricity generation shows improvement.

4 measures show deterioration:

- greenhouse gas emissions from aviation;
- carbon dioxide emissions from cars;
- carbon dioxide emissions from road freight; and
- fossil fuels used in electricity generation.

14 indicator component measures are used to review progress for this priority area.

**Figure 3: Priority area: Protecting our natural resources and enhancing the environment**



### Compared with 1999

Almost two-thirds of the measures show improvement, including coastal bird populations, various agricultural measures (stewardship schemes, fertiliser use, ammonia and methane emissions), land recycling for development, and air pollution emissions.

Measures showing little change are farmland, woodland and wetland bird populations, and chemical and biological river water quality.

There was a deterioration in the extent of sensitive areas affected by excessive nitrogen from air pollution.

For 5 measures there are insufficient data available to make an assessment: status of species and of habitats important for biodiversity; water stress; flooding; and environmental equality.

### Compared with 1990

Additionally nitrogen oxide emissions from electricity generation shows improvement.

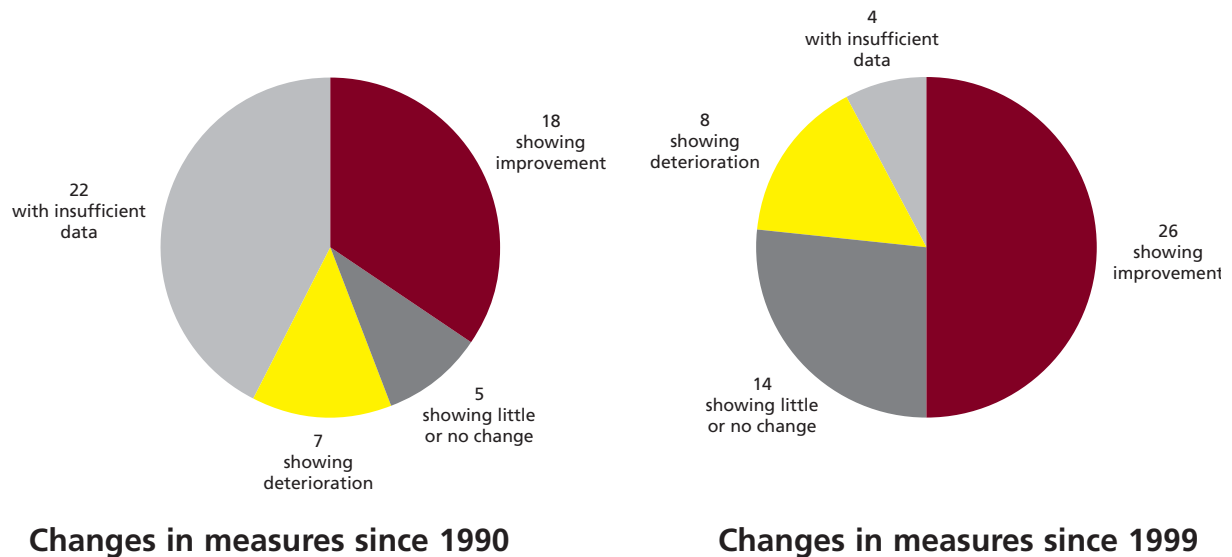
Farmland bird populations show a deterioration.

For 8 measures there are insufficient data available to make an assessment. These are the 5 measures as listed above (compared with 1999) and in addition: fish stocks; and the ecological impacts of acidity and of excessive nitrogen from air pollution.

Although assessments (compared with 1990 or 1999) cannot be made for the status of species and of habitats that are important for biodiversity, some priority species and habitats were declining in 2002.

24 indicator component measures are used to review progress for this priority area.

**Figure 4: Priority area: Creating sustainable communities and a fairer world**



**Compared with 1999**

Half the measures show improvement, including community participation, crime (excluding robbery), employment, poverty, death rates (circulatory disease, cancer, suicides), road accidents, local environmental quality, urban particulate air pollution, housing conditions, fuel poverty, rough sleepers, land recycling, density of new homes and international aid.

8 measures show deterioration:

- robbery;
- infant mortality (differences between socio-economic groups);
- childhood obesity;
- walking and cycling;
- children walking to school;
- household satisfaction in local area;
- ozone pollution in rural areas; and
- households living in temporary accommodation.

For 4 measures there are insufficient data available to make an assessment: sustainable development education; social justice; environmental equality; and well-being.

**Compared with 1990**

Over the longer period overall employment shows little change, and the proportion of young adults not in employment, education or training shows improvement. Otherwise measures showing improvement are the same as when compared with 1999, apart from where there are insufficient data to make a comparison.

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7 measures (for which there are data) show deterioration:

- robbery;
- life expectancy (differences between different parts of the country);
- walking and cycling;
- use of public transport;
- children walking to school;
- ozone pollution in rural areas; and
- households living in temporary accommodation.

For 22 measures there are insufficient data available to make an assessment.

52 indicator component measures are used to review progress for this priority area.

### Factors affecting performance

Defra's Public Service Agreement target 1 cannot be achieved by Defra acting alone. Success depends on all Government departments working to identify and manage their own sustainable development impacts both in formulation of policy and operationally. In addition the delivery chain between the actions of Defra, and the rest of Government, and positive movements in the indicators of sustainable development remains long and complex.

However, Defra believes that successful delivery of the UKSDS commitments for action across the whole of Government, will help to demonstrate significant progress.

### Climate change and energy

Defra's Climate change and energy strategic priority is:

*Making a full contribution, domestically and internationally, to addressing the long-term threats presented by climate change and unsustainable energy use, and to ensure adequate mitigation of the consequences which are already unavoidable.*

This section of the Report looks at Defra's work to:

- improve the environment, particularly with regard to climate change;
- reduce fuel poverty; and
- improve air quality.

## Improving the environment – Reducing greenhouse gas emissions

**Public Service Agreement target 2: To reduce greenhouse gas emissions to 12.5 per cent below 1990 levels in line with our Kyoto commitment and move towards a 20 per cent reduction in carbon dioxide emissions below 1990 levels by 2010 through measures including energy efficiency and renewables. Joint target with Department of Trade and Industry and Department for Transport.**

Defra's Departmental Report (Cm 6537) provides more detailed information on the Government's national and international ways to reduce greenhouse gas emissions. This report focuses on the Government's progress since the Departmental Report was published to deliver its Public Service Agreement.

Defra is **on course** to reach its goal of reducing greenhouse gas emissions by 12.5 per cent but **more needs to be done** to meet the 20 per cent reduction in carbon dioxide emissions by 2010. For a short overview of progress please see Appendix 6.

Defra has the lead responsibility for the UK's policy on climate change and for co-ordinating UK action. Some of the policies and measures within the UK's Climate Change Programme are also the responsibility of Defra – such as emissions trading and energy efficiency. Defra works closely with other departments, notably the Department of Trade and Industry and the Department for Transport, through the shared climate change target, to put in place policies in specific sectors that contribute to emission reductions.

In addition other government departments, including the Office of the Deputy Prime Minister, HM Treasury and the devolved administrations also have responsibility for delivery of aspects of the Climate Change Programme. Policies and measures, such as the European Union Emissions Trading Scheme, are also being developed at EU level under the European Climate Change Programme<sup>36</sup> (ECCP), to complement measures being taken at a national level and reduce emissions across all Member States.

The UK Climate Change Programme is currently being reviewed to consider what additional policies are needed to put government on track to meet challenging domestic targets. The high level cross-government project board which is managing the process will continue to function after the review to help drive forward policies to reduce emissions in all policy areas.

There are three main aspects to Defra's work on climate change:

- international negotiations covering both mitigation and adaptation (dealt with in Public Service Agreement target 1);

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<sup>36</sup> Known within the EU as "common and co-ordinated measures" to distinguish them from national policies and measures.

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- domestic policy on mitigation and adaptation (dealt with in Public Service Agreement target 1); and
- scientific and technical advice on climate change and its impacts.

Under the Kyoto Protocol on Climate Change, which was agreed in 1997 and entered into force in February 2005, developed countries agreed targets to reduce their overall emissions of greenhouse gases<sup>37</sup>. The UK agreed to reduce its greenhouse gas emissions by 12.5 per cent below base year levels by 2008-12.

The Government, believing that the UK can and should go further than its Kyoto target, has also set a national goal to reduce the UK's carbon dioxide emissions by 20 per cent below 1990 levels by 2010. Building on this, the *Energy White Paper*, published in 2003, set out a longer-term goal for reducing carbon dioxide emissions by some 60 per cent by about 2050, with real progress by 2020.

However, no matter how effective policies are in reducing emissions of greenhouse gases, a significant degree of climate change is already unavoidable. This is likely to have far-reaching effects on all aspects of the world's environment, economy and society, and so alongside mitigation policies, Defra is also responsible for UK policy on adaptation to climate change.

Defra supports a number of programmes that contribute to reducing greenhouse gas emissions, including:

- the UK Emissions Trading Scheme – a voluntary trading scheme, with incentive payments made to participating organisations depending on the emissions reductions made;
- sponsorship of the Carbon Trust – primarily funded by Defra to take the lead on business and public sector energy efficiency and encourage the development of a low carbon sector in the UK;
- sponsorship of the Energy Saving Trust – primarily funded by Defra to promote the sustainable and efficient use of energy through advertising programmes, advice centres, the endorsement of energy efficient products and encouraging local authorities to develop energy efficient strategies;
- the Warm Front programme – which helps to tackle fuel poverty; and
- Community Energy – a UK grant programme increasing the development and installation of community heating schemes, mainly using Combined Heat and Power (CHP), delivering carbon savings and affordable warmth among other benefits.

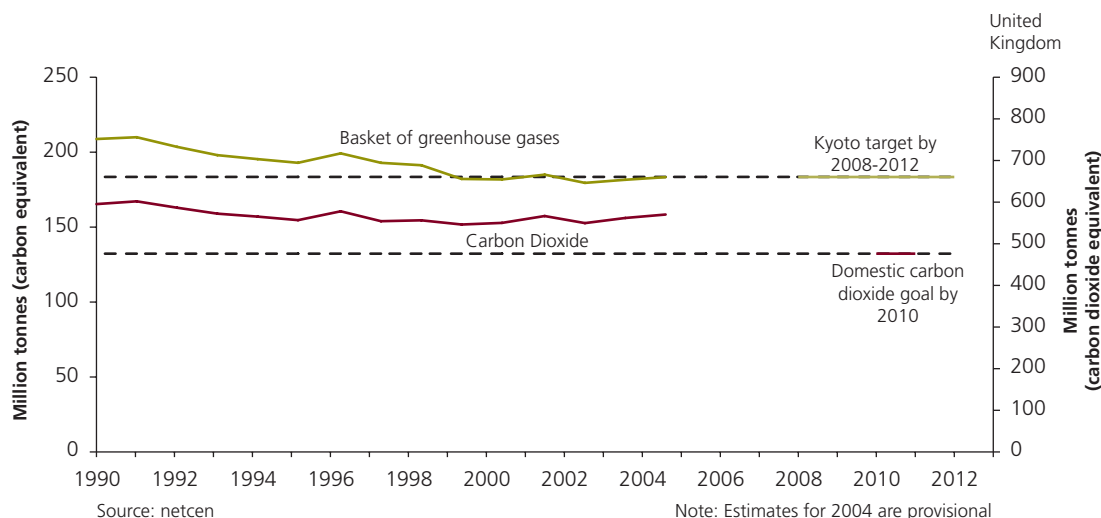
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<sup>37</sup> The greenhouse gases covered by the Kyoto Protocol are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

### Factors affecting performance

Provisional estimates released at the end of March show that carbon dioxide emissions increased by about 1.5 per cent between 2003 and 2004, mainly due to estimated increases in industrial and transport sector emissions. On the basis of current projections (themselves under review), and the policies in the present Climate Change Programme, Defra now estimates that carbon dioxide emissions will be about 13 per cent below 1990 level in 2010, and that emissions of all greenhouse gases will be around 20 per cent below. The UK therefore remains on course to achieve the UK's Kyoto target, but more action will be needed to meet the UK's domestic goal to reduce carbon dioxide by 20 per cent below 1990 levels by 2010.

**Figure 5: UK emissions of greenhouse gases and carbon dioxide 1990-2004**



### Domestic policy

The first UK Climate Change Programme published in 2000 set out a package of policies and measures with the aim of ensuring that the UK achieved its Kyoto target and to move the UK towards its domestic carbon dioxide goals. The Programme is currently being reviewed with a revised programme due in 2006. The launch of the revised *UK Climate Change Programme* is one of Defra's key commitments in the *UK Sustainable Development Strategy*.

The review was launched on 15 September 2004<sup>38</sup>, to look at how existing policies are performing and the range of policies that might be put in place in future. Defra is leading the review, but is working closely with other government departments and the administrations of Scotland, Wales and Northern Ireland.

<sup>38</sup> [www.defra.gov.uk/news/2004/040915b.htm](http://www.defra.gov.uk/news/2004/040915b.htm)



In addition to assessing progress towards the Kyoto target and national 2010 goal, the review is also considering the action that the UK will need to take to ensure it is on course to make real progress by 2020 towards the longer-term goal of reducing carbon dioxide emissions by some 60 per cent. The review is assessing not only the original Programme, but also developments since it was published, including the *Energy White Paper*, the Energy Efficiency Action Plan and the *Future of Transport White Paper*. Alongside its assessment of mitigation policies, the review is also considering the UK's response to climate change through adaptation. A formal consultation to seek views on key aspects of the review closed in March. The responses to this will help inform the revised programme.

A summary of some of the Defra owned climate change policies is given below. Energy efficiency is dealt with separately in the energy section.

### European Union Emissions Trading Scheme

The European Union Emissions Trading Scheme (EU ETS) is one of the principal strands of the European Climate Change Programme. The scheme began on 1 January 2005, with the first phase running from 2005-07 and the second phase running from 2008-12 to coincide with the first Kyoto commitment period.

Over the first phase of the scheme, the UK National Allocation Plan (NAP) requires participating installations to help reduce carbon dioxide emissions by around 65 million tonnes (around 8 per cent) below projected emissions. This is consistent with progress based on our national goal of a 20 per cent cut in carbon dioxide emissions on 1990 levels by 2010.

#### *Measuring Performance of the European Union Emissions Trading Scheme*

It is too early to judge the environmental impact of the EU ETS – operators will not report their actual emissions for 2005 until March 2006 – but collectively the allowances allocated across the EU, 25 are considered to represent a significant shortfall compared to the projected emissions of the sectors covered by the scheme. For example, the UK's NAP allocated allowances represent an 8 per cent reduction compared to projected emissions.

### Developments contributing to Public Service Agreement target 2

Some development include:

- Defra has worked with the Department for Transport to include aviation emissions in the EU ETS and will continue to explore and discuss the options for the use of other economic instruments for tackling aviation's climate change impact.
- At the end of September 2005, the European Commission published a Communication proposing an Aviation Working Group to consider ways of including aviation in the EU ETS as part of the European Climate Change Programme (a multi-

stakeholder consultative process, bringing together the European Commission, national experts, industry and non-governmental organisations). This will provide a forum for consideration on the impacts on the industry and the interaction with the existing scheme. The results will feed into the ongoing review of the existing framework for the EU ETS due to report by 30 June 2006. Defra expects the December Environment Council to have considered this report.

- Defra has worked closely with other government departments in transposing the EU's Linking Directive<sup>39</sup> into UK law, which will allow operators greater flexibility and potentially reduce compliance costs by allowing credits to be used from projects that reduce emissions overseas;
- Defra is continuing to work with stakeholders in the UK and EU whilst developing the policy for Phase II of the Scheme to improve harmonisation across the EU where feasible;
- a public consultation on Phase II issued in the summer has helped inform the development of an improved allocation methodology and Defra expects to submit a NAP to the European Commission by the June 2006 deadline; and
- the Defra EU/UN Emissions Trading Registry software has now been licensed to 13 countries, as well as being used in the UK. The most recent licensee is Cyprus who signed the Licence Agreement in July. Interest has been shown from a number of other countries, both within and outside the EU.

### UK Emissions Trading Scheme

The United Kingdom Emissions Trading Scheme (UK ETS) was launched in April 2002 as part of the UK Climate Change Programme and runs for 5 years from 2002 to 2006. It has 33 direct participants who have committed themselves to reducing their baseline greenhouse gas emissions by at least 3.96 million tonnes of carbon dioxide equivalent (mtCO<sub>2</sub>e) by the end of the scheme. This equates to 11.88 mtCO<sub>2</sub>e of emissions releases avoided over the lifetime of the scheme.

Over the first three years (2002-04), the scheme has delivered significant emissions reductions totalling 5.9 mtCO<sub>2</sub>e. To date, the cumulative emissions releases avoided due to the scheme stand at 15.7 mtCO<sub>2</sub>e. In addition to this, last year six participants restated their commitment to the scheme by offering additional voluntary emissions reductions totalling 8.9 mtCO<sub>2</sub>e.

The experience gained from operating the UK ETS has placed the UK at the forefront of emissions trading. Participants now have a better understanding of the benefits that emissions trading can bring to them and are gaining experience in monitoring, reporting and verification processes as well as trading. Defra too has gained valuable knowledge of

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<sup>39</sup> Directive 2004/101/EC of the European Parliament and of the Council of 27 October 2004 amending Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community, in respect of the Kyoto Protocol's project mechanisms.

administering the scheme. Moreover, companies providing emissions trading services, such as brokerage and verification, have established themselves in the UK market and gained experience that places them in a strong position to gain further business as European and international emissions trading develops. The scheme has also provided experience in developing and running an emissions trading registry, which led directly to the development of an EU/UN registry.

### Climate Change Agreements

Climate Change Agreements are arrangements with energy intensive industry to meet challenging energy efficiency targets in return for an 80 per cent reduction in the Climate Change Levy. Industry reported on the year 2004 – the second target period – early in 2005, the results of which were published this July.

#### **Key results of second target period (2004)**

Key results were:

- 14.4 million tonnes of carbon dioxide were saved in the second target period;
- 21 out of 42 sectors met their targets outright;
- in a further 17 sectors all the facilities had their Climate Change Levy discounts renewed;
- 98 per cent of facilities (10,111) have had Climate Change Levy discounts renewed; and
- there was continued improvement across all sectors.

During 2004, the targets for 2006 to 2010 were reviewed, resulting in an overall tightening of targets around 2.5 per cent, ranging up to 13 per cent. The criteria for eligibility to enter agreements have also been extended and negotiations with new sectors are in progress.

### Climate Change Communications

Defra launched a new climate change communications initiative on 1 December following up on its announcement earlier this year of the intention to kick-start a £12 million Climate Change Communication Initiative (CCCI). This is one of the Department's key commitments made in the *UK's Sustainable Development Strategy*.

The three year campaign 'Tomorrow's Climate, Today's Challenge' aims to raise awareness about the threat of climate change and comprises a package of new communications materials which highlight the need for collective action to tackle the problems which climate change poses. The initiative focuses on changing public attitudes and on communicating at a local and regional level, where the evidence<sup>40</sup> suggests it can be most effective. The initiative

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<sup>40</sup> <http://www.defra.gov.uk/news/2005/050216d.htm>

will equip local communicators to support local and regionally based activities. It will do this through a guidebook, a website, radio adverts, a short film and a climate change communications fund.

In its first year, the initiative will use local channels to improve public understanding of the causes of climate change and its effects. The campaign will encourage groups and individuals to get involved in disseminating the message to people around them. A range of free communication resources are being provided to enable local communicators to tell the story of climate change and to help them change attitudes. Details about the initiative and on how to apply to the fund will be made available on the new website<sup>41</sup>.

The initiative is designed to complement and build on the existing behaviour change communications and marketing activity carried out by Defra, other government departments and our delivery partners including the Carbon Trust, the Energy Saving Trust and the Environment Agency, UKCIP as well as key non-government organisations portals. The climate challenge website will therefore link to the web sites of these other useful bodies.

This climate challenge website will also act as a portal to the newly developed Defra interactive climate change game for children, which aims to simply get across what global warming is and the importance of everyone doing their bit to reduce human impact.

## Energy

### *Energy White Paper*

The February 2003 Energy White Paper (*Our Energy future – Creating a Low Carbon Economy*<sup>42</sup>) was published jointly by the Department of Trade and Industry, Defra and the Department for Transport.

The White Paper set four goals for the UK's energy policy:

- to put ourselves on a path to cut the UK's carbon dioxide emissions – the main contributor to climate change – by some 60 per cent by about 2050, with real progress by 2020;
- to maintain the reliability of energy supplies;
- to promote competitive markets in the UK and beyond, helping to raise the rate of sustainable economic growth and to improve our productivity; and
- to ensure that every home is adequately and affordably heated.

Progress towards the UK's Energy White Paper goals is monitored through the cross Government Sustainable Energy Policy Network (SEPN), under which annual reports are published in accordance with the Sustainable Energy Act 2003. The second annual report<sup>43</sup> was published on 21 July 2005, describing detailed progress towards all of the White Paper goals.

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<sup>41</sup> [www.climatechallenge.gov.uk](http://www.climatechallenge.gov.uk)

<sup>42</sup> [www.dti.gov.uk/energy/whitepaper/wp\\_text.pdf](http://www.dti.gov.uk/energy/whitepaper/wp_text.pdf)

<sup>43</sup> [www.dti.gov.uk/energy/sepn/secondannualreport.shtml](http://www.dti.gov.uk/energy/sepn/secondannualreport.shtml)

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### *Energy efficiency*

The Energy White Paper identified energy efficiency as the safest, most cost-effective way to meet all of the UK's energy policy goals.

*Energy Efficiency -The Government's Plan for Action*<sup>44</sup>, was published by Defra in April 2004 and sets out how Defra will save 12 million tonnes of carbon annually through policies and measures that encourage energy efficiency. This is a 20 per cent increase over the level of savings anticipated at the time of the White Paper and will save UK households and businesses over £3 billion per year on their energy bills. Delivering against the commitments contained in the action plan is one of Defra's key commitments in the *UK Sustainable Development Strategy*.

To underpin successful implementation of the suite of energy efficiency measures in the Action Plan and as a means of tracking progress, Defra has embarked on a programme to develop energy efficiency indicators.

Energy indicators for UK households have now been developed and were published alongside the SEPN second annual report to illustrate how consumption and carbon emissions depend on the demand for the various services that require energy, and the efficiency with which these services are delivered. Work on developing indicators for the services and industrial sector is ongoing.

Defra is working with business and stakeholders to deliver the measures in the Action Plan. Key achievements already secured this year include:

- Office for gas and electricity markets (Ofgem) published a report<sup>45</sup> on 2 August detailing the achievements made during the first three year phase of the Energy Efficiency Commitment (EEC) - an obligation on energy suppliers to promote improvements in energy efficiency. Between April 2002 and March 2005, around 10 million British households (six million of which are on low incomes) benefited from energy saving measures under EEC;
- the second 3-year phase of the EEC began on 1 April, at roughly double the level of activity of the first phase;
- under the Building Regulations in April this year, boiler standards were increased, effectively making condensing boilers mandatory in most situations and delivering a significant amount of carbon savings;
- The Beacon Council Learning Exchange for Sustainable Energy was held on 17 June 2005, which begins the process of sharing and learning for 2005-06. The learning exchange showcases good local authority practice and learning opportunities by providing practical tips for service improvement, opportunities to network and share experiences and is followed by a comprehensive range of additional improvement activities, from open days to mentoring and secondment opportunities;

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<sup>44</sup> [www.defra.gov.uk/environment/energy/review/index.htm](http://www.defra.gov.uk/environment/energy/review/index.htm)

<sup>45</sup> Ofgem report *A review of the Energy Efficiency Commitment 2002 – 2005: A report for the Secretary of State for Environment, Food and Rural Affairs* - [www.ofgem.gov.uk](http://www.ofgem.gov.uk)

- Defra has funded the Energy Saving Trust in setting up three Sustainable Energy Centres to pilot a Sustainable Energy Network. These will develop the Trust's network of Energy Efficiency Advice Centres by providing increased resources, more support for action, and covering small scale renewable energy and transport as well as energy efficiency; and
- Defra is continuing to work closely with the Office of the Deputy Prime Minister on the development of a Code for Sustainable Buildings. The Code will set out clearly specified minimum performance level for energy, water, waste and materials efficiency, higher than the statutory minima. Significantly, the Manifesto announced that from April 2006 all new homes funded by Government or its Agencies, including through relevant public-private partnerships, will meet the requirements of the Code. The Code will be subject to public consultation later this year.

Defra is continuing to review progress and evaluate the need for new or strengthened energy efficiency policies as part of the current Climate Change Programme review which will be published in 2006. The Department will be looking at how all sectors can pull their weight - recognising that the whole economy needs to make a contribution if the UK is going to make the transition to a low-carbon economy.

Defra hosted an international energy efficiency conference on 2–3 November 2005 in support of the UK Presidency of the G8 and EU and targeted at an audience of senior policy makers in order to further the UK's energy efficiency agenda.

### Reducing Fuel Poverty

**Public Service Agreement target 7: Eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy Objective.**

Further details of this new target, which is shared with the Department of Trade and Industry (DTI), are on the Defra website<sup>46</sup>.

Defra is currently **on course** to meet this target. For a short overview of progress please see Appendix 6.

### The UK Fuel Poverty Strategy

Published in 2001, the *UK Fuel Poverty Strategy*<sup>47</sup> was produced following a requirement enacted under the Warm Homes and Energy Conservation Act 2000. The Act requires the Government to prepare and publish a Strategy to ensure that, as far as reasonably practicable, persons do not live in fuel poverty. The Strategy must specify a target date for achieving that objective, the target date being no more than 15 years after publication of the Strategy.

