



House of Commons
Environmental Audit
Committee

**Government Response
to the Committee's
Second Report of
Session 2004–5 on
Corporate
Environmental Crime**

**First Special Report of Session
2005–06**

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The Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

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References

In the footnotes of this Report, references to oral evidence are indicated by 'Q' followed by the question number. References to written evidence are indicated by page number as in 'Ev12'. number HC *-II

First Special Report

Corporate Environmental Crime—Government Response

1. The previous Environmental Audit Committee published its report on *Corporate Environmental Crime* on Tuesday 8 February 2005 as HC 136.
2. The Government's Response to that Committee's Report was received on Friday 8 April 2005 in the form of a memorandum to the Committee. It is reproduced as an Appendix to this Special Report.

Appendix

Recommendation 1

With just one exception, all of the companies on the Agency's list of top ten highest fines in 2003 were waste and water companies. (Paragraph 8)

1. This emphasises the need for effective regulation in this area.

Recommendation 2

We look forward to seeing the outcome of the waste sector related enforcement cases currently being put together by the Environment Agency. We remain concerned, however, that there appears to be a discrepancy between what organisations like ESA and SITA are telling us they believe is happening with waste following the co-disposal ban, and the position described by DEFRA. (Paragraph 11)

2. We note the Committee's concerns. However it is clear from data obtained by the Environment Agency and through their targeted enforcement campaign that there is no missing hazardous waste. Hazardous waste arisings dropped after the co-disposal ban because producers are taking greater steps to segregate hazardous and non-hazardous waste, and the increase in landfill costs has encouraged greater minimisation at source.
3. Enforcement action by the Agency continues in the form of extensive compliance inspections/audits along with waste carrier registration checks. This runs in parallel with intelligence gathering on brownfield site developments issues and the continued auditing of hazardous waste landfills.

Recommendation 3

Irrespective of any mitigating factors which pertain to some of the pollution incidents resulting from Thames Water's activities, and regardless of the apparent legality of the discharges into the Thames, we are compelled to express our abhorrence of this

legitimised pollution and the depressing attitude with which it is accepted. (Paragraph 15)

4. The Government, the Environment Agency, and the Office of Water Services recognise that this situation is not acceptable. The Thames Tideway Strategic Study that has been underway since 2000, and which will publish its supplementary report in Spring 2005 has demonstrated this. The objectives of the study are to assess the environmental impact of intermittent discharges of storm sewage on the Thames Tideway and to propose potential solutions, having regard to costs and benefits.

Recommendation 4

Many of the sewerage systems around the UK are old and dilapidated and would be enormously expensive to upgrade. If the water company also has what is tantamount to a 'get-out' clause because the system is operating as it was designed to do, even when this means sewage entering water-courses, what results is an environmental threat sufficiently intractable that no-one will tackle it head on. This is clearly unsatisfactory. (Paragraph 16)

5. The Government acknowledges the strong concern expressed by the Committee. Although much of the sewerage system is old, it has not reached the end of its useful life. Ofwat monitors the performance of each water company and its sewer network, requiring each company to maintain or improve performance.

6. The Government stressed the high priority it placed on reducing the distress and disruption caused by problems with the capacity and general condition of existing sewerage in its guidance to the Regulator during the last periodic review of water prices. The Government welcomes the attention to sewerage issues paid by water companies and Ofwat during the review.

Recommendation 5

We welcome the news that Thames Water, working with Ofwat, have developed a business plan to upgrade not just the sewage works at Mogden but also the other three major works identified as significant contributors to the problem of sewage overflow into the River Thames. (Paragraph 18)

7. We consider that the substantial capacity and treatment improvements at the sewage treatment works in London, which were identified during initial investigations of the Thames Tideway Strategic Study, will result in significant environmental benefits. The increases in sewage works capacity will result in a reduction in the frequency and impact of intermittent discharges of storm sewage from the three largest works (Mogden, Beckton and Crossness) which present intermittent discharge problems.

Recommendation 6

There is no doubt that agreeing and then implementing a long-term solution to the overflow and pollution problems afflicting the River Thames is going to involve making some tough decisions and significant investment. What is also clear is that, whether the decision is for a tunnel under London, or something else, the status quo cannot be allowed to remain. The likely timeframe for action set out by Thames, which appeared to be confirmed by Elliot Morley during the debate on the 18th January, means that a decision with regard to the proposed plans for a tunnel under London to alleviate the threat of continued and increasing sewage and waste overflows into the Thames must be made as a matter of some urgency and we would expect the Government to be able to let us know the outcome of their deliberations by the time it responds to this report. (Paragraph 21)

8. Government and the Office of Water Services are awaiting a supplementary report from the Thames Tideway Strategic Study Group. The report will set out further investigations looking at aspects of the proposed tunnel scheme and smaller-scale measures that could provide alleviation of some of the problems much sooner than the proposed tunnel solution. We expect this report to be submitted later in the spring.

