

River Action UK representation to HM Treasury's Comprehensive Spending Review 2021

River Action calls on the UK Government to commit funding to address the river pollution crisis, including doubling its £40m annual grant-in-aid to the Environment Agency for environmental protection activities, to enable effective monitoring and enforcement to support river protection and recovery.

Summary

Our rivers are in crisis:

- [Every single river](#) in England is now polluted beyond legal limits by nitrates and phosphates resulting from human, agricultural and industrial waste.
- The UK was [ranked last](#) in Europe for bathing water quality in 2020.
- In England, water companies released untreated human waste into our waterways on more than [400,000 occasions](#) in 2020 alone.
- [More than 10%](#) of the UK's freshwater species now face extinction – including iconic species such as the Atlantic salmon – with around [60% in decline](#).
- This crisis is only becoming more urgent in the face of a climate emergency as the growing challenge of securing supplies of clean water is directly linked to our ability to regulate pollution in our waterways.

A major contributor to this dramatic deterioration is the complete collapse in environmental protection in this country:

- Government funding for the Environment Agency, as the body responsible for the protection and enhancement of the environment, has fallen by more than 70% in real terms over the past decade.
- The Environment Agency's 'Environment and Business' budget which covers activities including agricultural regulations, waste crime and incident response was cut from £117 million in 2010/11 to £40 million in 2020/21.
- As a [result](#):
 - Each farm in England can now expect to be inspected just once every 263 years.
 - Prosecutions of river polluters have fallen by 88% in the last decade.
 - Just 3.6% of pollution complaints to the EA public hotline result in penalties for the polluter.
- Essentially, polluters can currently dump waste into our rivers, placing the cost on the whole of society, secure in the knowledge they will neither be monitored nor prosecuted.
- The EA has [has highlighted in correspondence](#) with Government that these cuts are having "real impacts (e.g. on our ability to protect water quality) for which we and the government are now facing mounting criticism".

River pollution is an immediate crisis and one which has attracted substantial and growing public outcry over the past year or so, both at the national level and through community and citizen science groups which have formed around the country to protect their local rivers.

We are therefore calling on the UK Government to commit adequate funding to address the river pollution crisis, including by doubling its 2020/21 grant-in-aid to the Environment Agency to cover its 'Environment and Business' activities for the next financial year and into future years, to ensure

that river protection and recovery efforts are supported by effective monitoring and enforcement activity.

At a cost of £40 million per year, the doubling of that grant-in-aid is a small investment which would have immediate and tangible impact for our freshwater ecosystems and the people who use them, would be delivered through existing agencies and structures, and would command huge public support (as evidenced by the 50,000 signatures which River Action's [petition](#) on this topic has secured in just three months).

Introduction

River Action is a UK-registered charity launched this year to address the river pollution crisis.

Every single river in England is now polluted beyond legal limits¹ by human, agricultural and industrial waste. The scale and extent of this pollution has serious and urgent implications for both ecosystem and public health.

While the proximate cause of river pollution is an excess of nitrates and phosphates derived from sewage discharges, agricultural run-off and other industrial activities, a major driver of the rapid degradation of our river systems is the complete collapse in environmental protection in this country. The Environment Agency has seen its budget and resources decline so drastically in the past decade that it has warned Government² and the public³ that it is no longer in a position to fulfil its basic duties or respond to all but the most serious crises. This situation is not compatible with the UK's efforts to demonstrate global leadership in addressing the intertwined impacts of the climate and ecological emergencies.

We urge the UK Government at this Spending Review to afford the crisis in our rivers the attention and the resources it requires, including by doubling (and therefore restoring to c. 2010 pre-cut levels) the annual grant-in-aid allocated to the Environment Agency for its environmental protection work.

Doubling of the grant-in-aid would cost an estimated additional £40 million p.a., would secure considerable public support and is deliverable through existing agencies and infrastructure. It would offer a compelling return on investment by safeguarding a) our freshwater biodiversity and the ecosystem services which depend on it, b) tourism and recreation businesses which are dependent on the existence of thriving and appealing river systems, c) other Government investments in nature recovery programmes which would be undermined if there is no functioning monitoring and enforcement systems in place, and d) Treasury revenues generated through fines on polluters.