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<sup>46</sup> <http://www.defra.gov.uk/corporate/busplan/busplan.htm>

<sup>47</sup> [http://www.dti.gov.uk/energy/consumers/fuel\\_poverty/strategy.shtml](http://www.dti.gov.uk/energy/consumers/fuel_poverty/strategy.shtml)

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Hence, the Government has a legal duty to ensure that as far as reasonably practicable persons in England do not live in fuel poverty after November 2016. Fuel poverty is a devolved matter and the devolved administrations are responsible for the achievement of targets in their own countries.

The Strategy also sets an initial goal of ending fuel poverty for vulnerable households in England by 2010. Vulnerable being older people, families with children and those who are disabled or have a long-term illness. The most widely accepted definition of a fuel poor household is one which needs to spend more than 10 per cent of its income on all fuel use and to heat its home to an adequate standard of warmth.

The Government's main programme for tackling fuel poverty in the private sector in England is Warm Front. This Defra funded Scheme was originally launched in June 2000, with the aim of improving the energy efficiency of vulnerable households. Warm Front provides packages of insulation and heating measures to private sector households in receipt of certain benefits, alongside advice on energy efficiency.

The new phase of the Warm Front Scheme was launched in June 2005, with changes made to increase the impact of the Scheme in contribution to tackling fuel poverty. These changes to the Scheme meant that more people were entitled to receive central heating, one of the key measures in helping to tackle fuel poverty. The Scheme now aims to take households to a defined level of energy efficiency where there will be minimal risk of that household falling into fuel poverty.

### *Performance*

The Department met its 2002 Spending Review target to assist 600,000 households between 2001-04. Since the start of the Warm Front Scheme in June 2000 to August 2005, over one million households have received measures to improve the comfort of their home<sup>48</sup>.

Defra is committed to reporting annually on progress against the targets set out in the *UK Fuel Poverty Strategy*. The most recent *Progress Report*<sup>49</sup>, published in July 2005, reported that there were 1.2 million households in fuel poverty in England in 2003, with 1 million of those classed as vulnerable households. Defra remains committed to providing annual updates on progress against each of its targets, including the 2004 Spending Review target, which is part of Defra's wider targets to tackle fuel poverty in England. The latest update was provided in *The UK Fuel Poverty Strategy: Third Annual Progress Report*, which was published in July 2005. This documented the latest figures (as stated above). There is a two-year lag on published figures due to the fact that Defra use data from the English House Condition Survey to generate the requisite information for reporting purposes.

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<sup>48</sup> Detailed information on measures installed is available at: [www.eaga.co.uk](http://www.eaga.co.uk)

<sup>49</sup> [http://www.dti.gov.uk/energy/consumers/fuel\\_poverty/strategy\\_third\\_progress\\_report.pdf](http://www.dti.gov.uk/energy/consumers/fuel_poverty/strategy_third_progress_report.pdf)

### *Factors affecting performance*

The degree of challenge in achieving Defra's fuel poverty targets is affected by a number of issues; including the availability of adequate funding for the Warm Front Scheme. The funding which has been made available to the Scheme has enabled many households to receive assistance and has helped contribute to the good progress made to date. There is an ongoing high level of interest in, and commitment to, the Scheme as a key contributor to delivery of this Public Service Agreement target. However, Defra is continuing the work to ensure that the Warm Front Scheme and the fuel poverty agenda is adequately resourced to enable us to move forward successfully. Together with DTI, Defra is continuing to assess the likely total level of resource that will be necessary to achieve the 2010 target. This information will be an intrinsic part of the Department's representations to Ministers regarding future funding.

Other challenges to Defra's targets include general economic and benefit levels, changes in fuel prices and the performance of a number of other initiatives to improve the energy efficiency and comfort of households.

For example, in the current context of rising fuel prices, Defra will continue to work closely with colleagues in DTI to monitor their impact and ascertain how that impact can be mitigated. Defra is also working to assess the contribution made by other policies and programmes such as the Decent Homes Standard and the Energy Efficiency Commitment, which are expected to contribute towards the achievement of Defra's fuel poverty targets.

Overall progress will continue to be measured through monitoring the number of households taken out of fuel poverty. Government will continue to report annually on progress through the *UK Fuel Poverty Strategy Annual Progress Reports* and in Defra's and DTI's Autumn Performance and Departmental Reports.

### **Changes to the Warm Front Scheme**

On 30 November 2004, Defra published *Fuel Poverty in England: the Government's Plan for Action*<sup>50</sup> which outlined the wide range of policies and programmes that will help Defra tackle fuel poverty going forward. This includes a range of activity across Government to increase energy efficiency, improve housing, regenerate communities, tackle poverty and improve health. The Plan also set out how Defra intends to meet its target of eradicating fuel poverty in vulnerable households by 2010.

The detailed changes to the Warm Front Scheme that were announced, include the provision of central heating to all eligible households and the establishment of Warm Front accounts. Where households would be able to receive assistance over a period of time for different measures under Warm Front, subject to the maximum amount of grant that can be paid, have now been implemented, and the new phase of the Scheme has been operational since

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<sup>50</sup> [www.defra.gov.uk/environment/energy/fuelpov/pdf/fuelpov\\_actionplan.pdf](http://www.defra.gov.uk/environment/energy/fuelpov/pdf/fuelpov_actionplan.pdf)



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June 2005. Warm Front is now better equipped to target and treat those most in need in a sustainable way, and is able to gather more detailed information as to the impact of certain measures in individual properties.

Eaga Partnership Ltd are now managing the new phase of the Warm Front Scheme across England, with Wolseley UK supplying oil and gas heating materials and Graham Group supplying electrical materials.

### Improving air quality

**Public Service Agreement target 8: Improve air quality by meeting the Air Quality Strategy targets for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3- butadiene. Joint target with the Department for Transport.**

Objectives for four of the seven pollutants in the air quality target have been **met**. However, **more needs to be done** if the targets are to be met for the other three. For a short overview of progress please see Appendix 6.

The main aim of Government's air quality policies are to protect people's health and the environment from air pollution, without imposing unacceptable social or economic costs. The air breathed now is much cleaner than it was ten or twenty years ago, particularly in urban areas. Emissions and concentrations of most pollutants have been cut significantly as a result of national and local measures.

The sources of air pollution are many and varied, ranging from industrial and road transport emissions to domestic and natural sources. The Government's *Air Quality Strategy*<sup>51</sup> contains policies for tackling air pollution and sets objectives for eight key air pollutants and their achievement in the UK. Stricter objectives for three of the pollutants, and a new objective for an additional pollutant, were incorporated into the Strategy by an Addendum<sup>52</sup> in 2003.

The Strategy gives information on the sources of each pollutant, together with an estimate of the extent each is responsible for overall emissions. Road transport is responsible for a significant percentage of emissions of many (although not all) of the pollutants. The Department for Transport (DfT), has responsibility for the main policy levers to reduce emissions of pollutants from the transport sector, and therefore has joint ownership with Defra for the air quality target and its delivery. Defra and DfT have established joint governance arrangements at senior and working levels to help drive progress in all policy areas in the departments which can contribute to the delivery of the air quality target.

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<sup>51</sup> *The Air Quality Strategy for England, Scotland, Wales and Northern Ireland* (Cm4548: January 2000).

<sup>52</sup> <http://www.defra.gov.uk/environment/airquality/strategy/addendum/index.htm>

The air pollutants covered by the air quality target are:

- benzene;
- nitrogen dioxide (NO<sub>2</sub>);
- 1,3-butadiene;
- particles (PM10)<sup>53</sup>;
- carbon monoxide;
- sulphur dioxide; and
- lead.

### Performance

One of the ways Defra monitors trends in air quality is through the sustainable development indicator for air quality. Since the launch of the new *UK Sustainable Development Strategy: Securing the Future* in March 2005 this now consists of two indicators.

Figure 6 shows annual average levels of the two types of pollution (particulates and ozone) now believed to have the most significant impact on public health. Annual average particulate levels have been decreasing, although the trend may be levelling off. There is a very slight long-term upward trend in background ozone levels.

**Figure 6: Annual levels of particles and ozone, 1990 to 2004**

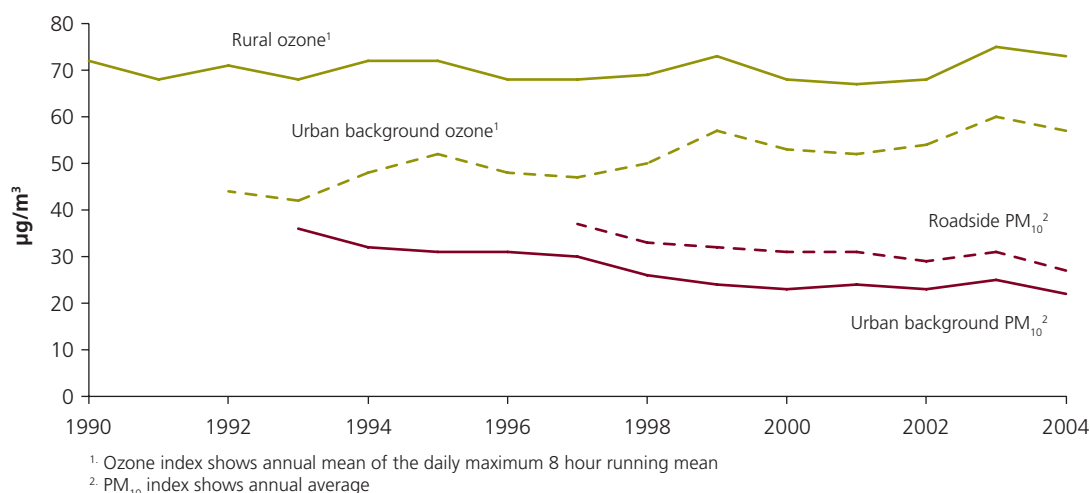
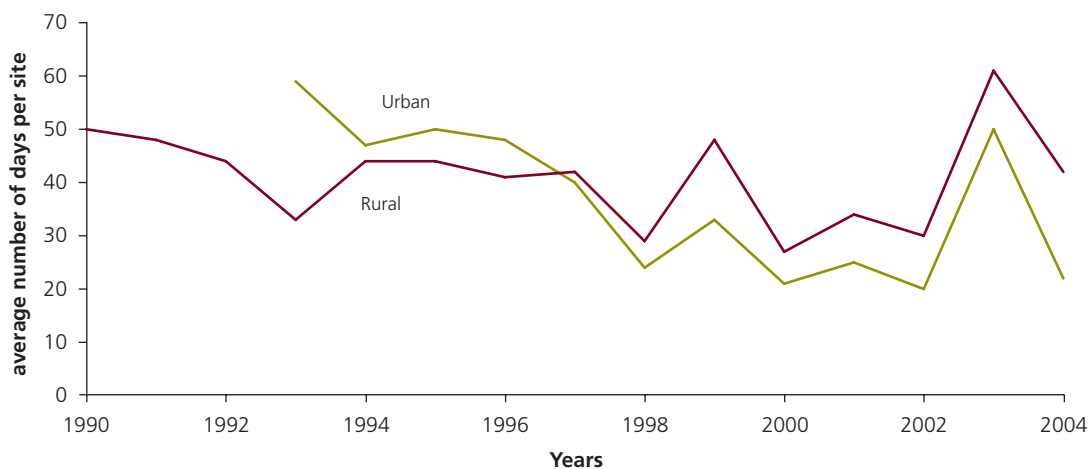


Figure 7 records the average number of days when any one of five air pollutants is moderate or higher and reflects short term pollution episodes. Bigger fluctuations in this indicator from one year to the next can occur. For example, the summer heat wave in 2003 resulted in twice as many days of moderate or higher air pollution that year than in the previous year.

<sup>53</sup> PM10 means particulate matter which passes through a size-selection inlet with a 50 per cent efficiency cut-off at 10 µm aerodynamic diameter.

In 2004 the number of days of moderate or higher air pollution returned to the low-pollution levels of recent years, consistent with the long-term downward trend in urban areas. In 2004, there were an average of 22 days of moderate or higher air pollution in urban areas and 42 days in rural areas compared to 50 and 61 in 2003.

**Figure 7: Days when air pollution is moderate or higher, 1990 to 2004**

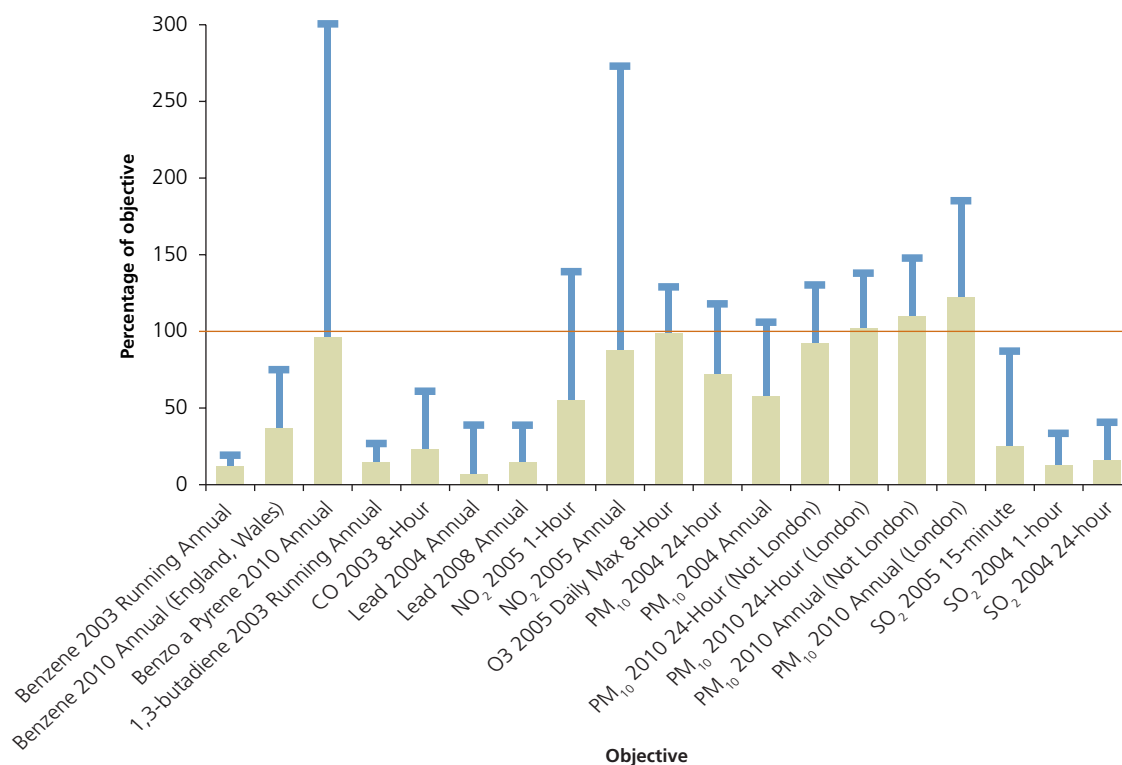


The air quality standards and objectives are concentrations of the pollutant in ambient air at levels where there is little or no significant effect on people's health. In order to measure performance against its objectives Defra makes use of data of measured concentrations of pollutants taken from the national automated monitoring network sites across the UK to assess the achievement and progress towards the objectives.

Defra continues to meet the 2003 objectives for carbon monoxide, benzene and 1,3-butadiene and has also achieved the 2004 objectives for lead. However, a number of local authorities have declared Air Quality Management Areas for the 2004 objectives for sulphur dioxide (SO<sub>2</sub>) and particles (PM<sub>10</sub>). Those authorities are developing and implementing Air Quality Action Plans to tackle the problems identified.

Figure 8 shows measured concentrations of pollutants in the *Air Quality Strategy* including the seven pollutants in the air quality target. Pollutants below the red line met the relevant objective in 2004; the blue line represents the range of measurements; the yellow bar is the average of all measures.

**Figure 8: Measured concentration of pollutants in England in 2004 as a percentage of the relevant Air Quality Strategy objective.**



Source: Netcen, Defra

\*for lead and PAHs only 2002 data currently available

Although emissions of most pollutants are falling, concentrations of nitrogen dioxide (NO<sub>2</sub>) and particles (PM10) are not falling as fast as the Department would like. Defra’s modelling shows that, although the vast majority of the country will meet those objectives, there will be some areas (mostly urban and busy roadside locations) where, with present policies and technologies, it is questionable whether the targets will be achieved by the relevant dates.

Defra is working with DfT, other key departments and stakeholders to identify possible additional measures to generate health and ecosystem benefits and move closer to the Strategy’s air quality objectives. This includes the review of the *Air Quality Strategy*, review of the Climate Change Programme and negotiation of air quality directives and protocols at European and international level. DfT is taking forward implementation of the Government’s strategy for transport set out in the *Future of Transport White Paper*, published in July 2004, and also working with its European partners to develop tighter standards for both vehicles and fuels, and ensuring that local authorities’ Air Quality Action Plans are integrated into their Local Transport Plans (LTPs) in areas where transport has a significant impact on local air quality.

As part of the review of the *Air Quality Strategy*, the Department has produced a baseline (i.e. business as usual) air quality scenario for the UK up to 2020, to take account of current policies and measures. At the same time a short list of possible measures in the transport, industry and business/domestic heating sectors has been developed and the impact assessed up to 2020 including the associated costs and benefits. Defra has worked closely with other key departments and outside stakeholders in taking forward the review. Draft results were discussed at the Air Quality Forum's stakeholder workshop in May this year and attended by over 80 delegates from environmental and health groups, industry and transport sectors and local authorities. The event provided stakeholders with an opportunity to comment on the review before formal consultation planned for early 2006 with a final report later that year. To ensure joined up policy making, the *Air Quality Strategy* review is taking an holistic view by considering the impact of policies and measures on a number of other important areas of Defra's work such as climate change.

Defra and DfT continue to work closely with local authorities to progress action on, and improve the delivery of, the targets at the local level. Local authorities have a statutory duty to check air quality against the national objectives prescribed in regulations and to work towards their achievement. Where there is a likelihood that the objectives may not be met, authorities must designate Air Quality Management Areas (AQMAs) and draw up action plans. Around 150 local authorities in England have so far designated AQMAs and over 100 authorities have drawn up their action plans setting out proposals to tackle the problems. Many authorities have completed detailed assessments.

DfT has published guidance for the second round of LTPs. Due to the large impact of transport planning policies, air quality was set as one of the key priority areas for the LTPs. This is expected to generate improved transport and air quality policies at local level. Defra updated its statutory Policy Guidance for Local Air Quality Management (LAQM.PG(03)) by an Addendum issued in February 2005. This provides local authorities with further advice on the integration of air quality action plans into LTPs. DfT with the support of Defra is working on engaging with local authorities to improve the quality of the second generation of LTPs and the delivery of those plans.

### *Factors affecting performance*

A huge range of international, national and local policies can affect air quality at any given location. Improving the quality of our air requires action at all levels of governance:

- internationally, through standards and agreements, particularly within the EU, as air pollutants do not respect territorial boundaries;
- nationally, where government departments have the greatest role to play;
- locally, where pollution can have the greatest impact and where local authorities are the key delivery partners; and

- at the individual level, where the travel and consumption decisions of individuals and private businesses can have a significant impact on the environment, including air quality.

There are therefore a large number of partners responsible for delivering the Government's air quality objectives. These include:

- the European Union and other international bodies, which are responsible for, among other things, international product standards (including vehicle and fuel standards) and other relevant treaties and conventions, aimed at reducing emissions of harmful air pollutants;
- government departments, including Defra, the Department for Transport, the Office of the Deputy Prime Minister, the Department of Trade and Industry, Department of Health and HM Treasury, all of which are responsible for national policies (for example, decisions on fuel duties, energy policies, national land-use planning policies) which can impact on air quality;
- the Environment Agency and local authorities, which are responsible for the regulation of emissions from industrial installations and processes;
- the Highways Agency, which is responsible for managing the country's motorways and trunk roads;
- local authorities, who are responsible for local air quality management, including reviewing and assessing air quality, and preparing action plans to remedy any local pollution hotspots. Local authorities are also responsible for land-use planning policies, such as the location of new developments, which can have a significant impact on air quality. Upper-tier local authorities in England (outside London) are also responsible for developing and implementing integrated transport policies for their areas and submitting these as a Local Transport Plan;
- the Mayor for London, who is responsible for preparing an air quality strategy and a transport strategy for London; and
- public transport operators, hauliers, motor manufacturers, the oil industry and individual consumers, through their production, consumption, home heating and individual travel decisions.

### Sustainable consumption and production

Defra's Sustainable consumption and production strategic priority is:

*Breaking the link between economic growth and environmental degradation and resource use through promoting and enabling more sustainable patterns of consumption and production.*

This section looks at Defra's work to focus its efforts on waste and recycling.

#### Waste and recycling

**Public Service Agreement target 6: To enable at least 25 per cent of household waste to be recycled or composted by 2005-06, with further improvement by 2008.**

Defra is currently **on course** to meet this target. For a short overview of progress please see Appendix 6.

The target of 25 per cent recycling and composting by 2005-06 for England was set in the 2002 Spending Review, and further updated during the 2004 Spending Review. Statutory recycling and composting targets for each local authority in England back up the national target. These local targets have been set at a level to ensure that each authority contributes proportionately to the achievement of the national targets.

In addition, the EU Landfill Directive requires the UK to reduce the volume of biodegradable municipal waste sent to landfill to 75 per cent of the 1995 level produced by 2010; 50 per cent by 2013; and 35 per cent by 2020. Increases in recycling and composting, consistent with Defra's waste and recycling target and the statutory local authority targets mentioned above, will be required in order to reduce the amount of residual municipal waste that is finally sent to landfill.

The measures that Defra are taking to meet these obligations and targets are based on the integrated waste management strategy set out in *Waste Strategy 2000*, and the review of actions needed to deliver more sustainable waste management undertaken by the Cabinet Office Strategy Unit (SU) during 2002. The SU Report *Waste Not, Want Not* was published in November 2002, and the Government published its response in May 2003. This set out Defra's contribution to the challenge of meeting the Landfill Directive requirements on biodegradable municipal waste, and delivering more environmentally sustainable waste management practices – including the launch of the Waste Implementation Programme (WIP) to increase government support for local authority recycling.

Defra is currently undertaking a substantial review of *Waste Strategy 2000*. The final strategy is to be published in 2006.

### Performance

Figure 9 shows the final, full results for England from the Municipal Waste Management Survey 2003-04, which were published on 1 August 2005<sup>54</sup>. Data reveals that in 2003-04 household recycling and composting had increased to its highest level ever - 17.7 per cent. This is a rise from 7.5 per cent in 1996-97, and the 3.2 percentage point increase in 2003-04 is greater than the growth rate of 1 or 2 percentage points achieved in previous years. Figures for 2004-05 will be available in 2006.

**Figure 9: Household waste recycling rates in 1996-97 to 2003-04**

Financial year	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
England household waste recycling	7.5%	8.2%	9.0%	10.3%	11.2%	12.5%	14.5%	17.7%
Household waste recycled (thousand tonnes)	1,682	1,915	2,126	2,547	2,809	3,197	3,740	4,516
Increase in weight of household waste recycling from 1996-97 level	–	14%	27%	51%	67%	89%	122%	169%

Further information on the national and local picture can be found on the Audit Commission website<sup>55</sup>, including Best Value Performance Indicators (BVPIs). Unaudited BVPI figures for 2004-05 show that England recycled or composted almost 23 per cent of waste. Though unaudited, these figures are a good indication of the current level being achieved, and fully audited figures will be available early 2006.

Defra has been and is continuing to step up the range of support services it offers to local authorities, and the acceleration of the national rate of recycling and composting confirms that the 25 per cent target is within reach.

### Measuring Performance

Up until 2003-04 measurement of progress towards the Public Service Agreement target 6 was based on data from the Municipal Waste Management Survey (MWMS), which was published approximately 12 months after the end of the relevant financial year. The Survey is a National Statistics publication produced by Defra, and it collects actual tonnage information from each local authority in England. The response rate to the survey is approximately 96 per cent and estimates are made where information is not supplied. Some information is available even for those few authorities who do not respond so the impact on the overall recycling rate is likely to be negligible.

<sup>54</sup> <http://www.defra.gov.uk/news/2005/050801f.htm>

<sup>55</sup> <http://www.audit-commission.gov.uk/performance/index.asp>



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For 2004-05 data, a new quarterly web based collection system known as WasteDataFlow<sup>56</sup> has been introduced. WasteDataFlow aims to replace multiple waste questionnaires with one online reporting infrastructure, which aims to lead to more accurate data collected more regularly and efficiently. All but 4 local authorities have now registered to the system and 2004-05 data are currently in the process of being validated and analysed. Initial results are expected to be available in early 2006. Data collection for 2006 is currently underway.

### *Factors affecting performance*

Delivery of Defra's waste and recycling target is through local authorities, with the bulk of the funding coming from the local authority Environment, Protective and Cultural Services (EPCS) block. The proportion of this to be spent on waste management is up to each local authority to determine.

Local authority waste management costs are rising steadily in the light of continuing year-on-year increases in waste arisings and to fund the infrastructure needed to divert more waste from landfill to meet challenging EU targets. These additional costs were factored in to the 2004 Spending Review, which is injecting an additional £800 million by 2007-08 into the EPCS block which provides core funding for local authority services, including waste, as well as an additional £275 million in Private Finance Initiative (PFI) credits for investment in value for money waste disposal facilities.

