

# The Reduction and Prevention of Agricultural Diffuse Pollution (England) Regulations 2018 (farming rules for water) - PIR

<b>Lead department</b>	Department for Environment, Food and Rural Affairs
<b>Summary of measure</b>	A review of The Reduction and Prevention of Agricultural Diffuse Pollution (England) Regulations 2018, commonly known as the Farming Rules for Water.
<b>Submission type</b>	Post-implementation review
<b>Implementation date</b>	2 <sup>nd</sup> April 2018
<b>Department recommendation</b>	Amend
<b>RPC reference</b>	RPC-DEFRA-26144-PIR(1)
<b>Opinion type</b>	Formal
<b>Date of issue</b>	27/04/2026

## RPC opinion

<b>Rating<sup>1</sup></b>	<b>RPC opinion</b>
<b>Fit for purpose</b>	The evidence presented in the PIR provides a sufficient basis for the recommendation to amend the regulations. The review employs a proportionate approach, using a variety of evidence sources. The regulations have been evaluated sufficiently, with the PIR providing a sufficient review of the policy objectives.

<sup>1</sup> The RPC opinion rating is based on whether the evidence in the PIR is sufficiently robust, as set out in the better regulation framework, to support the departmental recommendation. RPC ratings are fit for purpose or not fit for purpose.

## RPC summary

<b>Category</b>	<b>Quality<sup>2</sup></b>	<b>RPC comments</b>
Recommendation	<b>Green</b>	The evidence presented in the PIR provides a sufficient and proportionate basis for the Department's recommendation to amend the regulations. The use of stakeholder responses and various datasets to assess the measures against the initial policy objectives is an appropriate assessment for this review.
Monitoring and implementation	<b>Good</b>	The PIR employs a proportionate approach, using a variety of evidence sources, making use of stakeholder engagement, academic literature and government sources. The PIR does well to consider evidence gaps.
Evaluation	<b>Satisfactory</b>	The regulations have been evaluated sufficiently, with the PIR providing a review of the policy objectives. The PIR also considers the unintended consequences and potential improvements.

The regulations include a requirement for the Secretary of State to review them from time to time and to set out in a published report — a post-implementation review — the conclusions of the review carried out. The first report was required to be published before 2 April 2021, and subsequent reports at intervals not exceeding five years. It appears that no such reports have been published. We recommend that the Department undertakes the next periodic review within the five-year deadline.

<sup>2</sup> The RPC quality ratings are used to indicate the quality and robustness of the evidence used to support different analytical areas. The definitions of the RPC quality ratings can be accessed [here](#).

## Summary of proposal

The Reduction and Prevention of Agricultural Diffuse Pollution (England) Regulations 2018, commonly referred to as the Farming Rules for Water, were introduced to reduce and prevent diffuse water pollution from agricultural activities. These regulations require farmers to adopt farming practices that maintain agricultural land in good condition, reduce soil erosion and nutrient losses and support wider environmental goals. This is with the aim to reduce and prevent diffuse water pollution from farming activities on agricultural land, and apply to all land managers in England.

The PIR assess the regulations for the extended period of 2018 to 2023, using the Impact Assessment (IA) from 2016 as a baseline.

## Recommendation

In its assessment of the evidence base, the Department sufficiently makes the case to support its recommendation to amend the regulations. The PIR demonstrates through a mix of qualitative and quantitative evidence that whilst the initial policy objectives remain relevant as a baseline for farming practices and environmental protections, the regulations are not yet fully achieving these objectives. As a result the Department recommends amending the regulatory framework, however does not make specific policy recommendations at this time. The PIR does well to suggest some potential opportunities to improve the framework.

The review sufficiently assesses each of the original 4 policy objectives, using a range of evidence to demonstrate the impact that the regulations have made. This includes assessing changes in water quality, soil nutrient balance and compliance levels, using a range of data from the Environment Agency (EA), academic literature and stakeholder feedback. The Department however was unable to establish some compliance rates, such as among the wider population. The Department also should have considered some aspects of the objectives in greater depth. The review would be improved by discussing how this could be considered in a future PIR of the amended regulations.

The Department has not attempted to estimate the full costs and benefits of the policy, however the PIR does consider how they may have changed relative to the 2016 IA, including some estimates of how costs may have been higher than initially expected. The PIR should do more to justify not attempting to monetise the benefits of the regulations.

Overall, this approach is sufficient to support the Department's recommendation.

## Monitoring and implementation

### Proportionate

The PIR's monitoring approach is proportionate. The Department includes a thorough review of the policy objectives based on a range of evidence, considering compliance levels and the resulting effectiveness of the regulations. The PIR has

also looked at the costs and benefits of the intervention, producing rough estimates and comparing them to the original IA. This approach is appropriate for a measure of this impact. The PIR should have discussed how the policy as amended will be reviewed in the future.