This representation sets out relevant background information and a recommendation to Government to commit funding to addressing the river pollution crisis, including by doubling the Environment Agency's grant-in-aid funding for environmental protection. It is supported by the following members of our Advisory Board: Charles Watson (River Action founder and chair), George Monbiot, Lord Randall, Amy Slack and James Wallace.

¹ <https://www.theguardian.com/environment/2020/sep/17/rivers-in-england-fail-pollution-tests-due-to-sewage-and-chemicals>

² <https://www.theguardian.com/environment/2021/jun/22/cutbacks-stopping-vital-work-on-river-pollution-and-floods-in-england-environment-agency>

³ <https://www.endsreport.com/article/1696294/bevan-ea-lacks-powers-resources-tackle-farm-pollution>

Background

The crisis in our rivers

River pollution is a severe and urgent crisis: every single river in England is now polluted beyond legal limits⁴, leaving us ranked worst in Europe for bathing water quality in 2020.⁵ Water companies released untreated human waste into our waterways on more than 400,000 occasions in 2020 alone,⁶ and more than 10% of our freshwater species face extinction, including iconic species such as the Atlantic salmon and European eel, with around 60% in decline.⁷

The collapse of UK environmental protection

Since River Action launched in February 2021 to highlight the contribution of food production companies to river pollution, it has become abundantly clear that environmental protection has collapsed across the UK as the responsible agencies have had their budgets and resources cut drastically.

A freedom of information request revealed that Government funding for the Environment Agency's Environment and Business Budget has fallen by more than 70% in real terms in the past decade, from £117 million in 2010/11 to £40 million in 2020/21.⁸ Staffing levels have also dropped from c. 14,000 in 2010 to c. 10,000 in 2019.⁹

On agriculture specifically, the EA's total annual budget in 2019/20 to inspect England's 120,000+ farms was just £320,000, equating to just 0.65 full-time equivalent staff in each of the EA's 14 'Area' regions.¹⁰ The recent announcement that the EA has been given the funding to recruit 50 new agricultural inspectors, whilst welcome, is an inadequate response to the major issue as the new roles are only being advertised as 18-month contracts at present and 50 inspectors are not enough to ensure sufficiently regular inspections. When spread over England, this works out as about one officer per county.¹¹

The EA has highlighted in correspondence with Government that cuts to its budget are having "real impacts (e.g. on our ability to protect water quality) for which we and the Government are now facing mounting criticism".¹² As a result of the EA's vastly diminished capacity, water quality monitoring has been slashed from 10,797 sites sampled in 2013 to just 4656 in 2018, each farm in England can now expect an inspection just once every 263 years and prosecutions of businesses for polluting rivers have fallen by 88% in the past decade.¹³

There is much to be done by Government to address river pollution at source by establishing the regulatory and incentive frameworks required to reduce and eliminate various sectors' contribution to this crisis – and we urge the Government to initiate such measures urgently. However, that vital work has no chance of success unless it is supported by effective monitoring and enforcement.

⁴ <https://www.theguardian.com/environment/2020/sep/17/rivers-in-england-fail-pollution-tests-due-to-sewage-and-chemicals>

⁵ <https://www.theguardian.com/environment/2021/jun/01/uk-ranked-last-in-europe-for-bathing-water-quality-in-2020>

⁶ <https://www.bbc.co.uk/news/science-environment-56590219>

⁷ <https://www.wildlifetrusts.org/water>; http://ww2.rspb.org.uk/images/stateofnature_tcm9-345839.pdf

⁸ <https://www.theguardian.com/environment/2021/jun/22/cutbacks-stopping-vital-work-on-river-pollution-and-floods-in-england-environment-agency>

⁹ https://salmon-trout.org/wp-content/uploads/2021/04/Doing-its-job.stc_.pdf

¹⁰ <https://riveractionuk.com/blog/river-action-campaign-group-launches-public-petition-calling/>

¹¹ <https://www.endsreport.com/article/1722645/environment-agency-hire-50-farm-inspectors-tackle-water-pollution>

¹² <https://www.theguardian.com/environment/2021/jun/22/cutbacks-stopping-vital-work-on-river-pollution-and-floods-in-england-environment-agency>

¹³ https://salmon-trout.org/wp-content/uploads/2021/04/Doing-its-job.stc_.pdf

Ensuring that the agencies tasked with that monitoring and enforcement are adequately funded and resourced is a crucial first step.