Following the reform of the Waste Minimisation and Recycling Fund, Defra has paid out £45 million to local authorities this year under the new three-year Waste Performance and Efficiency Grant. Designed to support new and more efficient ways to deliver waste reduction, increase recycling and diversion from landfill, payment will rise to £105 million in 2006-07 and £110 million in 2007-08.

### *Tax*

To provide greater incentives to move away from landfill, Budget 2003 announced that the standard rate of landfill tax would be increased by £3 per tonne in 2005-06 and by at least £3 per tonne in the years thereafter, on the way to a medium to long-term rate of £35 per tonne. These increases will be revenue neutral to local authorities as a whole in 2006-07 and 2007-08. Arrangements for redistribution of the revenues to local authorities in 2005-06 were established in the autumn as part of the local government finance settlement.

### *Waste Implementation Programme*

The Waste Implementation Programme (WIP) was set up in response to the package of strategic investment measures recommended by the Strategy Unit in *Waste Not, Want Not*. The objective of the WIP is to divert biodegradable municipal waste away from landfill, to help meet the requirements of Article 5 of the Landfill Directive<sup>57</sup>. The programme therefore has a broader focus than recycling and composting, although it has a strong positive impact on the achievement of Defra's waste and recycling target.

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<sup>56</sup> <http://www.wastedataflow.org/>

<sup>57</sup> [www.defra.gov.uk/environment/waste/localauth/lats/pdf/lats-roadshow-01q&a.pdf](http://www.defra.gov.uk/environment/waste/localauth/lats/pdf/lats-roadshow-01q&a.pdf)

WIP is promoting the availability in England of cutting-edge technologies capable of processing waste diverted from landfill through its provision of pilot 'Demonstrator' schemes. The schemes, being run in partnership with local authorities and industry, will help to establish the technical and commercial viability of emerging and near-market waste technologies, and plants will be operational or at an advanced stage of planning by the end of 2005. WIP is also supporting local authorities' expansion of new waste facilities through PFI, market development and planning improvements. For example, by the end of September 2005 almost £850 million PFI credits had been awarded to 20 endorsed projects, with more currently undergoing review. Meanwhile, the market development programme is focussing on developing alternative funding methods and attracting new financial investment into waste.

Recently announced reforms to Municipal Waste Management Strategies and Planning Policy Statement 10<sup>58</sup> (in conjunction with the Office of the Deputy Prime Minister (ODPM)), also provide a more integrated, simpler and effective framework for making sure communities are supported by more sustainable, modern waste facilities.

Local authorities benefit from direct support from WIP's Local Authority Support Unit (LASU). This unit provides a range of targeted support measures on the Defra website<sup>59</sup>, covering issues such as: procurement; process; strategy making; kerbside; estates; civic amenity sites; and bulky goods collections. In addition, in 2004-05 local authorities received up to £20,000 of direct consultancy support to help, for example, in planning for the introduction of the Landfill Allowance Trading Scheme. This support has continued into this year and 372 (94.4 per cent) out of 394 authorities have received, or are receiving Direct Consultancy Support in 2004-05 and 2005-06.

Good quality data and research is essential to sound management of all waste streams and is being specifically addressed by WIP. A first call for research proposals saw 26 projects successfully awarded £4 million over three years, and a second call is planned for the end of this year<sup>60</sup>. Following consultation on arrangements to improve the data available on all waste streams to government, local authorities and the waste industry, work, in conjunction with the Environment Agency, is also progressing on launching a new, accurate and comprehensive data collection and storage system based on regular returns from the waste management industry.

### *Landfill Allowance Trading Scheme*

The Landfill Allowance Trading Scheme (LATS), introduced by Defra in April 2005, is a further step in the drive to move to more sustainable waste management practices. Though the scheme will not affect the waste and recycling target directly, it should provide local authorities with an additional incentive to increase recycling and composting as they have to divert increasing tonnages of biodegradable municipal waste away from landfill.

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<sup>58</sup> <http://www.odpm.gov.uk/index.asp?id=1143834>

<sup>59</sup> <http://lasupport.defra.gov.uk/>

<sup>60</sup> Data will not be available for the second call till the new financial year.

Under the scheme, authorities are set allowances for the amount of biodegradable municipal waste they can landfill, which they can, within restriction, 'bank', 'borrow' or 'trade' according to their needs. This system of tradable allowances should help to ensure that the targets in Article 5 of the Landfill Directive are met in the most cost efficient and effective way for England as a whole.

### *The Waste and Resources Action Programme (WRAP)*

The achievement of the statutory targets for local authority recycling and composting will result in a significant increase in material extracted from the waste stream. This will need to be reprocessed and incorporated into products.

WRAP is a major UK programme established to promote resource efficiency. Its main focus is on creating stable and efficient markets for recycled materials and products, and removing the barriers to waste minimisation, re-use and recycling. WRAP, a not-for-profit organisation in the private sector, is backed by substantial Government funding from Defra, the Department of Trade and Industry and the devolved administrations.

WRAP's activities include the development of standards to help generate greater confidence in recycled materials, business advice and the provision of a range of financial support mechanisms including capital grants to the recycling sector to directly increase recycling capacity. These programmes are on track to deliver a further 1.25 million tonnes of new recycling capacity by 2006, the majority of which will be able to process material drawn from the municipal waste stream.

Through funding from the Waste Implementation Programme, WRAP launched a £10 million multi-media advertising campaign in September 2004 – Recycle Now – , which is still running. The campaign's aim is to generate a minimum increase of 10 per cent in the public perception of recycling as a 'must or should do' activity by March 2006, and the first set of research results showed that within six months the campaign is already half way to achieving its target.

Further funding has been allocated to support English local authorities in the delivery of local communications and awareness campaigns. This provides grants for over 100 campaigns which have been delivered in 2004 and 2005 and WRAP monitor carefully the success of each campaign.

Retailers have also been targeted by WRAP as a way both to reduce packaging and to increase public participation in recycling. The Courtauld Commitment, launched in July and backed by major retailers such as Tesco and Sainsbury, committed signatories to achieve to design out packaging waste growth by 2008 to deliver absolute reductions in packaging waste by 2010 to identify ways to tackle the problem of food waste.

In addition, a £1.2 million 'Innovation' project helps retailers to pilot new ways of encouraging householders to recycle through, for example, new technology or financial incentives. The 4th round was launched in July 2005, and its focus on food waste, ties in with WRAP's considerable work elsewhere on composting. To date, they have supplied £400,000 home composting bins to householders across England and they are backing this up with a composting support service.

### **Summary**

Though the target of 25 per cent recycling and composting by 2005-06 for England is challenging, the Department has put in place a wide range of activities to support progress towards it, and reports to date suggest that it is on course to meet the target. A clearer picture will be available early in 2006 when audited BVPI and WasteDataFlow results will be published.

## **Protecting the countryside and natural resource protection**

Defra's protecting the countryside and natural resource protection strategic priority is:

*creating a robust policy framework and evidence base in order to promote the sustainable use and enhancement of the country's natural heritage and ecosystems.*

This section of the report looks at Defra's work to:

- reduce the decline in farmland birds; and
- protect Sites of Special Scientific Interest.

The Government's *Rural Strategy 2004* published in July sets out the Government's decision to establish Natural England - a powerful, independent agency<sup>61</sup> - to protect and enhance our natural heritage while at the same time helping people benefit from a high quality environment, through improving access to our green space – including for recreation, health and learning. Natural England, to be formed from English Nature, the Countryside Agency and the Rural Development Service, will build on the strengths of the existing organisations to help deliver Public Service Agreement target 3.

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<sup>61</sup> <http://www.defra.gov.uk/rural/ruraldelivery/natural-england.htm>

### Reversing the decline in farmland birds

**Public Service Agreement target 3a: Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity by reversing the long term decline in the number of farmland birds by 2020, as measured annually against underlying trends...**

Defra is currently **on course** to meet this target. For a short overview of progress please see Appendix 6.

As set out in previous Departmental Reports, this element of Defra's Public Service Agreement target reinforces the Government's adoption of wild bird populations as one of the 20 'Framework Indicators' for sustainable development in the UK.

Reversing the decline in farmland birds is viewed as a measurable surrogate of the ecological health of the wider countryside, including areas outside designated nature conservation sites such as Sites of Special Scientific Interest (SSSIs) and nature reserves.

#### Performance

The Public Service Agreement target relates to the long-term trend in farmland bird populations.

**Figure 10: Population of wild birds (United Kingdom): 1970-2004**

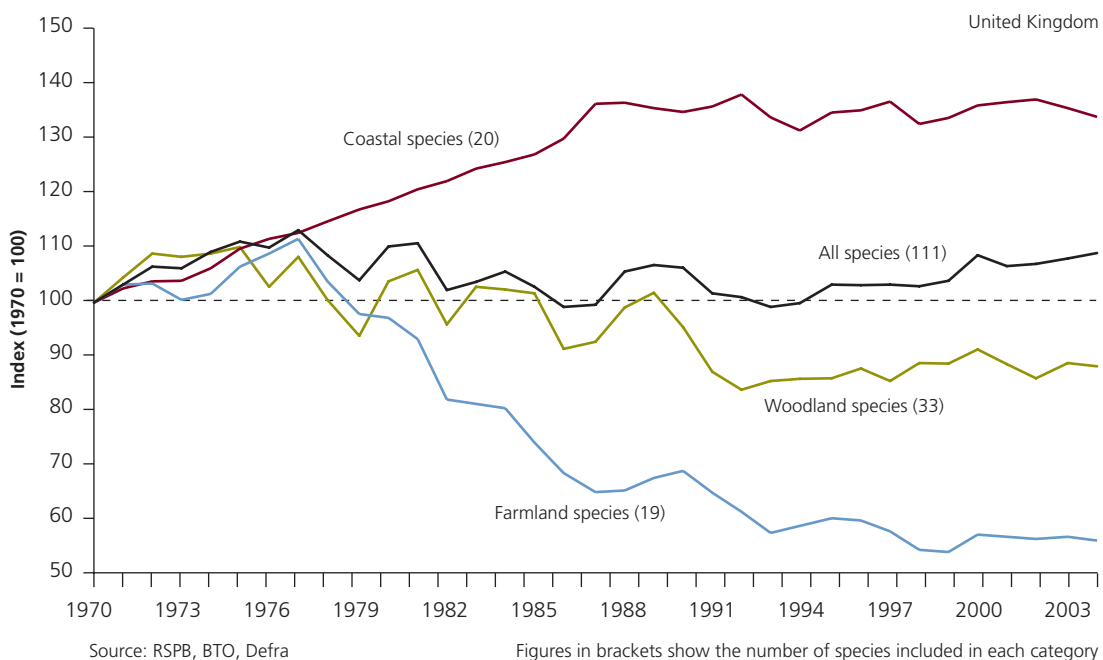


Figure 10 shows the bird population index for the UK, with the indices of farmland and woodland birds shown separately. Figure 10 also shows that while the UK's breeding bird populations have, on the whole, been stable since the mid 1970s, those species associated with woodland declined by over twenty per cent and those associated with farmland declined by about fifty per cent between the mid 1970s and the mid 1990s, but have been more stable since then.

**Figure 11: Year on year changes in the farmland bird index for England: long-term trend (1967 – 2003, 19 farmland bird species<sup>62</sup>)**

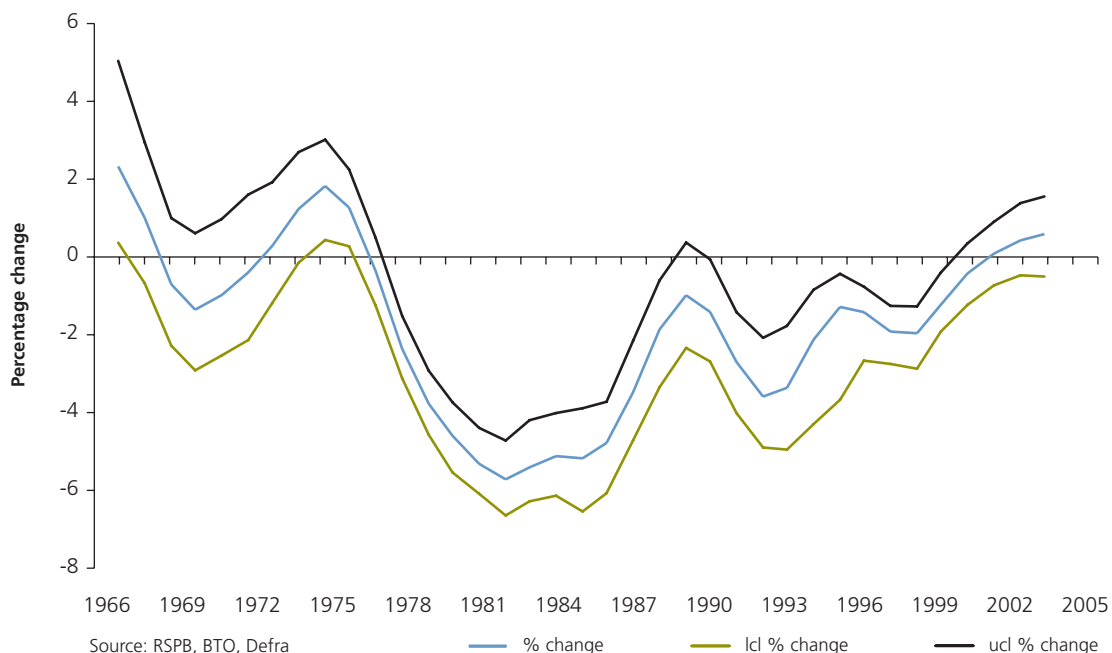


Figure 11 shows the year on year changes in the farmland bird index. In 2003 the index showed a small increase on the 2002 level. The chart provides a visual assessment of progress towards meeting the Public Service Agreement target of reversing the long term decline in farmland birds. It shows three versions of year on year changes. The top line shows the year on year changes in the upper (95 per cent) confidence limit; the middle line shows the actual year on year changes of the indicator itself; and the bottom line shows the year on year changes in the lower (95 per cent) confidence limit. When all three lines are above zero then the increase in index of farmland birds will be assessed as statistically significant.

The chart shows that the long-term decline in farmland bird populations appears to have halted. However, this stabilisation and possible early signs of a recovery in numbers starts from a low base and hides a variety of trends, with the populations of some species still decreasing and other species populations showing signs of recovery.

<sup>62</sup> The data for 2004 will be available in January 2006.

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This would indicate that Defra is on course to meet the farmland birds target, as assessed against the milestones laid out in the delivery plan. The milestones are as follows:

- the rate of decline of Farmland Bird Index will slow in the period 2004 to 2009;
- the Farmland Bird Index will become stable during the period 2009 to 2014; and
- the Farmland Bird Index will start to increase in 2014 to 2020.

### *Factors affecting performance*

A Steering Group has been established for the achievement of Defra's farmland birds target. The group is made up of key partners, many of whom act as delivery agents for the work programme, (particularly in relation to agri-environment schemes), and includes statutory, voluntary and private bodies. The aim of the Steering Group is to ensure that policy and action by the various delivery bodies are co-ordinated so as to maximise the likelihood of successful delivery of this target.

Policy areas which are critical to the success of the programme include:

- the cross-compliance element of the Single Payment Scheme; and
- take-up, funding and effectiveness of Environmental Stewardship.

Monitoring of the impact of Environmental Stewardship and of the 2003 Common Agricultural Policy reforms over the coming years will be key to the success of this target. The Agriculture Change and Environment Observatory will be the main tool that will help the Department do this.

### Sites of Special Scientific Interest

**Public Service Agreement target 3b: Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity by bringing into favourable condition by 2010 95 per cent of all nationally important wildlife sites.**

Progress to date indicates that Defra is currently **on course** for meeting this target. While there are risks to the maintenance of progress over the coming months, these are not

expected to pose a significant threat to achievement of the target by 2010. For a short overview of progress please see Appendix 6. In addition the percentage of the area of the SSSI series in target condition is reported monthly, on the basis of the latest information available, on English Nature's website<sup>63</sup>.

### **Background**

A coherent network of designated sites is a vital component of the Government's overall nature conservation strategy. Sites of Special Scientific Interest (SSSIs) are at the heart of its system of designated sites. The relationship between SSSIs and its wider biodiversity goals is explained in the *Biodiversity Strategy for England*<sup>64</sup>.

The condition of SSSIs is a key indicator of the success of Defra's biodiversity strategy, and a wider indicator of environmental sustainability. As such, the condition of SSSIs is an indicator for the *UK Sustainable Development Strategy*<sup>65</sup>, *Defra's Sustainable Development Strategy*<sup>66</sup> and the *Strategy for Sustainable Food and Farming*<sup>67</sup>, as well as the *England Biodiversity Strategy*.

There are over 4,000 SSSIs in England covering over 1 million hectares<sup>68</sup>. SSSIs are notified under section 28 of the Wildlife and Countryside Act 1981, as amended by the Countryside and Rights of Way Act 2000, and range in size from less than half a hectare to over 63,000 hectares. Owners of SSSIs include private individuals, private companies, and public bodies.

### **Performance**

The SSSI Public Service Agreement target was set in 2000 and English Nature completed the first round of its condition assessment programme in March 2003. This provided a baseline of 56.9 per cent of the total area of SSSI area in target condition. On the basis of condition assessments completed by the end of September 2005, the percentage of the total SSSI area in target condition was 68.42 per cent, up from 67.4 per cent in March 2005, as stated in the 2005 Departmental Report. See Figure 12.

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<sup>63</sup> [www.english-nature.org.uk](http://www.english-nature.org.uk)

<sup>64</sup> *Working with the Grain of Nature – A Biodiversity Strategy for England*. This is available at [www.defra.gov.uk/wildlife-countryside/biodiversity/biostrat](http://www.defra.gov.uk/wildlife-countryside/biodiversity/biostrat)

<sup>65</sup> *A Better Quality of Life*. [http://www.sustainable-development.gov.uk/uk\\_strategy/content.htm](http://www.sustainable-development.gov.uk/uk_strategy/content.htm)

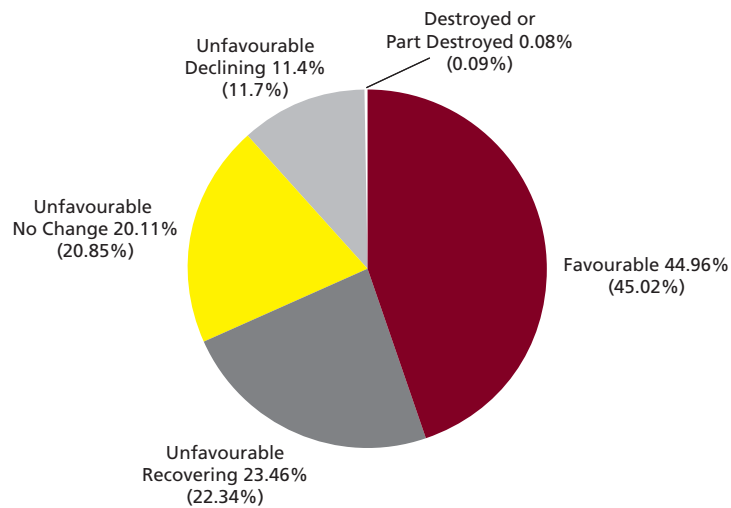
<sup>66</sup> *Foundations for Our Future*. <http://www.defra.gov.uk/corporate/sdstrategy/default.htm>

<sup>67</sup> *Facing the Future*. <http://www.defra.gov.uk/farm/sustain/newstrategy/index.htm>

<sup>68</sup> 4,117 SSSIs covering 1,072,537.66 hectares [www.english-nature.org.uk](http://www.english-nature.org.uk)



**Figure 12: Condition of Sites of Special Scientific Interest in England at 30 September 2005 (31 March 2005 figures in brackets)**



Target condition constitutes the sum of sites in the Favourable and Unfavourable Recovering categories<sup>69</sup>. In the 2005 Departmental Report, Defra published a trajectory (Figure 13) setting interim milestones to assist with the assessment and reporting of progress towards achievement of the SSSI target. This trajectory was informed by a model developed by English Nature, which estimates the amount of SSSI land in target condition that could be achieved each year on the basis of a series of variable assumptions. The trajectory is expressed as the percentage of SSSI land to be in target condition by a specified date.

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<sup>69</sup> A fuller explanation is given in the SSSI section of Appendix 2.

**Figure 13: Sites of Special Scientific Interest – the trajectory**

Date	Percentage of SSSIs in target condition
2005	67
2006	72
2007	78
2008	83
2009	89
2010	95

The achievement to date is consistent with this trajectory.

***Factors affecting performance***

Progress over the coming months is likely to be slower than anticipated. This is due to a number of factors, including financial constraints, the slower than expected establishment of Environmental Stewardship as a major funding mechanism, and delays in securing target condition on The Wash, which at some 63,000 hectares is England’s largest SSSI.

Nevertheless, these are factors which are capable of resolution well before the target date, and are not expected to pose a significant threat to achievement of the 95 per cent target by 2010.

In order to achieve the SSSI target, the Department needs to work in partnership across government and with a range of organisations. English Nature is a key delivery partner, along with the Rural Development Service and major SSSI landowning, managing or influencing bodies. Although the Department has good strategic relationships with all of these bodies, its success in reaching this target depends on their co-operation and commitment on the ground. Defra has mechanisms in place to manage these relationships, including a Programme Board and the SSSI Major Landowners Group.

English Nature has completed the first phase of its Remedies Project which identifies the actions that are needed on each SSSI unit which is not in target condition, and for each reason for its adverse condition. English Nature is currently in the process of agreeing these actions and a timescale for implementation with the wide range of partners responsible, and

Defra will use this information to improve modelling of the progress towards the target and the associated costs. When complete, the Remedies information will, in effect, constitute a timetabled action plan for each of the 7,000 management units not yet in target condition. This will represent a step change in the Department's understanding of the process and Defra will, for the 2006 Departmental Report, review the trajectory for the remainder of the period in light of this information and of progress to date.

The model continues to indicate the high level of partnership working that is required and that agri-environment schemes will have a major role to play in delivery of the target. The formation of Natural England and the period of confederated working leading to this are supporting both these aspects of delivery activity.

### Sustainable rural communities

Many rural communities benefit from good communications, access to markets and a skilled labour force, attracting new jobs and services. However, communities in peripheral or more sparsely populated areas and those with less well-developed transport and infrastructure face difficulties in sustaining or improving their prosperity.

Defra's sustainable rural communities strategic priority is:

*encouraging sustainable regeneration in disadvantaged rural areas, promoting social inclusions and reducing deprivation, ensuring higher quality, more accessible public services to rural communities.*

This section of the report looks at Defra's work to enhance opportunity in rural England.

### Enhancing opportunity in rural England

**Public Service Agreement target 4: Reduce the gap in productivity between the least well performing quartile of rural areas and the English Median by 2008 demonstrating progress by 2006 and improve the accessibility of services for people in rural areas.**

Whilst considerable progress has been made in the development of measure to assess the target (see Appendix 2) data are not yet available to establish progress over the period covered by the target due to a nearly two year time delay in the availability of relevant data. The first two years of data will be available by the end of 2006 to make a first assessment of progress during the period covered by the target (for 2003-04 and 2004-05).

There is no such thing as a single, homogenous 'rural England'. Rural areas range from some of England's most prosperous communities, to communities where average incomes are on a

par with the most deprived urban areas, and from areas with excellent access to a wide range of public and private services to those where many services are remote. Furthermore, even at very local level, rural communities tend to be very mixed – with prosperous households living alongside those facing real disadvantage. Indeed these differentials are one of the defining characteristics of most rural communities.

Recognising this broad diversity of 'rurality' the evidence so far available appears to identify some similarities between those rural areas which are facing the greatest challenge in terms of sustainable economic development and accessibility to services.

Broadly these fall into three categories:

- **Population sparsity and distance from major urban centres (peripherality).** In economic terms, there are advantages from the co-location of firms and industries in cities, in terms of knowledge spill-over, networking, reduced transport costs, labour market efficiency, local competition and service centres. By their nature many sparsely populated rural areas tend to be distant from such urban centres. This tends to increase the cost of service provision, and mean that the more peripheral rural areas gain the least benefits from the agglomeration of economic activity in cities;
- **Comparative advantage in low paid sectors.** The characteristics of some rural areas play a strong part in determining the activities which take place there. For example the presence of high quality agricultural land leads some areas to specialise in agricultural production and distribution, both comparatively low added-value economic activities. Likewise, the high environmental quality of some rural areas leads to heavy dependency on tourism, some (though by no means all) of which is seasonal and low paid; and
- **Areas undergoing major economic structural adjustment.** A final category of rural area characterised by low productivity and consequent low levels of social welfare is those areas adjusting to recent declines in a major economic activity; in particular the former mining areas of the East Midlands, Yorkshire, the North East and Cornwall. Many of these areas lie close to major cities and therefore the issues facing these communities tend to be very different from the first two categories. Also, on a smaller scale, some former seaside resorts and fishing communities fall into this category. Demographic change can also play a part here. The average age of the population in rural areas is increasing more quickly than in urban areas, and this can further increase the pressure on service delivery.

This Public Service Agreement target can be separated into two broad strands: improving the productivity of rural areas, and accessibility to services in rural areas. Whilst there are overlaps the separate nature of the two strands lends itself to each strand being reported on separately.

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### *Performance*

Defra has made considerable progress developing the measures by which the target will be monitored. In particular data is now available to establish a short run trend for the productivity headline indicator. This has allowed the Department to establish a trajectory against which to measure progress. Data will be available to allow a first assessment of overall progress on rural productivity (against the headline indicator) to be made by the end of 2006 – covering the period from April 2003 to March 2005.