Recommendation 7

A significant and unacceptable number of Small and Medium-sized Enterprises are responsible for an unacceptable level of environmental crime. It is incumbent upon all businesses, whatever their size, to ensure that they operate within legal parameters. (Paragraph 25)

9. We appreciate the Committee's concerns. Businesses are expected to, and most try to, work within the law, and the vast majority achieve this. Helping businesses comply replies to a large extent on effectively providing information and advice.

10. As one of the regulators, the Environment Agency can advise SMEs on what the legal parameters are. However, with 3.9 million SMEs in the UK no one channel will reach more than a proportion of them.

11. The Environment Agency (both independently and with other players such as Envirowise and WRAP) is undertaking further planned programmes of work to address the apparently poor level of awareness of environmental legislation amongst SMEs. Together with its Scottish and Northern Irish counterparts, the Agency is also investing in the NetRegs website, which explains to SMEs the legislation applying to them, and how they should comply. The website provides the most authoritative guidance on legislation in plain language for SMEs and most SME advisory bodies.

Recommendation 8

In this respect, the idea that the Ministry of Sound, and companies like it, are somehow compelled to fly-post in order to reach its customer base is nonsense. (Paragraph 28)

12. We wholeheartedly agree that there is no need for companies to fly-post in order to reach their customer base. Most fly-posting is highly organised and commercially driven by companies that have sufficiently large advertising budgets at their disposal to be able to look at alternative, legal methods of reaching their target audience. We understand that the Ministry of Sound is already exploring some of these technologies.

13. The Clean Neighbourhoods and Environment Bill contains measures to help clamp-down on the fly-posting counter-culture. It will deliver a better legislative framework, helping local authorities and other enforcement partners to help reduce the incidence of fly-posting. We aim to ensure that advertising companies will have no option but to consider alternative methods of reaching their customer base. This will create a level playing field for reputable advertisers.

14. If the Clean Neighbourhoods and Environment Bill successfully completes its passage through Parliament, the new measures on fly-posting will be brought into force by April 2006.

Recommendation 9

We are pleased to see the stronger tools proposed to be given to local authorities in the Clean Neighbourhoods and Environment Bill, especially those which allow local authorities to recover the costs of removing fly-posting (and graffiti—increasingly being used for commercial advertising) and which extend the graffiti removal scheme currently in place to fly-posting. (Paragraph 28)

15. The Clean Neighbourhoods and Environment Bill will equip local authorities with the tools to be able to address graffiti and fly-posting in their area more effectively. Local Authorities will be able to send out a clear message that defacement by graffiti and fly-posting is unacceptable.

16. For example, the Bill will extend graffiti removal notices to include fly-posting. 12 local authority pilots introduced under the Anti-Social Behaviour Act 2003 have shown that the effect of this new legislation is to encourage greater partnership between all who are working to tackle graffiti.

17. Existing legislation on fly-posting in the Town and Country Planning Act 1990 will be strengthened to make it harder for the beneficiaries of fly-posting to evade prosecution, and Local authorities will also be given the power to recover the costs of removing illegal posters.

18. If the Clean Neighbourhoods and Environment Bill successfully completes its passage through Parliament, the new measures on fly-posting will be brought into force by April 2006.

Recommendation 10

Given that, according to Environment Agency figures, the number of substantiated environmental incidents is holding steady at around 29,000 a year, and that the vast majority of these incidents related to unregulated, un-permitted sites, it seems incredible that DEFRA would cut so dramatically the Grant in Aid funding to the Environment Agency. This decision must be reviewed Quickly if the Agency is to continue to deal effectively with this important area of its work. (Paragraph 33)

19. Grant-in-Aid funding to the Environment Agency has not been cut. Defra's Resource Allocation Exercise following SR04 consolidates £6m of additional funding originally allocated for 2003/04 only and provides for a further £5m for 2005/06, £10m for 2006/07 and £15m for 2007/08. This is a positive result for the Agency, which will allow it to continue meeting its objectives as set out in its Corporate Strategy and Plan. Furthermore, as part of the Business Resource Efficiency and Waste programme (BREW), Government has awarded the Agency £2m in 2005/6 to enhance its efforts in tackling illegal dumping, and provide more support to business to achieve lawful and sustainable waste management.

