



The Centre For Business Relationships,
Accountability, Sustainability and Society

Comment and Analysis

Will the Spending Review protect
our biodiversity?



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Will the Spending Review protect our biodiversity?

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The Prime Minister, David Cameron pledged at the commencement of the Coalition Government, that his aim was to make the coalition 'the greenest government ever'. In the beginning of the Coalition Government, or at least within its first 100 days, it did seem to define environment more widely than the previous Labour Government, which had over inflated the role of climate at the expense of other issues, in particular biodiversity. The Secretary of State for the Environment, Food and Rural Affairs, Caroline Spelman stated that one of the Department's priorities included '*an "absolute commitment" to reversing the trend toward reduction in biodiversity*'. The question was always whether in light of a government agenda dominated by cuts, the environment would be considered a valuable government activity to protect financially?

Before the spending review announcement by the Chancellor of the Exchequer on Wednesday 20th October, twenty five organisations including major players such as the Royal Society for the Protection of Birds (RSPB) sent a letter to the government warning that cuts "could have profound and perhaps irreversible consequences for wildlife, landscapes and people".

It seems that those twenty five organisations were correct to be concerned, as the Coalition Government's Comprehensive Spending Review annihilated the budget of the Department of Environment, Food and Rural Affairs (DEFRA). DEFRA will reduce resource spending by 29%, capital spending by 34% and the department's administration budget will be cut by 33%. This is the third largest departmental cut and is considerably higher than the government average of 19%.

This all seems somewhat ironic in the week when world nations are gathering in Nagoya, Japan for the Convention on Biological Diversity 10th Conference of the Parties (18-29 October). It is also particularly alarming in light of the UN announcement in May this year that collectively, we have failed to halt biodiversity loss. This matters, not just because the

fate of the millions of species with which we share this planet hangs in the balance, but also because we all depend on healthy ecosystems – from food and pharmaceutical ingredients to protection from natural hazards.

DEFRA had previously indicated that any cut above 10% would have to result in redundancies. As a consequence, it is estimated that the department and its delivery agencies, including the Environment Agency, which monitors pollution and protects against flooding, and Natural England, which helps look after the natural world, will shed front-line jobs, which could be up to about 8,000 staff.

In reality, DEFRA and its biodiversity delivery agency Natural England has always had a small budget in comparison to other government departments. With a pre spending review budget of £2.9 billion, it is dwarfed by the £200 billion budget of the Department of Works and Pensions (which was cut by £18 billion). At present the UK already spends only about 1/700th of public finance on biodiversity and ecosystems, which underpin our economy, health and society.

The delivery agencies also face restructuring. Natural England, which came into existence in 2006 as a result of the restructuring of three organisations: English Nature, the Countryside Agency's Landscape, Access and Recreation division and the environment activities of the Rural Development Service. This was a major upheaval for all of those organisations and an expensive exercise at the time, four years later and once again the main biodiversity organisation will have to face more disruption in its activities.

There has been speculation about what this may entail; one theory is that the cuts may be so extreme for both Natural England and the Environment Agency that they may need to combine just achieve economies of scale and consequently functioning budgets. The other is perhaps hinted in the statement by the government that these organisations no longer need to undertake activities that the Government does not need to do. This could mean handing over the network of national nature reserves in England to wildlife charities.

Charities and biodiversity organisations rely on these organisations to provide much need financial, administrative and human resources. Biodiversity partnerships around England rely on the involvement of both Natural England and the Environment Agency and much of their budgets are assisted by these organisations. The cuts about to fall on these organisations will have serious impacts for those on the ground agencies, bodies and charities who put into actions the activities necessary for the biodiversity targets to be met.

In addition, the delivery agencies have to "stop policy-making and lobbying activities". This is likely to further impact upon their role in Biodiversity Partnerships, which do function to advocate decision makers and to influence policy making. This proclamation obliterates one of the key functions of these organisations to advice the government from an impartial, non-bias perspective and closes the door on any environmental, non-departmental, public body telling the Government in future that what it is proposing, doing or has done was wrong.

One positive note was the government's decision to maintain or increase spending on environmental stewardship schemes for wildlife-friendly farming, and to boost the more-effective "higher level" stewardship scheme by 80%. However, DEFRA also announced that there will be a review of farming regulations, which will reduce the burden of red tape. Many environment groups fear this may lead to far less enforcement of rules against a sector responsible for widespread damage to biodiversity and water pollution.

However and it is a significant 'however', the language of George Osborne during his speech in fact began to sound more like Labour's obsession with climate change meaning all things environment. Osborne kept reiterating the role of science and green energy "Long term investment in the capacity of our transport, our science, our green energy will all help move Britain from its decade long dependence on one sector of the economy in one part of the country – and the ruin that led to". What was missing from his words was the role of biodiversity and ecosystems, which often provide the cheapest climate change solutions. Green energy was linked to the green economy, which was linked to growth. Do we therefore surmise that if the protection of the environment does not lead to developing the green economy and therefore growth, it is afforded less consideration for protection?

The full impact of the spending review will not unfold for some time yet. Whether biodiversity remains a priority is therefore yet to be seen, however it appears that with a focus on green energy, biodiversity may yet again fall down the list of key issues for the 'greenest ever government'.