Regional Development Agencies (RDAs) will also report on outputs delivered in support of the target at the beginning of 2006, and then on a six monthly basis thereafter under the new performance management arrangements for RDAs. This will enable a fuller assessment than previously possible of the impact of this key element of the programme in rural areas.

Defra has also established a suite of intermediary indicators which will allow us to measure economic trends and productivity drivers which will influence the final outcome measured by the headline indicator – providing a more general indication of the ‘health of the rural economy’. In relation to service measures Defra has made good progress agreeing these with partners. Appendix 2 outlines all these measures in more detail.

### *Economic productivity*

The principal instruments for directly addressing low rural productivity are:

- Regional Development Agency (RDA) programmes;
- England Rural Development Programme social-economic funding; and
- European Structural Funds (including Objective 1 in Cornwall).

This amounts to approximately £200 million per annum over the remaining spending period. Defra continues to work in partnership with the RDAs to address improvements in rural productivity. The first round of Regional Development Agency performance reports should be available in January 2006, this will be the first opportunity to assess the contribution they are making to delivery of the target.

These relatively limited resources directly available means that Defra must use its influence with other government departments to ensure that the needs of rural economies are addressed as part of their wider plans and mainstream expenditure – whether, for example, in transport, education or business support.

### *Access to services*

Defra and the Countryside Agency/Commission for Rural Communities have worked with all branches of government, national, regional and local, to ensure that all policies and initiatives are developed with rural communities in mind.

Together good progress has been made. This was reflected in the departments' approach in the 2004 Spending Review. Defra will continue to check that rural proofing is, as far as possible, mainstreamed into the mechanisms of government in the 2004 Spending Review period. The new Commission for Rural Communities will be an important factor in this.

So far, progress has been made in embedding rural proofing into the policy making process across government, by:

- working closely with departments to identify policy areas that are important to building sustainable rural communities. Defra's Public Service Agreement target 4, for the 2004 Spending Review will measure Defra's success in this by using a range of targets from across Government. With the Office of the Deputy Prime Minister, Office of National Statistics, and the Countryside Agency, Defra has now provided the means for Government to report on rural delivery of Public Service Agreement targets with the revised rural/urban definition;
- working with RDAs and local authorities to make sure rural communities get fair access to services;
- developing the evidence base in support of the identification and tackling of social exclusion in rural England;
- including rural proofing as an element of the Regulatory Impact Assessment; and
- 'Rural proofing' the Local Government Comprehensive Performance Assessment.

### *Factors affecting performance*

This is a very challenging target. As noted in the previous section, part of the explanation for 'lagging' rural areas can be found in the intrinsically peripheral nature of many areas, and the sparsity of population which defines their character. Likewise, for areas with a comparative advantage in relatively poorly paid (low added value) sectors, shifting economic activity into higher added value, including 'knowledge-based' sectors, will not be achieved overnight, but will require long-term planning and investment.

A further challenge to delivery of the target is presented by the fact that many of the levers to enhance service delivery and economic development are well beyond Defra's direct control. As delivery of public services is further devolved to local agents and providers, the methods by which Defra influence them must also devolve.

### Sustainable farming and food sector including animal health and welfare

Defra's strategic priority for sustainable farming and food sector including animal health and welfare is:

*helping create a sustainable food and farming supply chain serving the market and the environment; putting in place systems to reduce risks of animal diseases, and being ready to control them when they occur.*

This section of the report looks at Defra's work on:

- reform of the Common Agricultural Policy;
- progress in delivering the *Strategy for Sustainable Farming and Food*; and
- steps to protect public health and ensure high standards of animal health and welfare.

#### Reform of the Common Agricultural Policy

**Public Service Agreement target 5: Secure Common Agricultural Policy reforms that reduce production-linked support, enabling enhanced EU funding for environmental conservation and rural development.**

Major progress has been made and Defra is currently **on course** to meet this element of the target. For a short overview of progress please see Appendix 6.

The European Union's Common Agricultural Policy (CAP) has traditionally been costly for consumers and taxpayers and damaging for the environment, trade and development. Subsidies linked to what and how much farmers produce incentivised over production of certain commodities and contributed to the intensification of EU agriculture.

The CAP also caused trade distortion and damage to developing country markets, particularly as a result of the export refunds used to subsidise the sale of EU surpluses and the high import tariffs designed to shield European markets from lower world prices.

By working within the EU to break the link between direct payments and production and by seeking to divert a greater proportion of subsidy away from agricultural support and towards wider rural development and environment schemes, the Government has made significant progress in its aim of achieving better value for the public money spent on the CAP. This is also enhancing the long term sustainability of farming by improving its economic prospects, environmental impacts and social benefits.

Central to the Government's *Strategy for Sustainable Farming and Food* (discussed in detail in the next section) is the need to reconnect farmers to their markets. Decoupling direct payments from production will help achieve this by enabling farmers to give fuller emphasis in their production decisions to public demand rather than what subsidy incentivises. Decoupling also reduces the trade distorting nature of EU subsidy and paves the way for a deal under the World Trade Organisation's current Doha Development Round of trade liberalisation negotiations. An agreement that could bring substantial benefits for developing and developed country economies.

This Public Service Agreement target was set for the period 2005–08 and carries forward previous Public Service Agreement targets which sought to cut the cost of the CAP to consumers and taxpayers.

Since the target was set, two major reforms of the CAP have been agreed within the EU. The agreement of June 2003 achieves the following:

- decoupling of the bulk of EU direct payments from production;
- cross-compliance to make subsidy dependent on farmers meeting environmental, food safety and animal health and welfare standards;
- EU wide compulsory Modulation, diverting a proportion of subsidy towards environmental and rural development schemes;
- financial discipline, putting an upper limit on the CAP budget until 2013; and
- cuts in price support for some commodities.

A further agreement was reached in April 2004 on similar reforms for some of the sectors not covered in 2003. That includes a phasing out of the EU's tobacco subsidy regime, the decoupling of the bulk of subsidy for the cotton, olive oil and hops sectors and the introduction of cross-compliance in those sectors. As explained in Defra's 2005 Departmental Report, significant progress has been made in implementing the 2003 and, where relevant, 2004 reform packages, with the Rural Payments Agency (RPA) forecast for the commencement of payments under the new Single Payment Scheme (SPS) remaining as February 2006.

In June 2005, the Commission published its legislative proposals for sugar reform. The main elements of the reform package include a cut in production by means of a 39 per cent price reduction in two stages over three years (which in turn entails automatic quota reduction), a voluntary restructuring scheme over 4 years and compensation to farmers for 60 per cent of the price cut through a decoupled payment.



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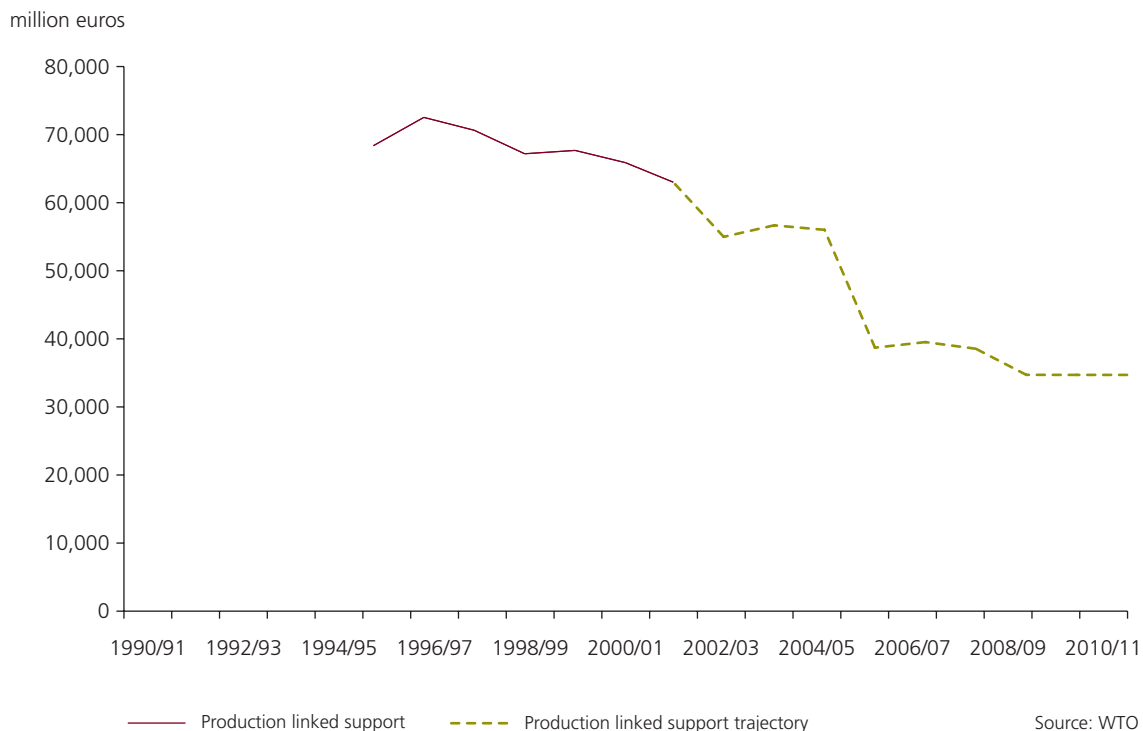
The Agriculture and Fisheries Council reached political agreement in May 2005 on reform of the EU Rural Development Regulation which governs EU spending on rural, environmental and development schemes.

In August 2004, a framework agreement was reached in the World Trade Organisation (WTO) Doha Development round of trade negotiations which put the process back on track following the collapse of the Cancun ministerial conference the previous year. By showing leadership in offering to address its own export refunds, the EU helped secure agreement from others to the complete elimination of all forms of export subsidy.

### Performance

The UK Government played a leading role within the EU to secure the CAP reforms of 2003 and 2004 which contribute substantially to the achievement of this Public Service Agreement target. Figure 14 includes actual data up to the 2001-02 marketing year and its projections based on the CAP reforms which have been achieved.

**Figure 14: CAP production-linked support**



The 2003 reforms will also mean that an extra €9 billion will be transferred from the EU's CAP subsidy budget to help fund environmental and rural development schemes over the period to 2013.

The Government's provisional estimates of the cost of the CAP to UK consumers and taxpayers is around £9.50 to £10 for a family of four per week. As part of the ongoing negotiations on future financing, the UK has initiated a debate on the EU budget - including (but not limited to) expenditure on agriculture. Defra's hope is that this debate will make progress on addressing the taxpayer costs of the CAP. The cost of the CAP to consumers is governed largely by higher EU commodity prices compared to world market prices as a result of EU import tariffs.

### *Factors affecting performance*

The achievement of reform of an EU wide policy such as the CAP is, of course, dependent on a number of factors which are outside the direct control of Defra or the UK Government. However, by setting ourselves this target, the Department ensures that resources and effort are directed towards strategies for achieving Defra's goal.

Key to Defra's success is the effectiveness of its arguments and influence upon the European Commission and other EU Member States. Defra makes its case by identifying and creating opportunities for taking forward the reform agenda and by engaging with its EU partners at Ministerial and official level across the spectrum of Government. Defra also consult, inform and encourage its stakeholders to use their influence.

The timetable for implementing the June 2003 reforms has been challenging. Defra and the RPA – which is delivering a number of the operational elements including the IT system for processing the single payments – have put a single programme management and governance structure in place.

Defra has also been working closely with the Environment Agency, farming industry, other stakeholders and with the administrations in Scotland, Wales and Northern Ireland to ensure that the UK as a whole implements the reforms on time. The Department has also developed contingency plans with the devolved administrations.

The European Commission published its legislative proposals for sugar reform on 22 June. The UK will use its Presidency of the EU in the second half of the year to try to reach agreement on reform ahead of the WTO Ministerial meeting in Hong Kong from 13-18 December. In the meantime, Defra is working with the Department for International Development to support the European Commission in producing its promised action plan to address the potential negative impacts of EU reform on those developing countries which currently have preferential access to the EU market.

Defra is working closely with Department of Trade and Industry, Department for International Development, the Foreign and Commonwealth Office and HM Treasury to prepare the ground for significant progress to be made in the Doha Development Round at the WTO

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ministerial meeting in Hong Kong. Defra will be engaging within the EU to help pave the way for a liberalising outcome. Good progress has already been made on agriculture, but there are still difficult hurdles to overcome.

Reports are also expected in early 2006 from the European Commission on the CAP regimes for fresh and processed fruit and vegetables, bananas and fibre crops (flax and hemp). Defra shall press for reform of these regimes as proposals are presented.

### Sustainable farming and food

**Public Service Agreement target 5: Deliver more customer focused, competitive and sustainable farming and food as measured by the increase in agriculture's gross value added per person excluding support payments.**

Defra is currently **on course** to meet this element of the target. For a short overview of progress please see Appendix 6.

The Government's *Strategy for Sustainable Farming and Food: Facing the Future*, sets out how industry, Government and consumers can work together to secure a profitable and internationally competitive future for its farming and food industries, while contributing to a better environment, improving nutrition and public health and encouraging prosperous communities.

The strategy is the principal means of delivering Defra's Public Service Agreement target 5. It also contributes to the delivery of several other Public Service Agreement targets within Defra and other government departments. These include a significant influence on the delivery of Defra's Public Service Agreement targets 1 and 9, supporting the promotion of sustainable development and improved animal health and welfare. It will also have an impact on Defra's Public Service Agreement targets 2, 3 and 4 and on delivery of Public Service Agreement targets within the Department of Health through the Food and Health Action Plan.

#### *Performance*

Currently this element of the target is measured by the productivity of farming indicator: Gross Value Added per person compared to rest of EU.

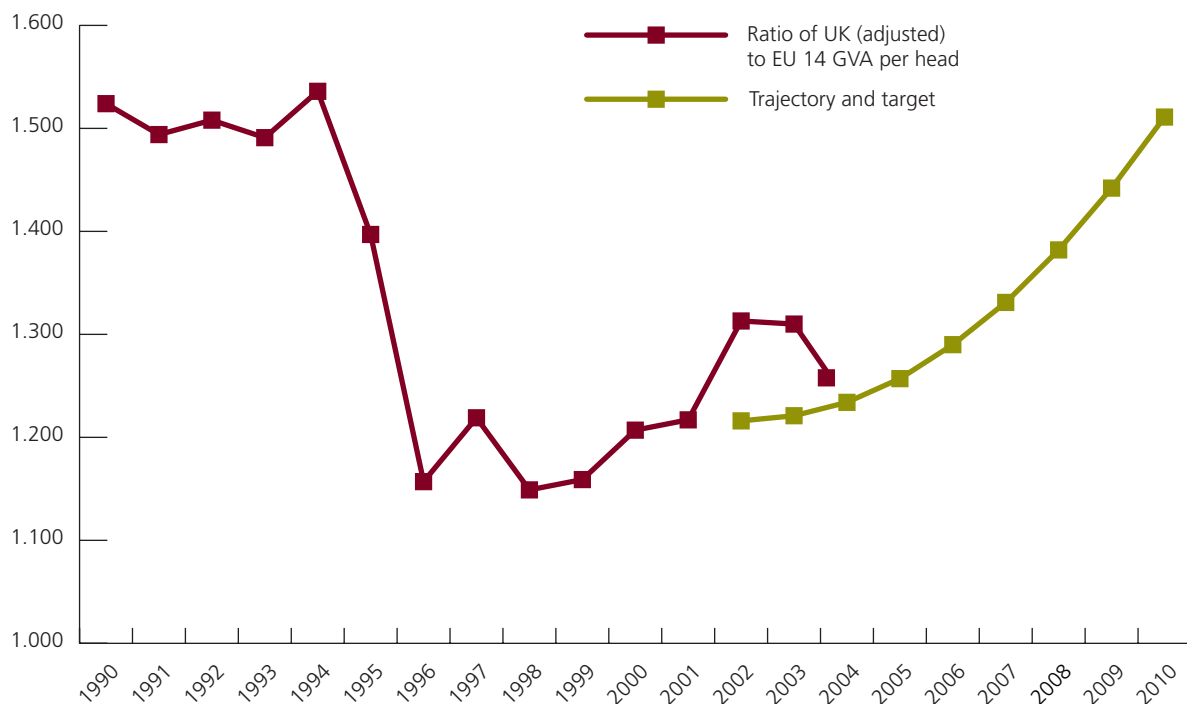
However, Defra is developing three additional indicators that will reflect the broader aims of the target:

- productivity of the food chain beyond the farm gate;
- river water quality: nitrate and phosphate levels from agriculture in rivers; and
- soil quality: soil organic matter content in agricultural topsoils.

Reporting against these indicators will commence when the methodology has been agreed.

*Productivity of farming:* this indicator compares the gross value added per person of UK agriculture (adjusted to remove the effects of the exchange rate) with that of the 14 other EU member states (before the 2004 accessions). Figure 15 shows this, using the ratio UK: EU 14. In spite of a fall between 2003 and 2004, the indicator continues the overall trend of increasing since the low of 1998.

**Figure 15: Gross Valued Added per person UK compared with EU**



Source: Defra, Eurostat

However, the objectives of the *Strategy for Sustainable Farming and Food* range much more widely than even these four areas. They are founded on the three pillars of sustainability and take an holistic approach encompassing environmental and social sustainability as well as economic development.

### Strategy Headline Indicators

The indicators are:

- productivity of farming: Gross Value Added per person compared to rest of EU;
- productivity of the food chain beyond the farm gate;
- cost of trade-distorting support;
- river water quality: nitrogen and phosphorus levels from agriculture in rivers;
- greenhouse gas emissions from farming and the food chain;
- soil organic matter content in agricultural topsoils;
- favourable condition of SSSIs;
- farmland birds index;
- fruit and vegetable consumption;
- animal health and welfare; and
- gap in productivity in rural areas.

The non-Public Service Agreement target 5 indicators are reported under their relevant Public Service Agreement targets.

During 2005, key achievements in delivering more competitive and sustainable farming and food industries include:

- significant progress on implementation of CAP reforms agreed in June 2003, which in breaking the link between subsidies and production, is enabling farmers to produce for the market rather than in response to subsidy. At the same time the new CAP payments are now linked to compliance with a range of environmental and animal health and welfare standards;
- the new agri-environment scheme, Environmental Stewardship was launched earlier this year and will allow every farmer in England to earn payments for undertaking environmental management of the land. The scheme will include Entry Level Environmental Stewardship, Higher Level Stewardship and Organic Entry Level Stewardship;
- the System Preview of the Whole Farm Approach was launched in September 2005 by Lord Bach with the first release of the live system due to be rolled out in February 2006. The Approach will deliver a range of benefits to both farmers and regulators.

For the farmer it will reduce duplication and repeat requests for information, allow participants to understand how new standards and regulations may impact on their business, and provide direct access to guidance and targeted information which will improve business performance;

- key grants have been given under the Agriculture Development Scheme, including awards to the Red Meat, Dairy and Cereals Industry fora to deliver improvements in competitiveness, improve collaborative action and reduce the disparity in the costs of production and profitability between the most and least efficient farmers; and
- continuation of work to develop an optimal package of measures for tackling diffuse water pollution from agriculture, with consultation planned in 2006.

### *Farm Business Advice*

Defra launched the new Farm Business Advice Service, 'Knowing your options', in October 2005, in order to help farmers consider the business implications of the new Single Payment Scheme (SPS). The new service replaces the former three-day Farm Business Advice Service which ended in March. The target for the service is to deliver advice to 15,000 farmers in England between now and the end of March 2007, when it will come to an end. After that time responsibility for farm business advice will transfer to the Regional Development Agencies as part of their responsibility for mainstream business support services. Defra is currently discussing the details of that with them.

### *Food Chain Initiatives.*

Defra will continue to support initiatives which aim to improve the efficiency of the food chain and contribute to the spread of best practice. The Agricultural Development Scheme will continue to be open to new projects designed to achieve a sector-wide impact in terms of helping the industry adapt to the challenges ahead, with an increased budget of £5.7 million.

In line with its *Regional Food Strategy*, Defra will continue to support producers of quality regional food and drink through a programme of activities aimed at creating trade development opportunities, raising consumer awareness and improving business competitiveness.

On exports, Defra will continue to provide funding to the International Agriculture and Technology Centre and to Food From Britain to promote agricultural, and food and drink exports respectively.

The food industry beyond the farm gate makes a major contribution to the UK economy and provides over 3 million jobs. It also has significant social and environmental impacts. Defra is therefore working with industry and other stakeholders to develop a Food Industry Sustainability Strategy for the food and drink manufacturing, wholesaling, retailing and service sectors.

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The Strategy was published for public consultation in April this year. It has been amended in the light of responses to the consultation and, subject to collective agreement, will be published by the Government in early 2006.

### *Non-Food Crops.*

The Government will implement a programme to deliver the actions set out in the Strategy for *Non-Food Crops and uses*. Further decisions are expected to be taken on support for biofuels for transport and measures to stimulate bioenergy, following a feasibility study on the possible introduction of a renewable transport fuel obligation and the recommendations of the biomass taskforce published on 25 October 2005<sup>70</sup>.

EU proposals are expected on amending the organic food and farming regulation, where the Government will be seeking simplification of control where this is consistent with maintaining consumer confidence. The Government will implement the decision taken in 2004 to extend a national derogation allowing existing standards for organic poultry to be maintained, and to avoid disadvantaging UK producers against competitors elsewhere in the EU.

### *Agricultural Gangmasters*

Defra Ministers supported the Gangmasters (Licensing) Bill, which received Royal Assent in July. The Act will help to create a safe working environment, free from exploitation for those who work in the agriculture, food packaging and food processing industries. The Act established the Gangmasters Licensing Authority, which was set up in April 2005. The requirement for labour providers to be licensed will be rolled out during 2005-06.

### *Tenant farmers*

Defra is committed to ensuring a viable future for the tenanted sector, which makes an important contribution by allowing people to farm without the capital needed to buy land, and provides opportunities for new entrants into the industry. Defra is taking forward all of the recommendations of the Tenancy Reform Industry Group for amendment to the Agricultural Holdings Act 1986 and Agricultural Tenancies Act 1995 through a Regulatory Reform Order which is anticipated to enter into force in the spring of 2006.

### *Farm Regulation and Charging Strategy.*

Defra is committed to improving the regulation of farming, and published a strategy addressing this issue on 28 November 2005<sup>71</sup>. Defra has gathered a body of evidence on the performance of farm regulation from farmers, regulatory bodies and policy makers. It has worked with stakeholders to agree priorities for reducing bureaucracy and improving the effectiveness and efficiency of farm regulation, in line with the recommendations of the recent Better Regulation Task Force Report, *Less is More*. The Department has also developed tools and techniques to provide it with a better understanding of the cumulative burden of planned Defra regulation on farmers.

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<sup>70</sup> <http://www.defra.gov.uk/farm/acu/energy/biomass-taskforce/>

<sup>71</sup> <http://www.defra.gov.uk/farm/regulation-strategy/>

The strategy will take account of the findings of the Hampton Review on streamlining enforcement and inspection, and set out how they will be applied to farming. It will also set in context the Whole Farm Approach, and how farmers will be offered a more integrated, efficient approach to the delivery of regulation and advice, reducing burdens from form filling and overlapping inspections.

### *Factors affecting performance*

The strategic outcomes set out in the *Sustainable Farming and Food Strategy (SFFS)* as measured by progress against a range of headline indicators, will be the ultimate recognition of success in the long term. In the shorter term, success will be measured against achievement of delivery indicators which underpin the strategic outcomes in the *Sustainable Farming and Food Strategy*.

The degree of challenge is high. It requires a major shift in culture, behaviour and performance throughout a complex delivery chain (including other government departments, the Government Offices in the Regions and the Regional Development Agencies (RDAs) and the food and farming industries) and in consumer behaviour. Delivery of the outcomes at regional level will be a vital element and effective co-ordination and communications between regions and the centre will be essential. Implementation of CAP reform – itself a major challenge – will be a vital step in removing the distorting effects of production-linked subsidies and providing a clearer focus on environmental requirements. Other challenges ahead include ensuring a high degree of uptake of the Environmental Stewardship Schemes and Whole Farm Appraisal (WFA), adaptation to climate change, ending the Over Thirty Months Scheme (OTMS) for cattle and transition to the Older Cattle Disposal Scheme (OCDS), as well as external global factors such as oil prices (currently causing very high fertiliser prices). The successful creation of Natural England and development of a new England Rural Development Programme (ERDP) are also important for SFFS delivery.

Effective communications with stakeholders, particularly in the farming sector, is essential to raise awareness of Strategy initiatives and achieve behavioural change. A communications strategy has been developed to ensure that activity is co-ordinated and coherent. Research has been undertaken to assess farmer awareness of SFFS initiatives and to explore the most effective methods of communicating with them. Additional research has been conducted on consumer attitudes towards farming and food. The results of the farmer research will be used to inform future communication activities and the consumer research has stimulated debate amongst the industry on reconnecting the public with farming, food and the countryside.



### Reducing the annual incidence of Bovine Spongiform Encephalopathy

**Public Service Agreement target 9: Reduction in the number of cases of Bovine Spongiform Encephalopathy (BSE) detected by both passive and active surveillance to less than 60 in 2006 with the disease being eradicated by 2010.**

#### *Performance*

**Slippage:** Defra continues to achieve a steady reduction in the numbers of BSE cases, however latest estimates indicate that the number of cases detected in 2006 may be slightly higher than the target. For a short overview of progress please see Appendix 6.

The epidemic continues to show a steady decline, broadly in line with projections, as shown in Figure 16.