If we do not address the current total lack of capacity to enforce against polluters, then the cost will continue to be suffered by society as a whole rather than the polluter, in contradiction of the polluter pays principle enshrined in UK law. Furthermore, without adequate monitoring and enforcement, we will only ever tackle the symptoms of the river pollution crisis rather than the cause – a deeply inefficient and ineffective use of public money, and one which is not remotely commensurate to the systemic scale of the crisis.

The case for a policy response

The rapid degradation of the UK's iconic river systems has captured significant public attention, in the past year in particular as the Covid-19 pandemic has led to greater use of local natural spaces and awareness of their importance for wellbeing as well as for nature. Consequently, the Government faces growing public criticism and political pressure for action (to the extent that this appears likely to be a key issue for prompt consideration by the Office for Environmental Protection), which requires a policy response. It has also attracted significant attention and support on both sides of Parliament, with 130 MPs supporting Philip Dunne MP's recent Private Members Bill regarding sewage discharges.

Furthermore, action is required from the Government on the basis that the dramatically degraded state of our rivers, compared both to the past and to neighbouring countries, significantly undermines the UK's stated commitments to environmental leadership, particularly ahead of hosting COP26: the international credibility which is required to leverage commitments and finance from others can only be derived through domestic action. It is vital that this domestic action takes the form not only of large-scale flagship projects but also the basic monitoring and enforcement activity needed to underpin those.

The UK has committed variously to: leave the environment in a better state than we found it (25 Year Environment Plan),¹⁴ set a "gold standard" via an Environment Bill which will enshrine a polluter pays principle, and to "remain[ing] committed to growth that is based on a foundation of sustainability" (Budget 2021).¹⁵ These commitments are not credible unless they are backed up by the resources needed to deliver on them, and to ensure that the polluter (rather than society as a whole) does indeed pay.

The case for a response from HM Treasury through the Comprehensive Spending Review

Addressing the pollution and degradation of our rivers should be a priority for the Comprehensive Spending Review as it represents not only an environmental and public health crisis but also a material financial risk in terms of:

1. The economic risk posed by the loss of ecosystems and related ecosystem services (including water security in the face of an escalating climate emergency) and the relatively much lower cost of conserving nature than restoring it once lost, as highlighted in the Dasgupta Review.
2. Potential public health costs.
3. Potential loss of revenue to tourism and recreation sectors dependent on thriving, appealing river environments (angling, kayaking, hiking, swimming, rowing etc.)

¹⁴ <https://www.gov.uk/government/publications/25-year-environment-plan>

¹⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/966869/Budget_2021_Print.pdf

Continued failure by the Government to prioritise and fund action to address the river pollution crisis, specifically by ensuring that environmental protection bodies are afforded the resources and capacity they require in order to prevent and enforce against river pollution, risks undermining the outcomes of, and therefore wasting, other types of public spending:

1. All of the UK Government's spending on nature recovery (including new and recent commitments e.g., the 47% increase for Natural England in 2021/22) risks being undermined and wasted if the resources do not exist to monitor the outcomes of those programmes and take action against businesses and individuals whose actions threaten their success.
2. At present, polluting businesses have little to fear – the poorly funded and resourced Environment Agency has limited monitoring and enforcement capacity meaning polluters are highly unlikely ever to be caught polluting, let alone convicted. The lack of probable consequence is disincentivising private sector action. This means the cost continues to be placed on society and on the Government/ public sector at the point of treating symptoms, rather than on the many businesses which should be addressing the crisis at source. A properly funded and resourced Environment Agency is crucial in creating the incentive structure required to ensure private sector action.
3. Agriculture is a key driver of UK river pollution – being responsible for an estimated 50% of all reported incidents. As the UK reforms its agricultural subsidy system to one based on the principle of 'public money for public goods', it is crucial that action is taken to prevent future subsidies underwriting the destruction of public goods provided by our rivers. The potential for future public scandals is enormous if the necessary environmental monitoring and inspection capabilities are not in place to ensure that the recipients of the new agricultural subsidies are compliant with environmental standards.