### **Range of evidence**

The Department has used a variety of evidence to support the PIR, split into six categories. These include farm statistics from the Department's Farm Practices Survey (FPS), academic literature, water quality and inspection data from the Environment Agency (EA), soil nutrient balances and stakeholder feedback. The PIR then does well to evaluate the evidence used, considering the strengths and limitations. The PIR would benefit from considering ways to potentially address these limitations for a future review. The PIR also could have given more consideration to what evidence would be needed to establish a counterfactual, given the difficulties of narrowing down impacts specifically to this set of regulations.

### **Gaps in evidence justified**

The PIR identifies some evidence gaps as part of its evaluation of the datasets used. One significant evidence gap is the lack of comprehensive compliance data covering the wider population, making it difficult to assess the effectiveness of the regulations for this wider population. The PIR does well to reflect on possible ways to improve the monitoring of compliance levels going forward with the EA, however would benefit from considering further the recommendation to amend the regulations despite insufficient evidence to assess their current effectiveness.

## **Evaluation**

### **Policy objectives considered**

The Department has sufficiently assessed each of the original 4 policy objectives. These are to maintain a healthy water environment, support a world leading food and farming industry, deliver environmental benefits and provide proportionate enforcement tools. The PIR considers each of the objectives in turn to establish if they have been achieved, including a detailed presentation of the available evidence, discussion, conclusion and recommendation. This has been assessed qualitatively and quantitatively, with the Department using stakeholder responses in coordination with data from Defra and the EA to determine the effectiveness of the regulations. The PIR concludes that despite this data, it is not possible to determine whether 3 of the 4 policy objectives are being met, with the fourth – proportionate enforcement tools – not being met. This supports the Department's argument that the regulatory framework needs change in order to be effective.

Whilst the PIR assesses each of the objectives, some elements of the objectives could be considered in more detail. Objective 1 discusses 'deterioration' but this has not been fully assessed, with Figure 3 suggesting that total dissolvable phosphorous has increased. The PIR could also compare how England is performing relative to EU counterparts given the regulations are based on an EU directive, instead pointing to developing economies where standards and outcomes are lower. For the second

objective the Department could consider the balance between regulatory burden minimisation and the primary environmental objective. A full assessment could have considered the impact of the regulations and the approach to their implementation which has not had the intended impact of improving or preventing deterioration. The PIR only assesses one of the elements of the third objective - soil, with only limited detail on biodiversity and flooding, and so could provide more assessment on these areas.

The PIR identifies a lack of enforcement as key problem identified by stakeholders in achieving the fourth objective, but the states the regulations are more focused on an advisory approach. The PIR should demonstrate how the low level of enforcement is outweighed in practice by improved outcomes based on the advisory approach. The PIR could also be improved by the inclusion of a discussion that considers the policy objectives collectively after the individual assessments, including the consequences of being unable to assess whether 3 of them have not been met.

### **Unintended effects**

The Department has identified overlapping regulations as an unintended consequence of the policy. The Farming Rules for Water were intended to complement existing legislation, however stakeholder feedback has highlighted that the regulations are outcome focussed rather than prescriptive, whereas existing rules focus on defining specific standards. This creates a contradictory challenge for farmers to comply with all necessary regulations. The PIR does well to take this issue forward to its upcoming review, though would be improved by clarifying if the Nitrate Pollution Prevention Regulations (NPRR) and Silage, Slurry and Agricultural Fuel Oil regulations (SSAFO) are in scope of this regulatory review. The PIR could also consider if the focus on simplification has been counterproductive in terms of environmental objectives.

### **Original assumptions**

The Department has summarised the costs and benefits of the regulations, discussing first the original assumptions set out in the 2016 IA, before assessing how they compare to the actual costs and benefits observed as part of the review process. This does not include full monetisation of the costs and benefits, however goes through each of the IA's estimates in turn and considers how they may vary post-implementation. This includes the cost of slurry storage, which has been estimated to cost £123m, instead of the initial £81m (both 2023 prices, undiscounted) expected in the IA. The PIR should clarify the treatment of enforcement costs. The PIR would have benefited from a more detailed re-evaluation of the benefits of the regulations.

## SaMBA

The PIR briefly considers the impact on small and micro businesses, as 98% of affected businesses are small and micro sized. This means that the policy would not be viable without the inclusion of small and micro businesses. The PIR does well to consider the ways the regulations have impacted these businesses disproportionately, however would benefit from comparing this to how small business impacts were considered as part of the initial IA.

## Improvements or alternatives considered

To address the findings of this PIR, the Department is proposing to identify options to amend the regulatory framework to ensure that the provisions can achieve the full intended benefits and outcomes of reducing diffuse pollution from agriculture and improving water quality in England. The review would benefit from providing a rough timeline the Department expects to follow as part of this process.

## Regulatory Policy Committee

For further information, please contact [regulatoryenquiries@rpc.gov.uk](mailto:regulatoryenquiries@rpc.gov.uk). Follow us on Twitter [@RPC\\_Gov\\_UK](https://twitter.com/RPC_Gov_UK), [LinkedIn](#) or consult our website [www.gov.uk/rpc](http://www.gov.uk/rpc). To keep informed and hear our views on live regulatory issues, subscribe to our [blog](#).