The final total for incidence detected by both passive and active surveillance in 2002<sup>72</sup> was 1,039, in 2003 it was 548 and in 2004 it was 309, representing year on year reductions between 2002-03 and 2003-04 of 47 per cent and 44 per cent respectively. To meet the 2006 target the number of cases detected must continue to decline rapidly. Defra expect this to occur, however the absolute number found will depend on the number of cattle born before August 1996 remaining in the population, as this is the group in which the majority of cases occur. The survival of this group will depend greatly on commercial decisions taken by cattle keepers following the replacement of the Over Thirty Month rule and the Over Thirty Month Scheme.

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<sup>72</sup> Active surveillance started in July 2001 but 2002 was the first full year of the programme and is quoted to allow comparisons with similar surveillance activity in future years.

**Figure 16: Bovine Spongiform Encephalopathy passive and active surveillance cases confirmed**

Year	Passive surveillance suspects known to have been slaughtered	Slaughtered suspects in which BSE not confirmed	Slaughtered suspects in which BSE confirmed	Confirmed cases detected by active surveillance	Incidences of BSE detected by both passive and active surveillance
Pre 18.07.88	1,141	414	727		727
1988	2,372	192	2,180		2,180
1989	8,057	924	7,133		7,133
1990	16,641	2,460	14,181		14,181
1991	29,021	3,995	25,026		25,026
1992	43,154	6,474	36,680		36,680
1993	41,084	6,714	34,370		34,370
1994	28,708	4,765	23,943		23,943
1995	17,156	2,855	14,301		14,301
1996	10,150	2,137	8,013		8,013
1997	5,302	992	4,310		4,310
1998	4,031	852	3,179		3,179
1999	2,838	582	2,256		2,256
2000	1,753	442	1,311		1,311
2001	1,152	371	781	332	1,103
2002	809	364	445	594 <sup>73</sup>	1,039
2003	413	240	173	375	548
2004	310	228	82	227	309
<b>Total</b>	<b>214,092</b>	<b>35,001</b>	<b>179,091</b>	<b>1,528</b>	<b>180,609</b>

Figures provided by Veterinary Laboratories Agency (VLA). [Further statistics and information on BSE are available on the Defra website<sup>74</sup>.]

In March 2005 the European Food Safety Authority (EFSA) confirmed the UK as being 'Moderate Risk' status for BSE (less than 200 cases per million adult cattle). The continued effective control of BSE is also reflected in the UK Government's major decision to replace the Over Thirty Month (OTM) rule with a system of robust BSE testing with effect from the 7 November 2005, allowing all healthy cattle born after August 1996 into the food chain.

<sup>73</sup> Active surveillance started in July 2001 however 2002 was the first full year of the programme and is therefore more comparable with activity in future years.

<sup>74</sup> <http://www.defra.gov.uk/animalh/bse/statistics/incidence.html>

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### *Measuring performance*

Defra collects samples from all reported cases that are suspected of having BSE. The Department maintains awareness of the signs of BSE amongst farmers and vets, and farmers are paid compensation to encourage reporting (passive surveillance). Defra will collect and test samples from all categories of healthy cattle slaughtered at over 30 months and all fallen cattle over 24 months which die or are killed on farm or are sick on inspection at abattoirs (active surveillance). The results of all samples are collected and monitored against the targets.

### *Factors affecting performance*

The number of BSE cases is greatly influenced by the survival of older animals born before the August 1996 feed ban. This group are surviving longer than expected and this, combined with an increasingly larger proportion of cases detected by active testing than originally expected (originally forecast equal ratio of cases between passive and active surveillance) means that the actual number of cases detected may be just above the upper confidence limit produced by the Veterinary Laboratories Agency (VLA) model.

The 2010 target of eradication may be influenced by the continuing small number of cases in animals born after August 1996. Should the number of these cases born after August 1996 continue, or increase, there will be a risk of missing the target to a small extent.

## National Scrapie Plan

**Public Service Agreement target 9: A reduction of 40 per cent in the prevalence of scrapie infection (from 0.33 per cent to 0.20 per cent) by 2010.**

### *Performance*

Current status: **Not yet assessed.**

The National Scrapie Plan (NSP) has been in operation since July 2001. Since then over 44,000 farm visits have taken place and over 1.8 million animals have been blood sampled.

During 2004-05, Defra completed a strategic review which agreed the shape of the compulsory ram genotyping scheme which will deliver the reduction in scrapie infection, and work has progressed on preparation for the launch of the scheme in 2006. The programme also launched a voluntary scheme to take action in flocks that had already reported scrapie as well as a compulsory scheme which implemented EU regulations to take action in flocks that report scrapie after July 2004.

### *Measuring performance*

The target of a 40 per cent reduction in scrapie prevalence is based on the conclusions of an epidemiological report undertaken by the VLA and the Welsh Institute of Rural Studies which assessed the impacts of the application of a range of selective breeding strategies designed to remove the most scrapie susceptible genotypes from the GB national breeding flock.

A final modelling exercise will be undertaken after the end of the Public Service Agreement target time frame to confirm that the target has been met.

In the meantime, the prevalence will be monitored through the results of testing fallen stock and those from the abattoir survey (both requirements of Commission Regulation 999/2001) and statistical analysis of the trend over time will be possible with the accumulation of additional annual estimates.

### *Factors affecting performance*

Defra is working closely with its delivery agent, the State Veterinary Service (SVS), to implement the compulsory ram genotyping scheme which will deliver this target, and to guard against any significant delays which could affect achievement of the target.

## **Bovine Tuberculosis**

**Public Service Agreement target 9: A reduction in the spread of Bovine Tuberculosis to new parishes to below the incremental trend of 17.5 confirmed new incidents per annum by the end of 2008.**

Bovine tuberculosis (TB) continues to be one of the most difficult animal health problems. The scale of the challenge facing both Government and industry in seeking to reverse the long-term upward trend in the disease is significant. The Government is determined to tackle the problem and find a solution working in partnership with farmers, vets and those with wildlife interests.

### *Performance*

New bovine TB control measures, designed to tighten surveillance and reduce the risk of the disease spreading to new areas, were announced on 1 November 2004. An information leaflet summarising the new measures, and detailing their implications, was sent to all registered GB cattle owners before the announcement was made.

Despite these new measures, or possibly because of them, the numbers of reactors detected by routine surveillance in the first quarter of 2005 was significantly higher than in the previous year.

**Figure 17: Bovine Tuberculosis**

	Jan-Apr 2003	Jan-Apr 2004	Jan-Apr 2005 <sup>75</sup>	Percentage change 2004-05
Cattle herds tested	21,861	20,497	19,279	-5.94
Cattle tested	2,139,254	2,107,946	2,092,526	-0.74
Total TB incidents	3,750	3,353	3,634	8.38
Confirmed new incidents	777	754	867 <sup>76</sup>	14.99
Reactors slaughtered	8,226	7,162	9,803	36.88

The long term trend of TB breakdowns from 1990 to 2001 was an increase of 18 per cent per annum, so the increase in herd breakdowns of 15 per cent is below the long term trend. However, the trend over the same period was an increase in the number of reactors slaughtered of 20 per cent. The year on year increase of 37 per cent therefore represents a significant increase in the number of infected animals. It is difficult to predict whether the measures in place as of November 2005 are capable of containing this increased reservoir of infection in cattle.

**Figure 18: Bovine Tuberculosis trend statistics**

12 Month period ending	Percentage increase or decrease of 60 month rolling mean
31 March 1997	+13
31 March 1998	+17
31 March 1999	+18
31 March 2000	+18
31 March 2001	+10
31 March 2002	-2
31 March 2003	+46
31 March 2004	+15
31 March 2005	+7 <sup>77</sup>

<sup>75</sup> Provisional.

<sup>76</sup> Increased number of reactors presents a future challenge to continued achievement of targets.

<sup>77</sup> Provisional.

### *Factors affecting performance*

The main measure intended to ensure that the spread of disease to new parishes is contained is pre-movement testing. The Government is committed to introducing pre-movement testing of cattle for bovine TB and has been working in partnership with stakeholders to develop a detailed proposal for implementation. An independently chaired TB Pre-Movement Testing Stakeholder Sub-Group was set up in September 2004 for this purpose. The proposal is being developed on the basis that the costs will be shared with farmers.

A package of measures to tackle TB will be available to report on in the 2006 Departmental Report.

### **Efficiency Programme**

Defra agreed the following efficiency targets as part of its 2004 Spending Review settlement: £610 million efficiency savings by end of 2007-08, 2,400 headcount reductions, and 390 posts relocated from London and the South East.

Sustainable efficiency savings delivered before the 2004 Spending Review period (i.e. delivered in 2004-05) were admissible as contributing to these targets. In 2004-05, Defra delivered financial efficiencies of £110 million (of which £52 million was delivered by Local Authorities through efficiencies in environmental services), headcount reductions of 491 and 124 relocations<sup>78</sup>.

£377 million of the overall target will be delivered as 'cash releasing' efficiencies (producing the same output for less input) while £233 million will be 'productivity' efficiencies (more / better outputs for the same cost). Of the £610 million, £299 million are expected to be delivered by Local Authorities via efficiencies in waste services for which authorities have budgetary responsibility but Defra has policy responsibility. Half of the waste service efficiencies will be cash releasing.

A criteria of delivering the efficiencies is that the level of service is maintained or improved. This aspect is being monitored in a number of ways including monitoring of output levels, customer satisfaction surveys, external audits, achievement of Public Service Agreement targets, and corporate Balanced Scorecard measures.

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<sup>78</sup> The Departmental Report, published in June 2005, identified £41 million / 356 posts but the data has since been updated to reflect end-year outturns.

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The Defra Efficiency Programme draws upon a portfolio of initiatives that is being undertaken across the core Department, its Executive Agencies and Non-Departmental Public Bodies. The major components of the portfolio are:

- Waste Implementation Programme;
- Environment Agency Change Programme;
- Rural Payments Agency (RPA) Change Programme;
- Activity Baseline Review (ABR) - Emissions Trading Scheme;
- England Rural Development Programme IT (ERDP-IT);
- Contracting/Procurement;
- Other Executive Agencies efficiency programmes;
- Modernising Rural Delivery Programme (MRDP);
- IT Outsource Programme (E-nabling);
- Policy Centre Review Programme;
- Transforming HR (T-HR); and
- Finance Change Programme.

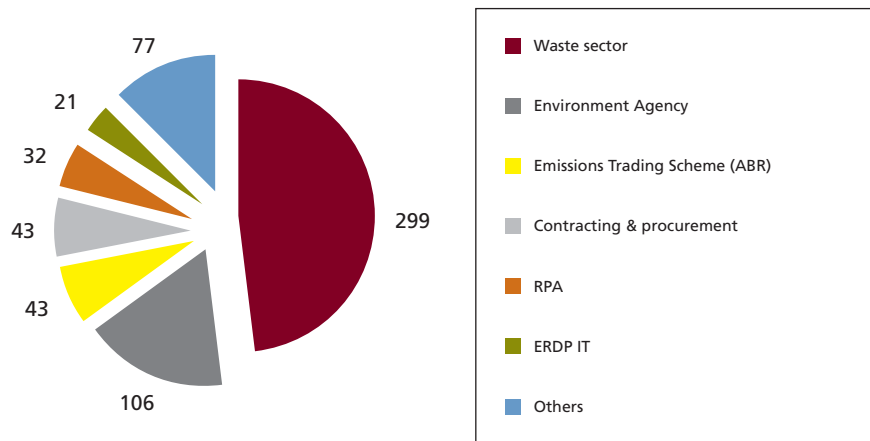
These and the other initiatives are at various stages of maturity and will deliver at different points over the 2004 Spending Review period. Over the next twelve months, key milestones will be delivered including roll out of new IT systems and closure of offices in the RPA, implementation of ERDP IT systems, establishment of a Centralised Communications Unit, and completion of roll out of e-HR self service systems. Defra's target for delivery by the end of 2005-06 is £229<sup>79</sup> million and it is forecasted that the Department will exceed this target by some £30 million.

Figure 19 and Figure 20 highlight the overall targets, shown by the key components of the portfolio.

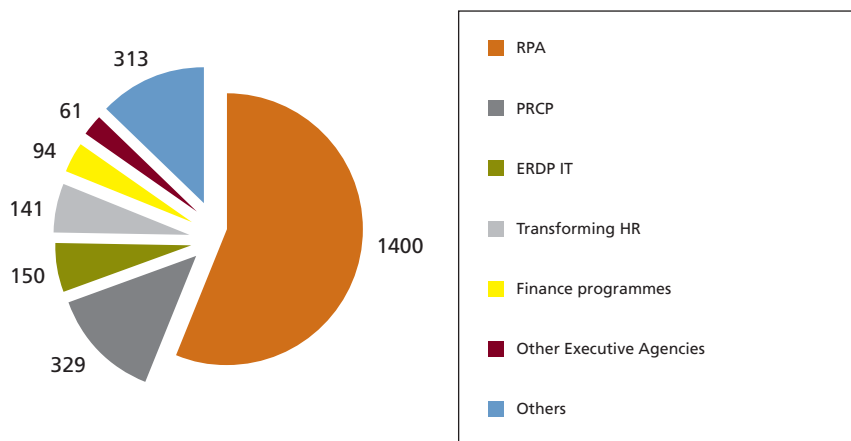
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<sup>79</sup> Original target for 2005-06 was £120 million, of which £25 million was through Local Authorities (LA) environmental service efficiencies. The target has been revised to £229 million to reflect an adjusted LA component of £135 million.

**Figure 19: Efficiency Programme - Financial efficiencies (£ millions)**



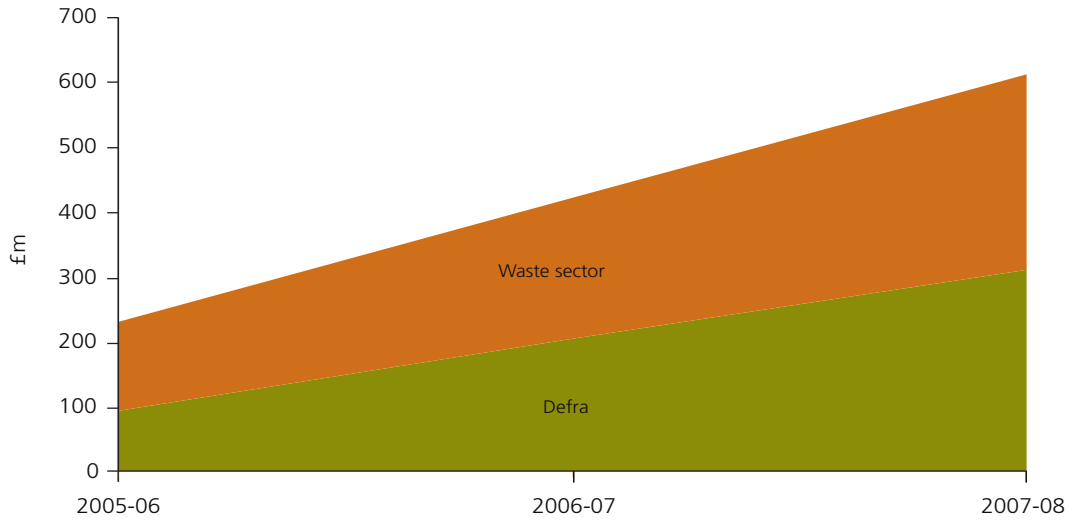
**Figure 20: Efficiency Programme - Headcount efficiencies**



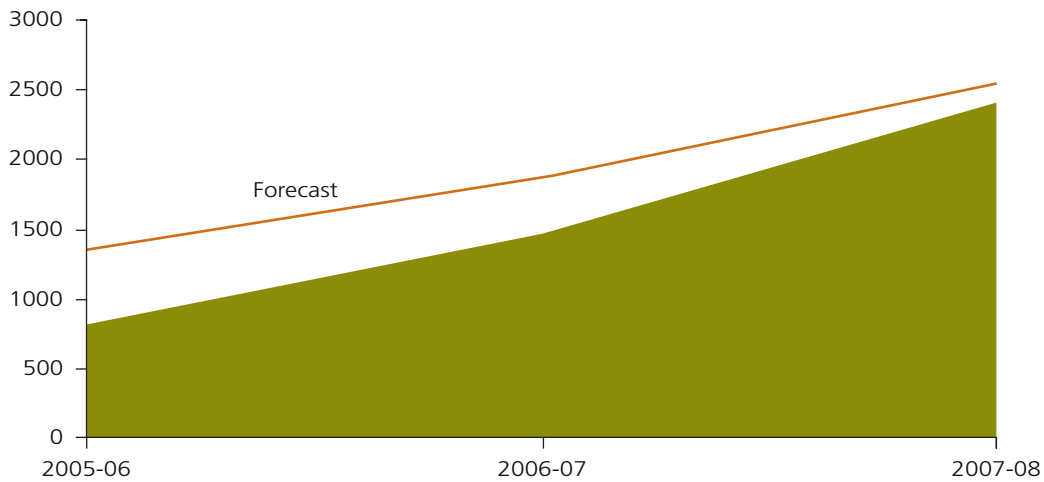
Alongside delivery of the financial efficiency target, Defra is also delivering on the Department's target to reduce headcount and to relocate posts from London and the South East. By the end of 2004-05, 491 posts across the areas covered by the efficiency portfolio had been reduced, principally from the Rural Payments Agency and from Human Resources. Defra expects to deliver a further 800 in 2005-06, of which over 120, mostly from RPA, have been delivered so far. Similarly 124 posts were relocated away from London and the South East by the end of 2004-05. The Department is on track to meet the overall 390 target.



**Figure 21: Efficiency Programme - Financial targets (£ millions).**



**Figure 22: Efficiency Programme - Headcount targets**



Further details of Defra's Efficiency Programme have been published in our 2005 Efficiency Technical Note and can be found on the Defra website at: [www.defra.gov.uk/corporate/busplan/busplan.html](http://www.defra.gov.uk/corporate/busplan/busplan.html)

# Relationship between 2004 Spending Review and 2002 Spending Review Public Service Agreement targets

2004 Spending Review	Relationship to	2002 Spending Review
<p>1. To promote sustainable development across Government and in the UK and internationally, as measured by:</p> <ul style="list-style-type: none"> <li>the achievement of positive trends in the Government's headline indicators of sustainable development;</li> <li>the UK's progress towards delivering the World Summit on Sustainable Development commitments, notably in the areas of sustainable consumption and production, chemicals, biodiversity, oceans, fisheries and agriculture; and</li> <li>progress towards internationally agreed commitments to tackle climate change.</li> </ul>	1	<p>1. To promote sustainable development across Government and the country as a whole as measured by achieving positive trends in the Government's headline indicators of sustainable development.</p>
<p>2. To reduce greenhouse gas emissions to 12.5 per cent below 1990 levels in line with our Kyoto commitment and move towards a 20 per cent reduction in carbon dioxide emissions below 1990 levels by 2010, through measures including energy efficiency and renewables. Joint with Department of Trade and Industry and Department For Transport.</p>	2	<p>2. Improve the environment and the sustainable use of natural resources, including through the use of energy saving technologies, to help reduce greenhouse gas emissions by 12.5 per cent from 1990 levels and moving towards a 20 per cent reduction in carbon dioxide emissions by 2010.</p>
<p>3. Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity by:</p> <ul style="list-style-type: none"> <li>reversing the long-term decline in the number of farmland birds by 2020, as measured annually against underlying trends; and</li> <li>bringing into favourable condition by 2010 95 per cent of all nationally important wildlife site.</li> </ul>	3	<p>3. Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity by: reversing the long-term decline in the number of farmland birds by 2020, as measured annually against underlying trends; bringing into favourable condition by 2010 95 per cent of all nationally important wildlife sites; and opening up public access to mountain, moor, heath and down and registered common land by the end of 2005.</p>
<p>4. Reduce the gap in productivity between the least well performing quartile of rural areas and the English Median by 2008, demonstrating progress by 2006, and improve the accessibility of services for people in rural areas.</p>	4	<p>4. Reduce the gap in productivity between the least well-performing quartile of rural areas and the English median by 2006, and improve the accessibility of services for rural people.</p>
<p>5. Deliver more customer-focused, competitive and sustainable farming and food industries and secure further progress via Common Agricultural Policy (CAP) and World Trade Organisation negotiations in reducing CAP trade-distorting support.</p>	5	<p>5. Deliver more customer-focused, competitive and sustainable food and farming as measured by the increase in agriculture's gross value added per person excluding support payments; and secure CAP reforms that reduce production-linked support, enabling enhanced EU funding for environmental conservation and rural development.</p>
<p>6. To enable at least 25 per cent of household waste to be recycled or composted by 2005-06, with further improvement by 2008.</p>	6	<p>6. Enable 25 per cent of household waste to be recycled or composted by 2005-06.</p>
<p>7. Eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy Objective.</p>	7	<p>7. Reduce fuel poverty among vulnerable households by improving the energy efficiency of 600,000 homes between 2001 and 2004.</p>
<p>8. Improve air quality by meeting the Air Quality Strategy targets for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3-butadiene. Joint target with the Department for Transport.</p>	8	<p>8. Improve air quality by meeting our National Air Quality Strategy objectives for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3-butadiene. Joint target with the Department for Transport.</p>
<p>9. To improve the health and welfare of kept animals, and protect society from the impact of animal diseases, through sharing the management of risk with industry, including:</p> <ul style="list-style-type: none"> <li>a reduction of 40 per cent in the prevalence of scrapie infection (from 0.33 per cent to 0.20 per cent) by 2010;</li> <li>a reduction in the number of cases of BSE detected by both passive and active surveillance to less than 60 in 2006, with the disease being eradicated by 2010; and</li> <li>a reduction in the spread of Bovine TB to new parishes to below the incremental trend of 17.5 confirmed new incidents per annum by the end of 2008.</li> </ul>	9	<p>9. Protect public health and ensure high standards of animal welfare by reducing: the annual incidence of Bovine Spongiform Encephalopathy (BSE) to less than 30 cases by 2006; and the time taken to clear up cases of poor welfare in farmed animals by 5 per cent by March 2004.</p>
<p>This target is not being rolled forward</p>	10	<p>10. Achieve a reduction of 10 per cent of the unit cost of administering CAP payments by 2004-05 and an increase to 95 per cent electronic service delivery capability for such payments by 31 March 2005.</p>



# Measuring performance against 2004 Spending Review Public Service Agreement targets

This Appendix sets out how Defra measures performance against each of its 2004 Spending Review Public Service Agreement targets. The Department's Technical note<sup>80</sup> also provides additional detail. The Department aims to refine and improve the way it measures its progress against its targets and will update future reports as it improves its methodology.

## Sustainable development

Public Service Agreement target 1 refers to achieving 'positive trends in the *Government's headline indicators of sustainable development*'. The new *UK Government Sustainable Development Strategy, Securing the Future*, set out a revised set of indicators of sustainable development, and there is no longer a set of indicators with a specific 'headline' role (although the 15 former headline indicators are represented within the revised set).

Progress in implementing the Strategy itself will be reviewed, along with other evidence, using 68 indicators that support the four priority areas of sustainable consumption and production, climate change and energy, protection of our natural resources and enhancing the environment and creating sustainable communities for a fairer world.

Many of the indicators consist of more than one component measure and in total the 68 indicators consist of 127 separate measures. A baseline assessment of these measures was published in *Sustainable development indicators in your pocket 2005*<sup>81</sup> and summarised in the form of 'traffic lights' showing the direction of change in the indicator measures compared with baselines of 1990 and 1999; with green signifying improvement; amber little or no change; and red deterioration.

The reporting for Public Service Agreement target 1 in the main body of this report is based on the number of component measures showing green, amber or red traffic lights for the indicators supporting each of the four priority areas. Not all indicators and not all component measures contribute to the Public Service Agreement target 1 summary and some indicators or components support more than one priority area. In addition some

<sup>80</sup> <http://www.defra.gov.uk/corporate/busplan/tn.pdf>

<sup>81</sup> *Sustainable development indicators in your pocket 2005*, Defra, 2005 PB11008

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indicators are included in the Strategy for contextual purposes only – to provide context for interpreting other indicators. The traffic lights for these contextual indicators do not contribute to the Public Service Agreement target 1 summary. The number of indicators and measures associated with each priority area and the number contributing to the summary are given in Figure 23.

**Figure 23: Number of indicator measures contributing to Public Service Agreement target 1 summaries**

Priority Area	Supporting indicators in Strategy <sup>(1)</sup>		Component measures <sup>(2)</sup>		Measures used in Public Service Agreement target 1 reporting <sup>(4)</sup>
	All indicators	Excluding contextual indicators <sup>(3)</sup>	All measures	Excluding contextual measures <sup>(3)</sup>	
Sustainable consumption and production	25	20	49	41	30
Climate change and energy	14	14	22	22	14
Protecting our natural resources	15	13	28	26	24
Creating sustainable communities	39	34	68	61	52

(1) The indicators supporting each priority area, as listed in the Strategy.

(2) The individual measures that make up the indicators - an indicator may consist of several separate components.

(3) Contextual indicators / measures are not intended to be used to formally review progress but are included in the Strategy to provide background information for each priority area. They are therefore excluded from the reporting for Public Service Agreement target 1.

(4) The individual measures that are used in the reporting for Public Service Agreement target 1. These exclude contextual measures and also exclude duplicate measures or those measures that would otherwise result in double counting.

The Department's Technical note lists all 68 indicators, their 127 component measures, the data sources and shows how each measure contributes to Public Service Agreement target 1 reporting. The indicators themselves and the associated traffic lights are presented on the sustainable development website, which includes reporting for Public Service Agreement target 1 purposes.

### *Basis of compiling the Public Service Agreement target 1 summaries*

The indicators supporting the Strategy were not specifically developed for reporting Public Service Agreement target 1. They are intended to support, review and inform policy development towards the delivery of the commitments in the Strategy. They are also intended to be communication tools to raise awareness and understanding of sustainable development.