Furthermore, it should also be noted that fines levied against polluting businesses are a source of revenue which could ultimately make environmental protection self-funding. A properly funded and resourced Environment Agency, with the ability to underwrite a much more robust enforcement of environmental regulations, could ultimately generate through fines a significant proportion of its annual budgets. At present it is known that the EA will consciously not pursue many prosecutions against polluters because it does not have the financial ability to underwrite the litigation risk.

Policy recommendations

We get the environment we pay for. Government funding is urgently required to tackle the river pollution crisis and money must be prioritised first and foremost for critical and underpinning aspects: without properly funded and resourced environmental protection, we cannot protect river environments (and the sectors and services dependent on them) and there will remain no incentive for polluters to take preventative action. Furthermore, for as long as environmental protection remains in complete collapse, any public spending on environmental health and nature recovery risks being undermined and wasted. If the UK Government seeks to demonstrate environmental leadership, and ensure the credibility required to leverage commitments and finance from other governments and from the private sector, then this is a fundamental issue it must first get to grips with.

For that reason, **we are calling on the UK Government to:**

1. **Commit funding to address the river pollution crisis, including doubling its £40m annual grant-in-aid to the Environment Agency for environmental protection activities**

(‘Environment and Business’ budget) so that it can carry out effective monitoring and enforcement to support river protection and recovery.

This could either be delivered through further direct grant funding or by, for example, ringfencing a proportion of revenue from fines levied against river polluters to return to river protection activities.

Costs and benefits

The Government’s ‘Environment and Business’ grant-in-aid funding to the Environment Agency stood at £40 million in 2020/21. Therefore, the estimated cost of a doubling from present levels would be an additional £40 million per year, equivalent to just 200m of HS2. We estimate that doubling this budget, taking into account technological advances and increased efficiencies, could restore the agency’s capacity to the approximate levels of a decade ago, when metrics such as successful enforcement actions were higher and since when progress in improving the quality and ecological status of the freshwater environment has plateaued.¹⁶

Quite simply, additional budget is a necessity in **allowing basic monitoring and enforcement activity to be conducted, which is a crucial underpinning of any efforts to protect and restore water quality, river systems and nature.** The recommended additional £40m annually could enable the Environment Agency to hire an adequate presence of critical on-the-ground staff, upgrade systems to allow increased efficiency, and crucially pursue enforcement action and convictions wherever those are required. It could also provide the agency with the capacity required to make use of more recent technological advances, for example by rolling out automatic real time water quality monitoring across the river network, a key step in UK scientific and environmental leadership.

In addition to the vast and almost unquantifiable benefits of protecting river life and landscapes and preserving the rights of individuals and communities to enjoy safe and clean access to nature, £40m per year to safeguard the value of functioning ecosystems, the businesses and services dependent on them, and the value of all other Government spending on nature represents a strong return on investment.

Furthermore, an adequately funded and resourced Environment Agency is the central element required for an effective incentive structure which would drive polluting businesses to mitigate their impact, thereby bringing private money into solutions to the pollution crisis, the cost of which is presently resting primarily on government and society as a whole.

The Environment Agency has a key role to play in delivering on the UK Government’s commitments to leaving the environment in a better state and to securing a green recovery from the Covid-19 pandemic. Increased funding would generate good quality green jobs both within the agency and with delivery partners; likewise, improved protection of our river systems and other habitats would safeguard the many jobs in tourism and recreation which depend on those environments. All of these jobs would be geographically distributed throughout the UK, including in rural areas, supporting the Government’s levelling up agenda.

The granting of this additional budget would also be a clear demonstration by Government of its commitment to a genuine green agenda and would be widely recognised by the environmental community. This ask is easily deliverable as it relates to strengthening allocation through existing structures. Furthermore, the public support for action to protect our rivers ensures that this would be a hugely popular commitment from Government. River Action’s [petition](#) calling for the doubling of

¹⁶ https://salmon-trout.org/wp-content/uploads/2021/04/Doing-its-job.stc_.pdf

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environmental protection budgets in England and Wales has been signed more than 50,000 times in three months.