The indicators cover a very broad range of issues and many of them consist of more than one measure. There is intentional repetition of indicators across the priority areas and repetition of measures across the indicators.

Some indicators are covering very much the same issues, but from different perspectives. Examples would include greenhouse gas emissions, total carbon dioxide emissions, and carbon dioxide emissions from individual sectors. For the Public Service Agreement target 1 summaries it would be inappropriate to count these indicators as being distinct as the carbon dioxide emissions figures feed directly into the higher level indicator of greenhouse gas emissions. So changes in the same emissions would in effect be counted several times in the Public Service Agreement target 1 summaries. In such cases where the trend in the 'higher level' measure is very strongly influenced by the more disaggregated measure, then the higher level measure is not counted in the Public Service Agreement target 1 summaries.

This approach also reflects the need to ensure that progress in the Public Service Agreement target is dependent on making progress in specific delivery areas, rather than more generalised measures which are helpful for summarising but do not allow specific and appropriate policy responses to be identified in order to affect the trend.

In other cases, for the purposes of communication, some indicators may have separate measures, but because the trends in these measures are very closely allied it would not be appropriate to count the measures as being distinct for the purposes of the Public Service Agreement target 1 summaries, as there would be 'double-counting'.

So for each measure and for each priority area, consideration has been given as to whether the trend in the measure should be regarded as separate from others and thus reasonably included in the compilation of the Public Service Agreement target 1 summaries.

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No distinction has been made regarding the importance of individual measures compared with other measures. So within the summaries each measure has been given equal weighting.

Any indicators or measures that are not included in the Public Service Agreement target 1 summaries are not being disregarded in overall monitoring of progress. All of them contribute to the review of progress in the *UK Government Strategy*, and many of them are related to Public Service Agreements in their own right and are hence reported on separately elsewhere. Their exclusion from the counting of traffic lights is to avoid duplication and to give an unbiased summary.

### *Assessments of change for individual indicators*

Within *Sustainable development indicators in your pocket 2005* and on the sustainable development website, each indicator is presented in chart form, with statistical commentary and the 'traffic light' assessments. The website also provides access to the data used and provides justifications for the indicator assessments.

For the reporting of each indicator, there may not be just one pair of traffic lights, as several component measures may form the overall indicator. Where these measures are showing differing directions of change separate traffic lights are reported. In the printed document and on the website, where measures are showing the same direction of change, for convenience only one set of traffic lights may be reported. This is only for ease of communication, and the separate measures are nevertheless separately assessed.

The data used for the indicators are mainly from published National Statistics sources from across Government. The reported figures are therefore as accurate as the original sources allow. In most cases it is very clear whether or not an indicator measure is showing improvement or deterioration, but in others it requires greater judgment, and a 'rule of thumb' is used. Where an indicator value has changed by 3 per cent or more, since the baselines, then the traffic lights will be set to green or red, depending on the direction of change, otherwise the traffic lights will be amber. The basis of these determinations are provided on the sustainable development website. The Government departments or other organisations who are responsible for the data are consulted as to the appropriateness of the traffic light assessments. Exceptions to the uniform rule are highlighted and justified in terms of it being known that the data behind the indicator requires a greater degree of change before it can be regarded as showing genuine change, or where the indicator has reached a level, where a smaller degree of change should be interpreted as showing genuine change. This approach meets a National Audit Office recommendation to devise a documented and consistent way of assessing change and is regarded as a good way of adding clarity to the decision process regarding significance of changes in indicator values.

For further information refer to the Public Service Agreement target 1 Technical Note which can be found at: [www.defra.gov.uk/corporate/busplan/busplan/htm](http://www.defra.gov.uk/corporate/busplan/busplan/htm) and for access to the individual indicators refer to the UK Government sustainable development website or *Sustainable development indicators in your pocket*.

## Climate change

### *Greenhouse gas inventory*

Defra is responsible for submitting the UK's greenhouse gas inventory (GHGI), which includes a detailed national inventory report, to the UN Framework Convention on Climate Change (UNFCCC) and the EU Monitoring Mechanism. The National Environmental Technology Centre (NETCEN) of AEA Technology compiles and maintains the GHGI on behalf of Defra and the devolved administrations. The GHGI is compiled using the same database as the National Atmospheric Emissions Inventory<sup>82</sup> (NAEI). The NAEI is the air emissions inventory for the UK and includes emission estimates for a wide range of important pollutants, including greenhouse gases.

Energy statistics required for compilation of the NAEI and GHGI are obtained from the Digest of UK Energy Statistics (DUKES), compiled and published by the Department of Trade and Industry. Information on industrial processes is provided either directly to NETCEN by the individual sectors responsible for emissions or from the Environment Agency's Pollution Inventory (PI). The PI is the only statutory part of the national system. Large companies are required to report emissions of key pollutants to the Environment Agency. The PI is also used to help to confirm some information provided voluntarily by companies directly to NETCEN.

The Institute for Grassland and Environmental Research (IGER) compiles the inventory for agricultural emissions using agricultural statistics from Defra. The Centre for Ecology and Hydrology (CEH) compiles estimates of emissions and removals from land-use change and forestry using Defra land-use data and information on forestry from the Forestry Commission.

Defra is establishing a national system for the UK in accordance with Kyoto Protocol guidelines. The national system is the institutional, legal and procedural framework for estimating UK Greenhouse Gas (GHG) emissions and removals, and for reporting and archiving inventory information. Parties to the Protocol are required to report a GHG inventory on an annual basis to the UNFCCC and the national system is designed to ensure that this is of a high quality, in the correct format and delivered on time.

Defra also funds research contracts to improve emissions estimates for certain sources. For example, in recent years contracts have been let to update landfill methane emissions estimates, develop a methodology for estimating methane emissions from abandoned coal mines and emissions of hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride, which was done in consultation with industry.

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<sup>82</sup> <http://www.naei.org.uk>



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The GHGI is compiled according to the Inter-governmental Panel on Climate Change (IPCC) Good Practice Guidance and guidelines, and is peer reviewed annually by independent experts appointed by the UNFCCC. Each year the inventory is updated to include the latest data available. Where appropriate, improvements to the methodology are made and are backdated to ensure a consistent time series. Methodological changes are made to take account of new data sources, new methodologies developed by IPCC, new research, specific research programmes sponsored by Defra or recommendations from the UNFCCC or other independent reviews. Full details of data uncertainties for each greenhouse gas are described within the national inventory report.<sup>83</sup>

The annual GHGI is published by NETCEN, usually within 15 months of the end of the calendar year in question. Data is available on an annual basis back to 1990.

### *Emissions projections*

Projections of greenhouse gas emissions to 2010 and 2020 are produced regularly. Revised projections for energy-related emissions of carbon dioxide will be published in early 2006 as part of the review of the UK Climate Change Programme. Projections for non-carbon dioxide emissions are also in the process of being updated.

The reported figures used to assess progress with Public Service Agreement target 2 are both within margins of error estimated using the methodology developed by the Intergovernmental Panel on Climate Change (IPCC). They are reported annually as part of the UK's Greenhouse Gas Inventory which can be accessed on the National Atmospheric Emissions Inventory website<sup>84</sup> (as mentioned in the 2005 Departmental Report, page 305 footnote 160). The most recent inventory shows that in 2003 carbon dioxide emissions were between 4.2 per cent and 7.8 per cent below the 1990 level with 95 per cent confidence with a central estimate – 5.6 per cent below the 1990 level. Greenhouse gas emissions as a whole weighted together using global warming potentials were estimated to be between 11 per cent and 16 per cent below the 1990 level at 95 per cent confidence, with a central estimate of 13 per cent below. Compliance with the Public Service Agreement target is on the basis of the central estimate made using internationally agreed methodologies and is subject to international review.

### **Farmland birds**

This element of Defra's Public Service Agreement target reinforces Government's adoption, in 1999, of wild bird populations as one of 15 'headline indicators' of sustainable development in the UK. In previous years the target has been based on data from the Common Bird Census for the whole of the UK. Because the data are now derived from the more statistically powerful Breeding Bird Survey<sup>85</sup> (BBS), the target can now be based on BBS data for England only. Since Defra's policies relate to England, this makes the Public Service Agreement target a more relevant measure of Defra performance.

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<sup>83</sup> Further information can be found at: [www.naei.org.uk/reports.php](http://www.naei.org.uk/reports.php)

<sup>84</sup> [www.naei.org.uk](http://www.naei.org.uk)

<sup>85</sup> Details of the 2003 Breeding Bird Survey can be found at: <http://www.bto.org/bbs/results/BBSreport03.pdf>

Twenty species of birds were originally identified as being representative of the overall population of farmland birds. The selected species were approved by the Joint Nature Conservation Committee (JNCC) and the Royal Society for the Protection of Birds (RSPB), and are a mixture of farmland specialists and farmland generalists. Although these species are strongly associated with farmland, the methods of data collection used in the BBS means that their numbers are counted when identified in any habitat (not just that classified as farmland) and are used to compile the data that makes up the farmland bird index. Research by the RSPB and British Trust for Ornithology (BTO) has shown that the trend for the populations of birds found on farmland was very similar to the trend for birds found in all habitats<sup>86</sup>.

The data used to calculate the long-term trend in farmland bird populations are taken from the BBS, carried out by the BTO, the JNCC and the RSPB. This survey has now replaced the Common Bird Census (CBC), on which the indicator was previously based. The data series from the CBC began in the 1960s and its last year was 2000. The BBS began in 1994 and overlapped with the CBC until 2000 but is now the only survey. Detailed work was carried out (see Defra's Technical Note) on the statistical techniques for combining data across the two surveys in order to ensure continuity and check that the resulting index was not significantly different.

Further work was also done to check that the indicator based only on English data was not significantly different from the one based on all UK data. As this was shown to be the case, the decision was taken to switch to an England basis from the current report onwards.

The index of farmland bird populations is calculated annually on the breeding populations of 19 species (this excluded one of the original twenty species, Barn Owl, because it is not counted every year and trends had previously been extrapolated). The index is a National Statistic, which means that it meets National Statistics quality criteria, and is updated annually (although as there were no figures for 2001 since the foot-and-mouth disease outbreak prevented sufficient access to farmland, estimates for 2001 are based on the average of 2000 and 2002 for individual species). Research completed in 2001 by the BTO and RSPB produced an agreed methodology to measure the annual underlying trend in populations (see Defra's Technical Note<sup>87</sup>). The methodology enables the production of a smoothed indicator showing the long-term trend by combining the 19 individual species' indices. In this way the effects of any short-term fluctuations due to the weather or special factors affecting one or two species are reduced.

This element of the Public Service Agreement target will have been achieved when the long-term trend in the farmland bird index (the smoothed indicator) and the associated upper and lower confidence limits (using a 95 per cent confidence interval) are all positive. Statistically, a positive annual change is defined as when all three lines on the trend graph are above the zero annual percentage change axis. However, it will be important to ensure that the benefits achieved are safeguarded and sustained since the target may be achievable in various,

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<sup>86</sup> The completed report, *Preliminary BBS-based habitat-specific indicators for wild bird populations 1994-2002* can be found at: <http://www.defra.gov.uk/environment/statistics/wildlife/kf/wdkf03.htm>

<sup>87</sup> <http://www.defra.gov.uk/corporate/busplan.htm>

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undesirable ways – such as by facilitating the increase in some of the 20 species while other species diminish in numbers or disappear altogether. The Government's aim is to bring each species into a stable or increasing position and then to safeguard and sustain that achievement.

### Sites of Special Scientific Interest

Defra's performance against this target is measured using data provided by English Nature. The technical notes for the target define a 'nationally important wildlife site' as any land that has been notified as a Site of Special Scientific Interest (SSSI). English Nature is responsible for assessing the condition of all the special interest features of SSSIs in England. SSSIs are, where appropriate, divided by English Nature into management units based on ownership patterns and/or habitat boundaries, and the condition of each feature is assessed and reported on a unit by unit basis. Basing information on condition at the unit level, rather than for whole SSSIs, gives a more accurate picture of the SSSI series. Condition assessments are carried out by local English Nature Conservation Officers and are governed by nationally agreed Common Standards (which are agreed at the UK level through the Joint Nature Conservation Committee (JNCC)). Details of the standards for assessing the condition of individual habitats and species are being prepared through the JNCC<sup>88</sup>.

All units are assessed as part of a six-year rolling programme, with more frequent assessments being made of vulnerable units or those not on target. Condition assessment information is collated in English Nature's Site Information System (ENSIS) and is also available on the English Nature website. ENSIS shows the latest assessment completed by an English Nature Conservation Officer for each unit, and is continuously updated. It should be noted, however, that the condition of a unit is dynamic and may improve or deteriorate over time.

Units are assessed as being in one of seven Common Standards condition categories. The top three categories (favourable maintained, favourable recovered and unfavourable recovering) comprise 'favourable condition' for the purposes of the target and is referred to in this report as 'target condition'. Units assessed as being in 'target condition' are those which have notified features that are in favourable condition, or those that are currently unfavourable but have the necessary management measures in place such that English Nature predicts, using expert judgement, that the interest feature will in due time reach favourable recovered condition.

Performance against the target is measured by calculating at any time, on the basis of the latest condition information available, the percentage of the area of the SSSI series which is in target condition. The SSSI series in England is largely complete. However, in order to ensure that it continues to represent the full range of natural and semi-natural habitats and the most important geological or physiographical sites, minor changes are made from time to time by amending the boundaries of SSSIs or by notifying new areas as being of special interest<sup>89</sup>. Reported changes to the overall condition of the SSSI series therefore reflect any

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<sup>88</sup> These will be made available on the JNCC website: [www.JNCC.gov.uk](http://www.JNCC.gov.uk)

<sup>89</sup> English Nature have a duty under section 28(1) of the Wildlife and Countryside Act 1981 to notify land as a SSSI where they believe it to be of special interest. Sections 28A-D allow English Nature to amend the boundaries and notification documents of existing SSSIs, subject to following certain procedures.

changes made to the area of the SSSI series as a whole.

The percentage of the area of the SSSI series in target condition is reported monthly, on the basis of the latest information available, on English Nature's website<sup>90</sup>. This figure is also reported by Defra in its Departmental Report and in English Nature's annual report. In addition, the latest condition assessment of each and every SSSI and its component units in England is also available on the English Nature website.

Reports on progress towards Public Service Agreement target 3b reflect data on all SSSI land, and are not extrapolated from sampled data. There is therefore no question of margins of error deriving from such a process. This is not to say that the data is perfect. In response to National Audit Office (NAO) recommendations, an explanation of the origins of the reported data was included on page 307-8 of Defra's 2005 Departmental Report. This pointed out that data is collected over a 6 year rolling programme, and that components of it will therefore be anything up to 6 years out of date, and sites might either improve or deteriorate in the interim. This situation is unavoidable. The condition assessment process is thorough, and needs to address 7 per cent of England's area - to do so more frequently would divert scarce expert resources away from actions designed to bring about improvements in condition.

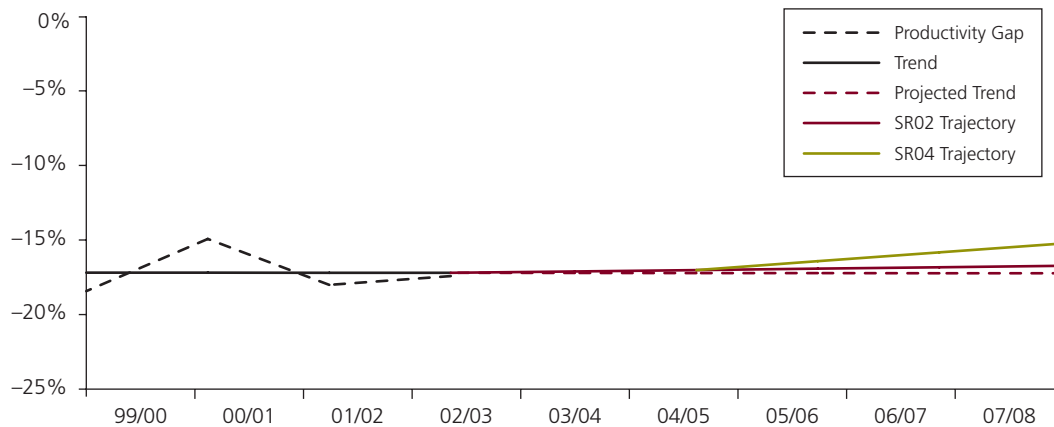
### Rural productivity

Though limited (to four data points) and of variable quality (Public Service Agreement delivery plan), data for the headline indicator now allows the plotting of a predicted linear trend for the gap in rural productivity in the absence of policy intervention (see Figure 24). Notwithstanding the limitations of the available data, this can act as a baseline against which to measure the effect of activity to deliver the target. Two possible trajectories have been plotted, one based on activity from the 2002 Spending Review (SR2002) period and the second on the possible effect of the 2004 Spending Review period. It should be noted that, to date, the figures are only available up to 2002-03. The SR2002 Public Service Agreement target only came into effect in April 2003, Defra will therefore only be able to make a realistic assessment of progress against the baseline once two years' data is available to make comparison with the trajectory (by the end of 2006).

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<sup>90</sup> [www.english-nature.org.uk](http://www.english-nature.org.uk)

**Figure 24: Productivity Proxy Indicator Gap: Trajectory based on short-run trend**



With input from the Regional Development Agency (RDA) and HM Treasury, the Department has developed a set of intermediary indicators to supplement the Rural Productivity Public Service Agreement target which will provide more timely data and encompass the wider rural economic policy concerns. Defra will be providing analytical reports at both the national and regional level, which are available on Defra's website.<sup>91</sup>

### Access to services in rural areas

Defining targets from across Government which both reflect the needs of rural – especially disadvantaged – people, and allow accurate and meaningful measurement in relation to those people is a challenging task.

Defra has been working on an initial group of 9 targets, agreed by HM Treasury and the departments concerned for 2004 Spending Review. For each of these targets, it is intended that the service or policy that they reflect, should be delivered equitably and address disadvantage in all communities, including rural ones.

In summary, three targets have data available and baselines in place, three are still under discussion, two targets are subject to availability of data and may need re-defining, and one has been removed.

Our progress towards measuring Public Service Agreement target 4 in rural areas is as follows:

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<sup>91</sup> [www.defra.gov.uk/rural/research](http://www.defra.gov.uk/rural/research)

## **Health**

### **Access to**

- (i) crisis services; and*
- (ii) child and adolescent mental health services.*

The method of measurement is still under discussion with Department of Health. A suitable measurement should be available in early 2006.

The initial plan was to use the number of suicides as a proxy indicator of access to services. However this is seen as impracticable for a number of reasons.

A better option may be to focus upon access to services per head in rural areas. If the Department can collect the number of 'places' for mental health per Primary Care Trust (PCT) within current boundaries, these could be classified for rurality based upon the PCT classification. There is however a potential issue arising from the proposed amalgamation of PCTs into larger units.

Further discussion with the Department of Health is required to assess the future feasibility of this target.

### **Drug rehabilitation and treatment:**

- (i) participation of problem drug users in drug treatment programmes; and*
- (ii) proportion of users successfully sustaining or completing treatment programmes.*

Baseline report should be available in the New Year.

The National Drug Treatment Agency (NDTA) are in the process of producing a report for Defra outlining potential data variables at a geographical level suitable for rural proofing. Upon presentation of the report, Defra statisticians will be meeting with the NDTA to identify the exact data to be used and to formalise the baseline data for the Public Service Agreement target 4.

Simultaneously, based upon previous discussions with the Home Office (HO) which suggested that it may be worth considering drug treatment needs as well as provision - the Drug Intervention Programme (DIP) dataset should be able to provide this information - Defra statisticians will liaise with HO once the NDTA report is completed to ensure that all suitable variables are taken account of when deciding upon the relevant indicator.

The NDTA report is expected in December and the meetings between Defra, the NDTA and HO will be in early 2006.

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### *Education and Skills*

#### **Children's services**

- (i) take-up of formal childcare by lower income working families; and*
- (ii) increase in the stock of Ofsted recognised childcare places.*

Status – Baseline in place.

Data from December 2004 of the number of childcare places by Super Output Area (SOA) has been processed by the DfES and passed to Defra. Thus rural analysis has already been done. This provides a solid baseline position and the data will be updated annually.

#### **NEETs - Proportion of young people not in education, employment or training**

Available data being assessed for appropriateness to measure progress towards the target.

Data for December 2004 will be available by Local Education Authority (LEAs) from the end of 2005 and will be available for the 2006 Departmental Report. However Defra may find that LEAs are not susceptible to a rural/urban breakdown – this is currently under investigation. If necessary, the Department will request data at a lower geographical level.

### *Work and Pensions*

#### **Employment rates of disadvantaged groups**

Status – Data is available to measure target in rural areas. Baseline of 2004-05 set.

This is broken down into employment rates for each of the following groups:

- labour force survey;
- lone parents;
- ethnic minority;
- qualifications; and
- poor wards.

This data is available at local authority level using the new Annual Population Survey 'boost' and so the rural classification can be applied. However some analysis may need to be specifically requested from the Office of National Statistics in order to avoid disclosure issues. 2004-05 data is already available and can be used as a baseline and regular data updates will continue to be available.

## *Pensions*

### **Increase take-up of pension credit**

Status – still under discussion with Department for Work and Pensions (DWP).

Policy colleagues are presently in liaison with the DWP in order to clarify which data is most fit for purpose for monitoring the Public Service Agreement target 4 commitments in terms of pensions.

The Rural Statistics Unit have pension credit data by various geographies down to Lower SOA level. This data is sourced directly through DWP's own website<sup>92</sup>. Such data can be analysed from a rural perspective. However, decisions have yet to be made as to whether such data is most appropriate to use for monitoring this Public Service Agreement target commitment.

## *Transport*

### **Accessibility**

Status – Still under discussion with Department for Transport (DfT) but should reach a satisfactory conclusion by February 2006.

DfT are in the process of producing Accessibility indicators at SOA level. Each of these can be defined for rurality, and then aggregated to produce urban and rural totals. Data for 2005 will be available from quarter 1,2006. However, the next data set will not be available until quarter 1,2008 (for 2007) meaning that any short term analysis will not be possible.

Defra officials will be meeting with DfT colleagues shortly to discuss the indicator, which should be available for January/February 2006.

## *Housing*

### **Affordable Housing**

Status. A range of data is available. Decision to be made as to which to use is imminent and the outcome should be available for the 2006 Departmental Report.

Two potential sources of data for this have been identified. The first is a study by Frontier Economics, on behalf of Defra, which identifies every Census Area Statistics (CAS) Ward as affordable/unaffordable based upon the average lower quartile house price and the earnings of employed non-home owners.

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<sup>92</sup> [www.dwp.gov.uk](http://www.dwp.gov.uk)



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The second is a study by Roger Tym and Partners, undertaken on behalf of the Commission for Rural Communities, which aims to identify the number of affordable houses required in each ward.

Both datasets make use of the Land Registry data for house prices, to which Defra's Statisticians have full access. A decision will need to be made as to which data source to use. The former has the advantage of being produced directly for Defra and thus is easily accessible. However there may be issues surrounding the use of data not produced directly for them in a Public Service Agreement target that they are signed up to. The latter data set has the advantage of having already been seen by the Office of the Deputy Prime Minister (ODPM), although they are not yet fully signed up to it.

Data is available for a 2005 baseline, and can be updated annually.

### Reform of the Common Agricultural Policy

Defra is commissioning a suite of research to monitor the impacts of the Common Agricultural Policy (CAP) reforms and to inform and help make the case for further reform. This includes the Agriculture Change and Environment Observatory launched by the Secretary of State at the Royal Agricultural Show on 4 July 2005. The Observatory will monitor, and where possible anticipate, changes in agriculture and at a farm level driven by CAP reform and consequent implications for the environment. The Department is also undertaking research on the consequences of world trade liberalisation which will cover a range of effects including those related to prices and production of agricultural products, the environment, and the implications for producers, consumers and taxpayers in the EU and in less developed countries.

The Production-linked support target is derived from the definitions articulated in the Uruguay Round Agreement on Agriculture (URAA) which classified agricultural support into Amber, Blue and Green Boxes, with Amber the most trade-distorting, Blue less trade-distorting (as payments are linked to production-limiting programmes) and Green non or minimally trade-distorting. The indicator is the sum of Amber and Blue Box notified by the EU to the World Trade Organisation (WTO). The estimates include both market price support and production-linked direct payments. Estimates of market price support are calculated by multiplying the volume of production (subject to a limited amount of statistical variation) by the difference between the domestic support price and an historic world price. Estimates for production-linked direct payments are calculated by summing administrative information on expenditures on direct payment budget lines which are deemed to fall under the Amber and Blue Boxes and so are not subject to any statistical error. The estimates for this indicator (as shown in figure 21, Chapter 2 of 2005 Departmental Report – page 142) accurately reflect genuine changes seen in production-linked support as a result of reform of the CAP.

The measure for the Government's Public Service Agreement target 5 will be widened to include the other two dimensions of WTO support classification: expenditure on export refunds and a measure of the level of tariffs facing EU agricultural imports.

### Sustainable farming and food

This part of the target is currently measured by the productivity of farming indicator:

**Gross value added (GVA) per person** is used as a measure of the economic sustainability of the agricultural sector. It is comparable across other industrial sectors and with other countries. The raw data are prepared by Eurostat using the aggregate agricultural accounts of the 15 European Union (EU) Member States, before the 2004 accessions. Value added per person is calculated using agricultural work units: the equivalent of a full time worker engaged in agriculture. Direct production and other subsidies, as well as changes in the £/€ exchange rate, have been removed.

However, Defra is developing three additional indicators that will reflect the broader aims of the target:

- productivity of the food chain beyond the farm gate;
- river water quality: nitrate and phosphate levels from agriculture in rivers; and
- soil quality: soil organic matter content in agricultural topsoils.

Reporting against these indicators will commence when the methodology has been agreed.

The measure of **UK agriculture's GVA** is derived from the Economic Accounts for Agriculture. It is compared with the equivalent measure for the EU14 produced by Eurostat based on contributions from Member States. The Economic Accounts for Agriculture is compiled according to national accounts conventions, but the nature of these calculations means that it is not possible to derive formal estimates of the margins of error. However, they are designed to provide an accurate measure of the economic performance of the agriculture sector and to measure annual changes for the sector. The trends seen for this indicator (as shown in figure 23 in Chapter 2 of Defra's 2005 Departmental Report) do therefore reflect genuine changes in the relative performance of UK agriculture.

The *Strategy for Sustainable Farming and Food* ranges much more widely than enhancing economic performance. The Strategy is founded on the three pillars of sustainability and takes an holistic approach encompassing environmental and social sustainability as well as economic development.

Success in implementing the *Strategy for Sustainable Farming and Food* will be measured much more widely by progress towards a set of nine strategic outcomes, using 11 headline indicators – including the gross value added indicator<sup>93</sup>. Some of these indicators are already

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<sup>93</sup> More detail about the outcomes and indicators is provided in the paper *Farming and Food's Contribution to Sustainable Development: Economic and Statistical Analysis* available at: [www.defra.gov.uk/farm/sustain/newstrategy](http://www.defra.gov.uk/farm/sustain/newstrategy)

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used to assess other Public Service Agreement targets (indicated by \*). The strategic outcomes are grouped under three themes (economic, environment and social sustainability). The headline indicators are:

- farming productivity - gross value added per person, excluding support payments;
- productivity of food and drink industry;
- cost of production-linked CAP support;
- river water quality – levels of nitrogen and phosphorus from farming;
- reduced greenhouse gas emissions from food and farming\*;
- levels of organic matter content in arable agricultural topsoils;
- favourable condition of SSSIs on farmland\*;
- reverse decline in farmland birds\*;
- consumption of fresh fruit and vegetables\*;
- animal health and welfare\*; and
- reduced gap in productivity between the less well performing quartile of rural areas and the English median by 2006\*.

### Waste and recycling

Measurement of progress towards the Public Service Agreement target of 25 per cent household waste recycling and composting by 2005-06 is based on data from the Municipal Waste Management Survey (MWMS). The response rate to the 2003-04 survey was 96 per cent. This gives national and regional statistics on the collection and management of municipal waste by local authorities in England and is based on information supplied by those authorities. Missing data and data for individual local authorities that did not respond to the survey have been estimated. However, some information is available even for those few authorities who do not respond and the impact on the overall recycling rate is likely to be negligible. The survey is published approximately 12 months after the end of the relevant financial year. The survey is a National Statistics publication produced by Defra. National Statistics are produced to high professional standards set out in the *National Statistics Code of Practice*<sup>94</sup>.

Waste management is a key service provided by local authorities and a number of Best Value Performance Indicators (BVPI) have also been set for waste management services. The Audit Commission visits local authorities to determine if BVPI targets have been met. These data provide further evidence on local authority recycling performance and are cross-checked with the Public Service Agreement target 6 based figures.

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<sup>94</sup> [http://www.statistics.gov.uk/about\\_ns/cop/default.asp](http://www.statistics.gov.uk/about_ns/cop/default.asp)

The National Audit Office's (NAO) *2004 Memorandum on the Validation of Data Systems Underlying Defra's 2003-06 Public Service Agreement targets* noted that the data system used for waste and recycling "is relevant to what Defra is aiming to achieve, is well-defined, and significant risks are generally appropriately managed". However, the NAO believe and Defra agrees, that it would be prudent for a further check to be implemented ensuring that the validation checks on survey forms provided by the contractor Entec are robust. Finally, to aid transparency, the percentage of forms returned by local authorities should be included. These recommendations were put in place for the 2003-04 MWMS survey, and the NAO are currently reviewing the new WasteDataFlow collection system for 2004-05 data.

Defra has a dedicated work-stream under the Waste Implementation Programme to improve the timeliness of data collection. This includes the introduction of a web-based system for the provision of quarterly data on municipal waste. The objective of WasteDataFlow, which was initiated by the Chartered Institution of Waste Management Environmental Body (CIWM-EB), is to create one online reporting infrastructure leading to more accurate data collected more regularly and efficiently, available for access and/or publication on a timely basis. WasteDataFlow has replaced the current Municipal Waste Management Survey for 2004-05 data. The system will also support the monitoring authorities' mandate to monitor progress against Article 5 of the Landfill Directive. The Environment Agency are using WasteDataFlow to monitor quarterly performance in respect of Article 5 of the Landfill Directive, in Wales from 2004, and in England from April 2005 when the Landfill Allowance Trading Scheme came into force.

### **Eliminate Fuel Poverty**

The Warm Front Scheme is managed in all four geographic lots in England by Eaga Partnership Ltd.

The Scheme Manager, through monthly, quarterly and annual reporting, provides performance information on the Scheme. Annual targets have been established based on the finance available for the year. Defra's key monitoring of the milestones is through regular reporting to ensure that progress remains in line with targets. Activity does not take place on a flat line throughout the year as it is dependent on the number of applications received, measures required and seasonal demand.

The Scheme Manager's target for completion of work from the time of the survey is 40 working days for insulation work and 120 days for heating. In addition, Defra has in place an independent Quality Assurance contract which examines the work carried out by the Scheme Manager, the systems in place to deal with issues that arise and the quality of installed work.

Defra use the English House Condition Survey (EHCS) as the basis for fuel poverty statistics. Further work is conducted on this data to produce some of the variables needed for the fuel poverty calculations. Other energy price data is brought in from Department of Trade and Industry and Salkent to finalise the calculations. Because of the modelling of EHCS variables

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and use of other data sets, more standard survey methods to calculate margin of errors are not possible, however the Department has undertaken uncertainty analysis based on a Monte-Carlo simulation methodology to produce a broad confidence interval around the EHCS estimates for 2003. Results of this work will be available for the 2006 Departmental Report.

### Air quality

The *Air Quality Strategy* sets different dates for achieving targets for each air pollutant between 2003 and 2010. The targets are expressed in terms of the concentrations of individual pollutants in the air to be achieved by a fixed date. Performance, in terms of progress towards the targets, is assessed annually by means of data from the national air quality monitoring network.

The level of accuracy sought by the Department for the data is to meet mandatory monitoring and modelling requirements in European air quality directives which have been transposed into UK regulations. These provide uncertainties for measured individual data points of between less than 15 per cent to less than 25 per cent, depending on the pollutant, and less than 50 per cent for modelled data. The most recent calculations for pollutants recorded at sites in the UK national monitoring network gave an accuracy range of 8 per cent to 11 per cent. Data uncertainties will be recalculated following publication of guidance documents from the European Standards Institute.

Uncertainty in the modelling is much more difficult to quantify. The national model used to inform progress on Public Service Agreement target 8 and European air quality directives estimates pollutant concentrations for every kilometre square in the UK. It is impossible to compare model results with actual measurements in every grid square. The national model is calibrated to actual measurements and model results are expected to be within plus or minus 50 per cent.

Details of the air quality Public Service Agreement target can be found at HM Treasury's website<sup>95</sup>. It is also possible to check the current quality of the air in your local areas at [www.airquality.co.uk](http://www.airquality.co.uk) and on free phone 0800 556677. This Defra-sponsored website provides information on a number of air quality topics including real time monitoring and the progress on the Local Air Quality Management system for each local authority. A general assessment of the UK's progress in improving air quality is published each year against the air quality headline indicator for sustainable development<sup>96</sup>.

Defra and Department for Transport have established a joint governance and monitoring procedure to keep track of progress on the air quality targets. Regular reports are made to Ministers and the Management Boards as well as those required by HM Treasury.

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<sup>95</sup> <http://www.hm-treasury.gov.uk/performance/Defra.cfm>

<sup>96</sup> <http://www.sustainable-development.gov.uk/indicators/headline/h10.htm>

## Animal health and welfare

### *Bovine Spongiform Encephalopathy (BSE)*

Passive surveillance: There is a statutory obligation for all animals suspected of having BSE to be reported. Samples from individual cases are tested to confirm whether the animal had BSE or not and the results recorded on the Veterinary Laboratories Agency's (VLA) database for passive surveillance cases of BSE in Great Britain. Data is entered by Defra staff at headquarters and by VLA staff at Weybridge. The diagnoses are conducted by the VLA which is both a world reference laboratory for the Office International des Épizooties (OIE) and the Community Reference Laboratory for the European Union. The incoming data is subject to extensive validation before, during and after data entry. The validity of the data is also subject to scrutiny through its use both internally and by external researchers to produce a large number of routine outputs as well as more complex analyses. The databases have been subject to external scrutiny by visiting groups and scientific audits.

Active surveillance: The VLA also maintains a database for active surveillance which requires testing of the following categories of bovine animals:<sup>97</sup>

- all cattle for human consumption over 30 months;
- all cattle aged over 24 months and subject to emergency slaughter and found sick at ante mortem inspection;
- all fallen stock aged over 24 months;
- all Over Thirty Months Scheme (OTMS) cattle born after 1 August 1996;
- a sample of 10,000 cattle born before 1 August 1996;
- BSE offspring – offspring (aged over thirty months) of confirmed BSE cases; and
- birth cohorts of BSE cases: For cases born after 1 August 1996, other animals likely to have been exposed to the same source of infection are identified to form a surveillance cohort. These animals are slaughtered at OTMS abattoirs where they are sampled for BSE testing.

Samples from fallen stock and OTMS casualties are tested by VLA Newcastle, whereas samples from the other categories are tested by Laboratory of the Government Chemist (LGC) at their laboratories at Teddington, Runcorn and Edinburgh.

Cases detected by passive and active surveillance are identified and recorded as such on the monthly statistics published on the Defra website.

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<sup>97</sup> Active surveillance categories reflect testing requirement post Over Thirty Months rule change but prior to the abolition of Over Thirty Months Scheme which is due to be replaced by the Older Cattle Disposal Scheme (OCDS) from January 2006.

## Appendix 2

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### Methodology

The target is based on the outputs of a model created by the VLA and the results of birth cohort analysis. The latter are particularly important for the estimation of targets for the medium term (three years or more ahead). The accumulating data and improvements in Defra's understanding of the epidemiology of BSE are used when updating and refining targets.

The model does not take account of BSE cases in imported cattle which were infected outside the United Kingdom and makes no allowance for a third route of transmission (other than through feed or maternal transmission). The reported BSE figures have no margins of error because of the way in which the BSE Public Service Agreement target has been defined, i.e. it reflects the absolute incidence of the disease detected by both passive and active surveillance. The Department know these figures exactly.

### *Scrapie*

The target of a 40 per cent reduction in scrapie prevalence is based on the conclusions of a recent epidemiological report undertaken by the VLA / Welsh Institute of Rural Studies which assessed the impacts of the application of a range of selective breeding strategies designed to remove the most scrapie susceptible genotypes from the GB national breeding flock. The assessment which has been peer reviewed is based on defined parameters and will be published in a scientific journal in 2006.

Research is in progress to provide best estimates of the annual prevalence of scrapie infection. This will then allow the detection of significant changes in prevalence. (The current estimate of the prevalence of 0.33 per cent, quoted above, has known narrow confidence limits and future estimates will be based on suitably sized samples with appropriately narrow confidence limits.) When these methods have been developed the results will be published in the scientific literature together with the resulting prevalence estimates. In the meantime, the prevalence will be monitored through the results of testing fallen stock and those from the abattoir survey (both requirements of Commission Regulation 999/2001) and statistical analysis of the trend over time will be possible with the accumulation of additional annual estimates.

### *Bovine Tuberculosis*

The prevalence of bovine TB is determined through active surveillance. Cattle herds are tested at intervals of 1, 2, 3 or 4 years, depending on the TB history of the parish. Some herds presenting particular risks (e.g. sellers of un-pasteurised milk) are tested more frequently. The results of this testing effort are recorded on the VETNET computer system by the State Veterinary Service and are analysed by epidemiologists at the VLA to monitor progress in achieving targets.

## Summary of progress against outstanding Comprehensive Spending Review 1998 Public Service Agreement target

Target	Performance
<p><b>8. Cut the overall cost of the Common Agricultural Policy to European Union (EU) consumers and taxpayers from its current level of 88 billion euros (£62 billion) a year.</b></p>	<p><b>On course.</b> Radical reform of the Common Agricultural Policy was agreed in June 2003 and is currently being implemented.</p> <p><b>This target was carried forward in the 2000 Spending Review as Public Service Agreement target 8 and subsequently into the 2002 Spending Review as Public Service Agreement target 5. More detail can be found on progress in Chapter 2 and Appendix 4 of this Report.</b></p>





# Summary of progress against outstanding 2000 Spending Review Public Service Agreement targets

Target	Performance
<p><b>1. Improve air quality by meeting our National Air Quality Strategy targets for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3- butadiene. Joint target with the Department for Transport.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has now been reformulated and will continue to be reported upon under 2002 Spending Review Public Service Agreement target 8. More detail on progress can be found in Chapter 2 and Appendix 5 of this Report.</b></p> <p>The Department met the Strategy's and Public Service Agreement target's first four objectives in 2004 and is broadly on course to meet most of the air quality target as a result of national measures by Government and local authorities. But on the basis of present policies and technologies, it will be questionable whether the targets for nitrogen dioxide and particles will be met in all parts of the country, particularly in some urban areas, by the relevant dates. Defra and DfT and other Government departments are considering what additional measures may be practicable through the current review of the Air Quality Strategy.</p>
<p><b>2. Improve the environment and the sustainable use of natural resources, for example, by reducing greenhouse gas emissions by 12.5 per cent from 1990 levels and moving towards a 20 per cent reduction in carbon dioxide emissions by 2010. Joint target with the Department of Trade and Industry.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has now been reformulated and will continue to be reported upon under 2002 Spending Review Public Service Agreement target 2. More detail on progress can be found in Chapter 2 and Appendix 5 of this Report.</b></p> <p>Taking the effect of measures to reduce emissions into account, Defra remains on course to meet the UK's commitment under the Kyoto Protocol. However, more needs to be done to achieve the more difficult national goal.</p>

## Appendix 4

Target	Performance
<p><b>3. Enable 17 per cent of household waste to be recycled or composted by 2004.</b></p>	<p><b>FINAL ASSESSMENT: Met.</b></p> <p>Data from the latest Municipal Waste Management Survey show that the proportion of household waste recycled (including composting) has continued to increase, rising from 14.5 per cent in 2002-03 to 17.7 per cent in 2003-04. This increase of 3.2 percentage points in the recycling rate is greater than the growth rate of 1 or 2 percentage points achieved in previous years.</p> <p>This target has been increased and carried forward into the 2002 Spending Review Public Service Agreement target 6. More detail on progress can be found in Chapter 2 and Appendix 5 of this Report.</p>
<p><b>5. Deliver the environmental and economic benefits envisaged in the England Rural Development Programme by 2004, including an increase in the area farmed organically and development of the rural economy under the new Rural Enterprise Scheme.</b></p>	<p><b>FINAL ASSESSMENT: Partly met.</b></p> <p>Defra is collecting data on progress towards meeting England Rural Development Programme targets throughout the period of the Programme (which runs until the end of 2006, and cumulative results are published annually in reports to the European Commission. The latest report for 2004 (which includes, in annex 2, the full list of output targets and results) can be found at: <a href="http://www.defra.gov.uk/erdp/docs/ann_rep.htm">http://www.defra.gov.uk/erdp/docs/ann_rep.htm</a></p> <p>126,939 hectares of land have been approved for conversion or already converted to organic production under the Organic Farming Scheme between October 2000 and December 2004. Applications under the scheme in 2004 were not as high as expected, with only 6,337 hectares of new land being entered into it against a target of 45,000 hectares per annum. Many farmers lack confidence in the organic sector and are reluctant to sign up for a five-year agreement at the present time. Future support for organic farming will be provided through an organic element of the new Environmental Stewardship Scheme which was launched in March 2005. This organic element has been designed in light of the experience of operating the Organic Farming Scheme and will offer further incentives for encouraging farmers to convert to organic production methods.</p> <p>By the end of 2004 over 1,700 Rural Enterprise Scheme (RES) projects had been approved, against a target for the Programme period as a whole (up to the end of 2006) of 6,000-7,000. Because the RES operates on a set budget, success against the target is dependent on the size of individual projects approved. These have generally been larger than anticipated, though it remains an objective to encourage a good mix and diversity of successful applications. To encourage more small-scale applications under the RES, a fast-track appraisal system for applications for grants up to £15,000 was implemented nationally during 2004. Whilst the number of actual RES projects has been lower than originally anticipated in 2000, the benefits and outputs associated with successful projects have been encouragingly high. For example, by the end of 2004, 5,566 full-time equivalent jobs had been created under approved RES projects compared with the original 7-year target of 2,881.</p>

## Summary of progress against outstanding 2000 Spending Review Public Service Agreement targets

Target	Performance
<p><b>6. Bring into favourable condition by 2010 95 per cent of all nationally important wildlife sites, compared with 60 per cent of sites currently estimated to be in such condition.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has been merged (with 2000 Spending Review targets 7 and 14) and will continue to be reported upon under 2002 Spending Review as target 3. More detail can be found on progress in Chapter 2 and Appendix 5 of the Report.</b></p> <p>The accurate baseline for this target was established in March 2003 as 56.9 per cent of the total area of SSSIs in target condition. On the basis of condition assessments completed by the end of September 2005, 68.42 per cent of the total area of SSSIs was in target condition. Defra has established a trajectory which sets out the area of land to be in target condition each year, leading to 95 per cent by 2010.</p> <p>Progress up to this point is consistent with this trajectory, although there are risks to progress expected over the coming months associated with the introduction of Environmental Stewardship, and the time needed to secure favourable condition for The Wash – England’s largest SSSI. Nevertheless it is not anticipated that current difficulties pose a significant threat to achievement of the target by 2010. Defra will, in time for the 2006 Departmental Report, review the trajectory for the remainder of the period in the light of progress to date and of improved data which is becoming available.</p>
<p><b>7. Care for our living heritage and preserve natural diversity by reversing the long-term decline in the number of farmland birds by 2020, as measured annually against underlying trends.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has been merged (with the 2000 Spending Review targets 6 and 14) and will continue to be reported upon under 2002 Spending Review as target 3. More detail can be found on progress in Chapter 2 and Appendix 5 of the Report.</b></p> <p>The farmland birds target is a long-term programme with many factors that will influence its achievement. Environmental Stewardship, launched in 2005, is a key instrument for delivering this target, particularly Entry Level Stewardship.</p> <p>The outcome of the Common Agricultural Policy (CAP) Mid-term review was favourable and the effect on farming practice of the new Single Payment Scheme (SPS) may be highly influential in achieving this target - monitoring systems are being put in place.</p>
<p><b>8. Secure agreement, by March 2004, to reforms that reduce the cost of the Common Agricultural Policy to consumers and taxpayers.</b></p>	<p><b>On course.</b> Radical reform of the CAP was agreed in June 2003 and is currently being implemented. It should lead to a small real term decrease in taxpayer costs over the next few years. The UK continues to press for further reform in the EU and in the context of the WTO which will bring further taxpayer and consumer savings.</p> <p><b>Merged (with the 2000 Spending Review target 9) in the 2002 Spending Review as target 5. More detail can be found on progress in Chapter 2 and appendix 5 of this Report.</b></p>
<p><b>11. Reduce the annual incidence of bovine spongiform encephalopathy (BSE) to fewer than 650 cases by 2001, and by 2004 to be on track for fewer than 30 cases by 2006 – a 99 per cent reduction compared with 1997, when there were 4,312 cases.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has been overtaken by subsequent Spending Review targets and is now defunct. This target will continue to be reported under 2002 Spending Review Public Service Agreement target 9 in appendix 5 and 2004 Spending Review Public Service Agreement target 9 in chapter 2 and appendix 6 of this report.</b></p>

## Appendix 4

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Target	Performance
<b>14. Open up public access to mountain, moor, heath and down and registered common land by the end of 2005.</b>	<b>FINAL ASSESSMENT: Met early.</b> This target relates to implementation of Part I of the Countryside and Rights of Way Act 2000, which gives people a new right to walk over open country (mountain, moor, heath and down) and registered common land. The target to open access land in the whole of England was met on 31 October 2005.

# Summary of progress against 2002 Spending Review Public Service Agreement targets

Target	Performance
<p>1. To promote sustainable development across Government and the country as a whole as measured by achieving positive trends in the Government's headline indicators of sustainable development.</p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p>This target has been subsumed into the 2004 Spending Review Public Service Agreement target 1 as the system of measurement has changed to reflect the revised <i>UK Sustainable Development Strategy</i>. Please see appendix 2 for further information and appendix 6 for update on progress.</p>
<p>2. Improve the environment and the sustainable use of natural resources, including through the use of energy saving technologies, to help reduce greenhouse gas emissions by 12.5 per cent from 1990 levels and moving towards a 20 per cent reduction in carbon dioxide emissions by 2010. Joint target with the Department of Trade and Industry.</p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p>This target has now been reformulated and will continue to be reported upon under 2004 Spending Review Public Service Agreement target 2. More detail can be found on progress in Chapter 2 and Appendix 6 of this Report.</p> <p>Taking the effect of measures to reduce emissions into account, Defra remains on course to meet the UK's commitment under the Kyoto Protocol. However, more needs to be done to achieve the more difficult national goal.</p>
<p>3. Care for our natural heritage, make the countryside attractive and enjoyable for all, and preserve biological diversity by reversing the long-term decline in the number of farmland birds by 2020, as measured annually against underlying trends, bringing into favourable condition by 2010 95 per cent of all nationally important wildlife sites, and opening up public access to mountain, moor, heath and down and registered common land by the end of 2005.</p>	<p><b>FINAL ASSESSMENT: Part 3 Met early - Parts 1 and 2 Ongoing.</b></p> <p>The Farmland Birds and Sites of Special Scientific Interest targets have been reformulated and will continue to be reported under 2004 Spending Review Public Service Agreement target 3.</p> <p><b>Farmland birds. On course.</b> The farmland birds target is a long-term programme with many factors that will influence its achievement. Environmental Stewardship, launched in 2005, is a key instrument for delivering this target, particularly Entry Level Stewardship.</p> <p>The outcome of the Common Agricultural Policy mid-term review was favourable and the effect on farming practice of the new Single Payment Scheme (SPS) may be highly influential in achieving this target - monitoring systems are being put in place.</p> <p><b>Sites of Special Scientific Interest (SSSI). On Course.</b> The accurate baseline for this target was established in March 2003 as 56.9 per cent of the total area of SSSIs in target condition. On the basis of condition assessments completed by the end of September 2005, 68.42 per cent of the total area of SSSIs was in target condition. Defra has established a trajectory which sets out the area of land to be in target condition each year, leading to 95 per cent by 2010.</p>

## Appendix 5

Target	Performance
	<p>Progress up to this point is consistent with this trajectory, although there are risks to progress expected over the coming months, associated with the introduction of Environmental Stewardship, and the time needed to secure favourable condition for The Wash – England’s largest SSSI. Nevertheless it is not anticipated that current difficulties pose a significant threat to achievement of the target by 2010. Defra will, in time for the 2006 Departmental Report, review the trajectory for the remainder of the period in the light of progress to date, and of improved data which is becoming available.</p> <p><b>Access to mountain, moor, heath and down and registered common land. Met early.</b> This target relates to implementation of Part I of the Countryside and Rights of Way Act 2000, which gives people a new right to walk over open country (mountain, moor, heath and down) and registered common land. The target to open access land in the whole of England was met on 31 October 2005.</p>
<p><b>4. Reduce the gap in productivity between the least well-performing quartile of rural areas and the English median by 2006, and improve the accessibility of services for rural people.</b></p>	<p><b>FINAL ASSESSMENT: Not Known.</b></p> <p>The data for this target are only available retrospectively.</p> <p><b>This target has been carried forward and will continue to be reported under 2004 Spending Review Public Service Agreement target 4. Assessment of achievement in this target will be carried forward as part of the assessment of the revised target (see Public Service Agreement target 4 in chapter 2 and appendix 6).</b></p>
<p><b>5. Deliver more customer focused, competitive and sustainable farming and food as measured by the increase in agriculture’s gross value added per person excluding support payments; and secure Common Agricultural Policy reforms that reduce production-linked support, enabling enhanced EU funding for environmental conservation and rural development.</b></p>	<p><b>Sustainable farming and food. On course.</b></p> <p>A methodology has been developed to remove the effects of the exchange rate from UK agriculture’s GVA (Gross Value Added per person). This has been based on analysis of agricultural output and input price movements for the UK and the Euro zone in relation to exchange rate changes. The methodology has been agreed with HM Treasury. The target is for GVA for UK agriculture to return to the levels of the early 1990s a ratio of 1.5, by 2010. In 2003, the ratio was 1.31 (i.e. UK GVA was 31 per cent above the average for EU14). The ratio has increased steadily since 1998.</p> <p><b>Common Agricultural Policy (CAP) reform. On course.</b> On 26 June 2003, Agriculture and Fisheries Ministers reached agreement on reform of the CAP. It breaks the link between the vast bulk of direct payments and production. It introduces modulation, for the first time on an EU-wide basis, switching support from production subsidies to targeted support for environmental and rural development objectives. In April 2004 these reforms were extended to the Mediterranean crop regimes (tobacco, cotton and olive oil) and hops, following the principles of the June 2003 reforms. Proposals have also been published to reform the CAP sugar regime and the Government will be pressing for a transition to full liberalisation. Defra will also be using the current review of the EU Rural Development Regulation to press for a greater transfer of funding from subsidy payments to environmental and rural development schemes. The Government will continue to create and use opportunities such as these to press for reforms which reduce the cost and increase the value of the CAP.</p>

## Summary of progress against 2002 Spending Review Public Service Agreement targets

Target	Performance
<p><b>6. Enable 25 per cent of household waste to be recycled or composted by 2005-06.</b></p>	<p><b>On course.</b> Final data for 2003-04 from the Municipal Waste Management Survey show that 17.7 per cent of household waste in England was recycled or composted and that the rate of increase in total recycling is greater than that achieved in previous years. In addition un-audited Best Value Performance Indicators (BVPI) figures for 2004-05 show that England recycled or composted almost 23 per cent of waste. Though un-audited, these figures are a good indication of the current level being achieved and suggest that though more work needs to be done the 25 per cent target for 2005-06 appears achievable. Fully audited figures will be available in 2006.</p> <p>Defra has put in place a number of measures to support improvements in local authority recycling and composting rates including, for example, further increases in funding for PFI credits for waste management; a new Waste Performance and Efficiency Grant for local authorities; and the launch of a major national and local communications campaign. National targets are underpinned by Statutory Performance Standards for recycling and composting for individual local authorities, and the Landfill Allowance Trading Scheme (LATS), introduced by Defra in April 2005, will provide local authorities with an additional incentive to increase recycling and composting rates now and beyond 2005-06.</p>
<p><b>8. Improve air quality by meeting our <i>National Air Quality Strategy</i> objectives for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3-butadiene. Joint target with the Department for Transport.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has now been reformulated and carried forward into the 2004 Spending Review Public Service Agreement target 8. More detail on progress can be found in Chapter 2 and Appendix 6 of this Report.</b></p> <p>The Department met the Strategy's and Public Service Agreement target's first four objectives in 2004 and is broadly on course to meet most of the air quality target as a result of national measures by Government and local authorities. But on the basis of present policies and technologies, it will be questionable whether the targets for nitrogen dioxide and particles will be met in all parts of the country, particularly in some urban areas, by the relevant dates. Defra, DfT and other Government departments are considering what additional measures may be practicable through the current review of the <i>Air Quality Strategy</i>.</p>
<p><b>9. Protect public health and ensure high standards of animal welfare by reducing the annual incidence of Bovine Spongiform Encephalopathy (BSE) to less than 30 cases by 2006.</b></p>	<p><b>FINAL ASSESSMENT: Ongoing.</b></p> <p><b>This target has been reformulated and carried forward into the 2004 Spending Review Public Service Agreement target 9. More detail on progress can be found in Chapter 2 and Appendix 6 of this report.</b></p> <p>The epidemic continues to show a steady decline. The final total for passive surveillance cases in 2001 was 781, a 40 per cent reduction from the 2000 total of 1,311. The final total for 2002 was 445, a 43 percent reduction on the previous year. The final totals for 2003 and 2004 were 173 and 82 representing year on year reductions of 61 and 53 per cent respectively from the previous years' totals.</p>





# Summary of progress against 2004 Spending Review Public Service Agreement targets

Target	Performance
<p><b>1. To promote sustainable development across Government and in the UK and internationally, as measured by:</b></p> <ul style="list-style-type: none"> <li>• the achievement of positive trends in the Government's headline indicators of sustainable development;</li> <li>• the UK's progress towards delivering the World Summit on Sustainable Development commitments, notably in the areas of sustainable consumption and production, chemicals, biodiversity, oceans, fisheries and agriculture; and</li> <li>• progress towards internationally agreed commitments to tackle climate change.</li> </ul>	<p><b>On Course.</b> Elements of this target carried over from the 2002 target on domestic promotion of sustainable development are on course with progress in line with plans and expectations.</p> <p>This assessment of progress is based on both an assessment of trends in the sustainable development indicators and general progress measured at six-monthly intervals using a standard set of delivery criteria which have been agreed with the Treasury. This target is aspirational and as such is highly challenging. However, the recent launch of the new <i>UK Sustainable Development Framework</i> and <i>UK Sustainable Development Strategy</i> (UKSDS) has helped to define clearly the shared priorities for action that need to be developed over the coming years to create the best conditions for success.</p> <p>The 2004 target has been expanded to include international sustainable development and climate change commitments for which no assessment of progress has yet been made.</p> <p>A full assessment for all elements of the target will be based on trend analysis of the new indicator set and achievement of UKSDS commitments. Fully updated data to support this assessment will not be available until late 2006.</p>
<p><b>2. To reduce greenhouse gas emissions to 12.5 per cent below 1990 levels in line with our Kyoto commitment and move towards a 20 per cent reduction in carbon dioxide emissions below 1990 levels by 2010, through measures including energy efficiency and renewables. Joint target with Department of Trade Industry and Department for Transport.</b></p>	<p><b>On course.</b> Provisional estimates released at the end of March 2005 show that CO<sub>2</sub> emissions increased by about 1.5 per cent between 2003 and 2004, mainly due to estimated increases in industrial and transport sector emissions. On the basis of current projections (themselves under review), and the policies in the present Climate Change Programme, Defra now estimate that CO<sub>2</sub> emissions will be about 13 per cent below 1990 levels in 2010, and that emissions of all greenhouse gases will be around 20 per cent below. The UK therefore remains on course to achieve the UK's Kyoto target, but to meet the Departments domestic goal to reduce CO<sub>2</sub> by 20 per cent below 1990 levels by 2010 more needs to be done. This is the subject of the Review of the Climate Change Programme now underway and due to be completed in early 2006.</p>

## Appendix 6

Target	Performance
<p><b>3. Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity by:</b></p> <ul style="list-style-type: none"> <li>• reversing the long-term decline in the number of farmland birds by 2020, as measured annually against underlying trends; and</li> <li>• bringing into favourable condition by 2010 95 per cent of all nationally important wildlife sites.</li> </ul>	<p><b>Farmland birds. On course.</b> This target is a long-term programme with many factors that will influence its achievement. Environmental Stewardship, launched in 2005, is a key instrument for delivering this target, particularly Entry Level Stewardship.</p> <p>The outcome of the Common Agricultural Policy mid-term review was favourable and the effect on farming practice of the new Single Payment Scheme (SPS) may be highly influential in achieving this target - monitoring systems are being put in place.</p> <p><b>Sites of Special Scientific Interest (SSSI). On Course.</b> The accurate baseline for this target was established in March 2003 as 56.9 per cent of the total area of SSSIs in target condition. On the basis of condition assessments completed by the end of September 2005, 68.42 per cent of the total area of SSSIs was in target condition. Defra has established a trajectory which sets out the area of land to be in target condition each year, leading to 95 per cent by 2010.</p> <p>Progress up to this point is consistent with this trajectory, although there are risks to progress expected over the coming months, associated with the introduction of Environmental Stewardship, and the time needed to secure favourable condition for The Wash – England's largest SSSI. Nevertheless it is not anticipated that current difficulties pose a significant threat to achievement of the target by 2010. Defra will, in time for the 2006 Departmental Report, review the trajectory for the remainder of the period in the light of progress to date, and of improved data which is becoming available.</p>
<p><b>4. Reduce the gap in productivity between the least well performing quartile of rural areas and the English Median by 2008, demonstrating progress by 2006, and improve the accessibility of services for people in rural areas.</b></p>	<p><b>Not yet assessed.</b> Whilst considerable progress has been made in the development of measures to assess the target (see Appendix 2) data are not yet available to establish progress over the period covered by the target.</p>
<p><b>5. Deliver more customer-focused, competitive and sustainable farming and food industries and secure further progress via Common Agricultural Policy (CAP) and World Trade Organisation negotiations in reducing CAP trade-distorting support.</b></p>	<p><b>Overall on course.</b> While there are no major variances from the <i>Sustainable Farming and Food Strategy</i> (SFFS) delivery plan at this stage, likelihood of delivery is heavily dependant on our ability to deliver a long-term change in behaviour in the food and farming industry and to demonstrate when our outcomes have been achieved.</p> <p>The SFFS programme is the mechanism for delivery of Public Service Agreement target 5. In 2004 the focus of the programme moved away from planning to delivery across the programme, both in terms of delivery of milestones within the work streams and on the main strands of cross-cutting activity, including risk, communications and regional delivery. In 2005 the programme is now firmly in implementation / delivery phase.</p> <p>Implementation of the 2003 CAP reform is well underway and the new Environmental Stewardship Scheme was launched in the Spring. In addition the ten year <i>Animal Health and Welfare Strategy</i>, and Implementation Plan for England was launched; phase 2 of the Whole Farm Appraisal pilot completed, with the online Appraisal ready to be piloted in 2005-06 and consultation on measures to combat diffuse water pollution from agriculture and announcement on proposed way forward.</p> <p>This element of the target is measured by the indicator productivity of farming: Gross Value Added per person compared to rest of EU – which is on course.</p>

## Summary of progress against 2004 Spending Review Public Service Agreement targets

Target	Performance
<p><b>6. To enable at least 25 per cent of household waste to be recycled or composted by 2005-06, with further improvement by 2008.</b></p>	<p><b>On course.</b> Final data for 2003-04 from the Municipal Waste Management Survey show that 17.7 per cent of household waste in England was recycled or composted and that the rate of increase in total recycling is greater than that achieved in previous years. In addition un-audited BVPI figures for 2004-05 show that England recycled or composted almost 23 per cent of waste. Though un-audited, these figures are a good indication of the current level being achieved and suggest that though more work needs to be done, the 25 per cent target for 2005-06 appears achievable. Fully audited figures will be available in early 2006.</p> <p>Defra has put in place a number of measures to support improvements in local authority recycling and composting rates including, for example, further increases in funding for Private Finance Initiative (PFI) credits for waste management; a new Waste Performance and Efficiency Grant for local authorities; and the launch of a major national and local communications campaign. National targets are underpinned by Statutory Performance Standards for recycling and composting for individual local authorities, and the Landfill Allowance Trading Scheme (LATS), introduced by Defra in April 2005, will provide local authorities with an additional incentive to increase recycling and composting rates now and beyond 2005-06.</p>
<p><b>7. Eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy Objective.</b></p>	<p><b>On course.</b> Latest figures published in July 2005 indicate another fall in the number of vulnerable households in fuel poverty in England in 2003, down to 1 million households. This is down from 4 million in 1996 and down from 1.2 million in 2001. The methodology used for calculating the number of households in fuel poverty recently went through a consultation exercise and Peer Review to determine its robustness, with the outcome being positive.</p> <p>Defra will continue to work with other departments, particularly Department of Trade and Industry (DTI), and other key stakeholders to ensure that Defra is able to meet the challenges posed by factors which are out of the Department's control, such as rising energy prices, in seeking to meet this Public Service Agreement target.</p>
<p><b>8. Improve air quality by meeting the <i>Air Quality Strategy</i> targets for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1,3-butadiene. Joint target with Department for Transport.</b></p>	<p>Defra <b>met</b> the first targets for four pollutants in the Public Service Agreement target and <i>Air Quality Strategy</i> in 2004. Several local authorities have declared Air Quality Management Areas for sulphur dioxide and particles (PM10) objectives and are developing/implementing Action Plans. The Department is broadly on course to meet the remaining objectives but more will be needed if Defra is to achieve those for nitrogen dioxide and PM10 in all parts of the country. Good progress has been made with the review of the <i>Air Quality Strategy</i> to identify potential new measures.</p>

## Appendix 6

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Target	Performance
<p><b>9. To improve the health and welfare of kept animals, and protect society from the impact of animal diseases, through sharing the management of risk with industry, including:</b></p> <ul style="list-style-type: none"><li>• a reduction of 40 per cent in the prevalence of scrapie infection (from 0.33 per cent to 0.20 per cent) by 2010;</li><li>• a reduction in the number of cases of Bovine Spongiform Encephelopathy (BSE) detected by both passive and active surveillance to less than 60 in 2006, with the disease being eradicated by 2010; and</li><li>• a reduction in the spread of Bovine Tuberculosis to new parishes to below the incremental trend of 17.5 confirmed new incidents per annum by the end of 2008.</li></ul>	<p><b>Scrapie: Not yet assessed.</b> Detailed implementation work for the introduction of a compulsory ram genotyping scheme in 2006 which is key to the delivery of the scrapie Public Service Agreement target. Consultation on implementing domestic legislation planned for January 2006.</p> <p><b>BSE: Slippage.</b> Defra continues to achieve a steady reduction in numbers of BSE cases however latest estimates indicate that the Department may slightly exceed the 2006 date for the Public Service Agreement target.</p> <p>The final total for incidence detected by both passive and active surveillance in 2002<sup>98</sup> was 1,039, in 2003 it was 547 and in 2004 it was 308, representing year on year reductions between 2002-03 and 2003-04 of 47 per cent and 44 per cent respectively. In order to fully achieve the 2006 target there would need to be annual reductions in 2005 and 2006 averaging at least 56 per cent. This will be challenging.</p> <p><b>Bovine TB: Not yet assessed.</b> It is difficult to predict whether the measures in place are capable of containing an increased reservoir of infection in cattle observed in the early part of 2005. The main measure intended to ensure that the spread of disease to new parishes is contained is pre-movement testing. It is intended that this measure will be introduced on 1 January 2006.</p>

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<sup>98</sup> Active surveillance started in July 2001 but 2002 was the first full year of the programme and is quoted to allow comparisons with similar surveillance activity in future years.

## Abbreviations and acronyms used in the report

ACCPE	Advisory Committee on Consumer Products and the Environment
APF	Adaptation Policy Framework
AQMAs	Air Quality Management Areas
BREW	Business Resource Efficiency and Waste Programme
BSE	Bovine Spongiform Encephalopathy
BTO	British Trust for Ornithology
BVPI	Best Value Performance Indicators
CAP	Common Agricultural Policy
CCCI	Climate Change Communication Initiative
CEFAS	Centre for Environment, Fisheries and Aquaculture Science
CEH	Centre for Ecology and Hydrology
CHP	Combined Heat and Power
CITES	Convention on International Trade in Endangered Species
CIWM-EB	Chartered Institution of Wastes Management Environmental Body
CO <sub>2</sub>	Carbon Dioxide
COP	Conference of the Parties
CPET	Central point of expertise on timber
CRAG	Co-ordination of Research and Analysis Group
CSD	Commission on Sustainable Development
CSL	Central Science Laboratory
CTS	Cattle Tracing System
DfES	Department for Education and Skills
DfT	Department for Transport
DH	Department of Health
DTI	Department of Trade and Industry
DUKES	Digest of UK Energy Statistics
ECCP	European Climate Change Programme
EEC	Energy Efficiency Commitment
ENSIS	English Nature's Site Information System
EPCS	Environment, Protective and Cultural Services
ERDP	England Rural Development Programme
EU	European Union

## Abbreviations and acronyms used in the report

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EU ETS	European Union Emissions Trading Scheme
FCO	Foreign and Commonwealth Office
GHG	UK Greenhouse Gas
GHGI	Greenhouse Gas Inventory
GVA	Gross Value Added
IPCC	Intergovernmental Panel on Climate Change
IEA	International Energy Agency
JNCC	Joint Nature Conservation Committee
LATS	Landfill Allowance Trading Scheme
LSP's	Local Strategic Partnerships
LTPs	Local Transport Plans
MoEF	Indian Ministry of Environment and Forests
MoST	Chinese Ministry of Science and Technology
MWMS	Municipal Waste Management Survey
NAEI	National Atmospheric Emissions Inventory
NAO	National Audit Office
NAP	National Allocation Plan
NDPB	Non-Departmental Public Body
NETCEN	National Environmental Technology Centre
NO <sub>2</sub>	Nitrogen dioxide
NSP	National Scrapie Plan
ODPM	Office of the Deputy Prime Minister
OIE	Office International des Epizooties
OSPAR	Oslo and Paris Convention or the Protection of the Marine Environment of the Northeast Atlantic
OTMS	Over Thirty Months Scheme
PI	Pollution Inventory
PFI	Private Finance Initiative
PPM	Programme and Project Management
PSA	Public Service Agreement
PSD	Pesticides Safety Directorate
PSFPI	Public sector food procurement initiative
PSI	Policy Studies Institute
RDAs	Regional Development Agencies
RES	Rural Enterprise Scheme

## Abbreviations and acronyms used in the report

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RPA	Rural Payments Agency
RSPB	Royal Society for the Protection of Birds
SCP	Sustainable Consumption and Production
SDC	Sustainable Development Commission
SDRN	Sustainable Development Research Network
SOGE	Seminar of Government Experts
SEPN	Sustainable Energy Policy Network
SO <sub>2</sub>	Sulphur dioxide
SPS	Single Payment Scheme
SR2000	2000 Spending Review
SR2002	2002 Spending Review
SR2004	2004 Spending Review
SSSIs	Sites of Special Scientific Interest
SVS	State Veterinary Service
UKCIP	UK Climate Impacts Programme
UK ETS	United Kingdom Emissions Trading Scheme
UKSDS	UK Sustainable Development Strategy
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
URAA	Uruguay Round Agreement on Agriculture
VLA	Veterinary Laboratories Agency
WEEE	Waste Electrical and Electronic Equipment Directive
WFA	Whole Farm Appraisal
WGS	Woodland Grant Scheme
WIP	Waste Implementation Programme
WRAP	Waste and Resources Action Programme
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation



## Selected useful links and publications

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### Selected useful links and publications

A Better Quality of life – a Strategy for Sustainable Development for the UK, (1999), DETR  
[www.sustainable-development.gov.uk](http://www.sustainable-development.gov.uk)

Achieving a better quality of life - Review of progress towards sustainable development:  
Government annual report 2003  
<http://www.sustainable-development.gov.uk/ar2003/index.htm>

A Common Land Policy Statement, (July 2002), Defra  
[www.defra.gov.uk/wildlife-countryside/issues/common/legislation/clps.htm](http://www.defra.gov.uk/wildlife-countryside/issues/common/legislation/clps.htm)

Air Quality Strategy for England, Scotland, Wales and Northern Ireland: Working Together for  
Clean Air (January 2000) and first Addendum to the Air Quality Strategy (February 2003)  
[www.defra.gov.uk/environment/airquality/strategy/index.htm](http://www.defra.gov.uk/environment/airquality/strategy/index.htm)  
[www.defra.gov.uk/environment/airquality/strategy/addendum/](http://www.defra.gov.uk/environment/airquality/strategy/addendum/)

Animal Health and Welfare Strategy (July 2003) Defra  
[www.defra.gov.uk/animalh/ahws/strategy/Outline\\_Strategy\\_English.pdf](http://www.defra.gov.uk/animalh/ahws/strategy/Outline_Strategy_English.pdf)

BSE Inquiry Report (October 2000), London: The Stationery Office  
[www.bseinquiry.gov.uk](http://www.bseinquiry.gov.uk)

Changing Patterns: UK Government Framework for Sustainable Consumption and Production  
[www.defra.gov.uk/environment/business/scp/index.htm](http://www.defra.gov.uk/environment/business/scp/index.htm)

Countryside Agency's annual report, (May 2003), Countryside Agency  
[www.countryside.gov.uk/Evidenceandanalysis/state\\_of\\_the\\_countryside\\_reports/index.asp](http://www.countryside.gov.uk/Evidenceandanalysis/state_of_the_countryside_reports/index.asp)

Creating a Low Carbon Economy - First Annual Report on Implementation of the Energy  
White Paper  
[www.dti.gov.uk/energy/sepn/firstannualreport.shtml](http://www.dti.gov.uk/energy/sepn/firstannualreport.shtml)

Departmental Report 2005 (Cm 6219)  
<http://www.defra.gov.uk/corporate/depdep/2005/index.htm>

Delivery plan for flood defence service delivery agreements 26 and 28 (Defra August 2003)

<http://www.defra.gov.uk/environ/fcd/policy/sda26dp.pdf> and

<http://www.defra.gov.uk/environ/fcd/policy/sda28dp.pdf>

Energy White Paper Our energy future – creating a low carbon economy (Cm 576, February 2003), Department of Trade and Industry, Defra and the Department for Transport

[www.dti.gov.uk/energy/whitepaper/](http://www.dti.gov.uk/energy/whitepaper/)

England Rural Development Programme latest report

[www.defra.gov.uk/erdp/docs/ann\\_rep\\_03/section\\_c.htm](http://www.defra.gov.uk/erdp/docs/ann_rep_03/section_c.htm)

English Nature

[www.english-nature.org.uk](http://www.english-nature.org.uk)

Environmental Audit Committee - Greening Government

<http://www.publications.parliament.uk/pa/cm/cmenvaud.htm>

European Union Sustainable Development Strategy, Sustainable Development Task Force – European Commission, Brussels

<http://www.europa.eu.int/comm/environment/eussd/>

Farming and Food: a Sustainable future. Report of the Policy Commission on the Future of Farming and Food (January 2002), Cabinet Office

[www.cabinet-office.gov.uk/farming/index/CommissionReport.htm](http://www.cabinet-office.gov.uk/farming/index/CommissionReport.htm)

Foundations for Our Future: Defra's Sustainable Development Strategy (June 2002), Defra

[www.defra.gov.uk/corporate/sdstrategy/default.htm](http://www.defra.gov.uk/corporate/sdstrategy/default.htm)

Greening Government published by Environmental Audit Committee

<http://www.publications.parliament.uk/pa/cm/cmenvaud.htm>

Impacts of Climate Change: Implications for Defra (February 2003), Defra

[www.defra.gov.uk/environment/climatechange/impacts2/index.htm](http://www.defra.gov.uk/environment/climatechange/impacts2/index.htm)

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Inter-governmental Panel on Climate Change (IPCC)

<http://www.ipcc.ch/>

Joint Nature Conservation Committee (JNCC)

<http://www.jncc.gov.uk/>

Memorandum submitted to the Environmental Audit Committee (February 2003)

[www.sustainable-development.gov.uk/eac-wssd/memo.htm](http://www.sustainable-development.gov.uk/eac-wssd/memo.htm)

National Atmospheric Emissions Inventory (NAEI)

<http://www.naei.org.uk/>

National Environmental Technology Centre (NETCEN)

<http://www.netcen.co.uk/>

Organisation for Economic Co-operation and Development

<http://www.oecd.org/home/>

Our Countryside: The Future – A Fair Deal for Rural England (Cm 4909, November 2000)

[www.defra.gov.uk/rural/ruralwp/whitepaper/default.htm](http://www.defra.gov.uk/rural/ruralwp/whitepaper/default.htm)

Public Service Agreement 2003-06

<http://www.defra.gov.uk/corporate/busplan/psa2002.htm>

Public Services Performance index (HM Treasury)

[www.hm-treasury.gov.uk/performance/](http://www.hm-treasury.gov.uk/performance/)

Report on Sustainable Development in Government (November 2002)

[www.sustainable-development.gov.uk/sdig/reports/index.htm](http://www.sustainable-development.gov.uk/sdig/reports/index.htm)

Rural proofing in 2002/2003: a report to Government by the Countryside Agency (June 2003, 2nd annual report)

[http://www.countryside.gov.uk/Publications/articles/Publication\\_tcm2-4334.asp](http://www.countryside.gov.uk/Publications/articles/Publication_tcm2-4334.asp)

Rural Strategy 2004

[www.defra.gov.uk/rural/strategy/default.htm](http://www.defra.gov.uk/rural/strategy/default.htm)

Service Delivery Agreement 2003-06

<http://www.defra.gov.uk/corporate/busplan/sda/sda0306.pdf>

Strategy for Sustainable Farming and Food – Facing the Future (Defra)

<http://www.defra.gov.uk/farm/sustain/newstrategy/index.htm>

Sustainable Development Commission report, Shows promise. But must try harder

[http://www.sd-commission.org.uk/news/resource\\_download.php?attach\\_id=SMDOB79-7JQMZFE-1OHI1PA-UFRDL3I](http://www.sd-commission.org.uk/news/resource_download.php?attach_id=SMDOB79-7JQMZFE-1OHI1PA-UFRDL3I)

Sustainable Development in Government Report (SdiG)

<http://www.sustainable-development.gov.uk/sdig/reports/index.htm>

Sustainable energy policy network (SEPN) website

<http://www.dti.gov.uk/energy/sepn>

Technical Notes for Public Service Agreement Targets 2003-06

<http://www.defra.gov.uk/corporate/busplan/sda/technotespsa0306.pdf>

UK National Air Quality Information Archive

<http://www.airquality.co.uk/archive/index.ph>

UK Sustainable Development Strategy consultation – Taking It On

<http://www.sustainable-development.gov.uk/taking-it-on/index.htm>

United Nations Division for Sustainable Development, United Nations

[www.un.org/esa/sustdev/](http://www.un.org/esa/sustdev/)

United Nations Framework Convention on Climate Change (UNFCCC)

<http://unfccc.int/2860.php>

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Working for the Essentials of Life: Defra prospectus (2002), Defra  
[www.defra.gov.uk/corporate/prospectus/](http://www.defra.gov.uk/corporate/prospectus/)

Working With the Grain of Nature: a Biodiversity Strategy for England (October 2002) Defra  
[www.defra.gov.uk/wildlife-countryside/ewd/biostrat/index.htm](http://www.defra.gov.uk/wildlife-countryside/ewd/biostrat/index.htm)

World Trade Organisation  
<http://www.wto.org/>

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