20. The Clean Neighbourhoods and Environment Bill will improve the Agency's ability to deal effectively with unregulated, un-permitted environmental incidents, such as fly-tipping. Tackling fly tipping is not all about giving the Agency extra resources. It is also about encouraging more effective working in partnership with local authorities and other organisations, and using the suite of powers available to the Agency and local authorities in a more effective and imaginative way.

Recommendation 11

We commend the Environment Agency and the local authorities for continuing to work together and for developing a partnership which, if successful, may go some way to effectively handling incidents of illegal waste disposal and fly-tipping and look forward to seeing a review of the initiative in due course. (Paragraph 34)

21. The Government is committed to assisting local authorities and the Environment Agency in tackling illegal waste disposal or 'fly-tipping'. Defra consulted on the Fly-Tipping Strategy in 2004, which included a range of measures that aim to deal with the problem.

22. The Environment Agency and the Local Government Association have drawn up the voluntary fly-tipping protocol, and this has recently been reviewed and updated. The new protocol is currently in the process of being implemented and will clarify the

division of responsibility between the Agency and Local Authorities as regards the disposal of fly-tipped waste..

23. Fly tipping measures were also included in the Anti-Social Behaviour Act 2003. They allowed the Government to develop statutory directions to clarify the roles of the Environment Agency and waste collection authorities in dealing with the illegal dumping of hazardous and non-hazardous waste. This will build upon the voluntary agreement that was reached with the fly tipping protocol.

Recommendation 12

We commend Anglian Water, Wessex Water and Dwr Cymru for reducing pollution incidents in 2003 and look for a similar commitment and achievement from all other water companies. (Paragraph 36)

24. We welcome the progress that has been achieved. This should be an extra spur to all water companies. Maintaining and improving water quality in rivers, coastal and ground waters in England and Wales is a continuing priority for the Government.

25. The Environment Agency is taking action to prevent pollution incidents from occurring in the first place through regulation, and also through education, publicity and guidance.

Recommendation 13

Time and again over the course of our inquiries into environmental crime, it has been brought home to us that unless there is a real threat of being detected, the offender will continue to offend. We cannot stress strongly enough the importance of the threat of detection as a deterrent. (Paragraph 38)

26. We agree that a real threat of detection is a key incentive to compliance, alongside other factors such as information and advice to assist compliance and awareness raising initiatives.

27. For those that the Agency regulates directly, more effort is being targeted at activities that represent a higher risk, or are poorly managed by the operator. Reduced inspection frequencies for good performers and a linkage between the risk rating and regulatory charges provide some incentive for compliance.

28. For those directly regulated by the Agency there is a good chance of detection. However, following detection the available penalty regimes may not be flexible or effective enough to help incentivise compliance. For this reason Defra will continue to work with the Agency to explore the possible use of more tailored and flexible enforcement tools.

29. For those activities that the Agency regulates indirectly there is a significantly reduced likelihood of detection. These activities tend to be lower risk operations, and are predominantly SMEs. However, the collective impact of SMEs means that it remains important to influence them.

30. To address this issue, and in line with the recommendations from the Hampton Review, the Agency is developing an SME strategy to raise awareness, and deliver compliance assistance to SMEs. This will build on other initiatives, for example NetRegs is a website covering over 100 business sectors, produced in partnership with SEPA (Scottish Environment Protection Agency) and the NIEHS (National Institute of Environmental Health Sciences). NetRegs helps small businesses to understand their obligations and how to comply with them, thus helping to reduce the regulatory burden.

31. The detection of environmental crime is also assisted by close working arrangements between different regulatory organisations. For example, an Agency-Local Government Association protocol sets out the respective roles and responsibilities of the Environment Agency and local authorities in dealing with fly-tipping offences. The Agency focuses its limited resources on waste-crimes that are large-scale, or involve organised criminals or involve certain hazardous wastes. The Agency has already formed regional Special Enforcement Teams to deal with this type of criminality.

32. The Agency, with additional funding from Defra, is actively developing a package of training tools to assist local authority enforcement and legal officers to enhance their current enforcement capability. This will enable the Agency to concentrate its efforts on the more serious and complex cases. Closer links are also being forged in particular with the Police, Revenue and Customs & Excise so that intelligence and information can be shared which will help in the detection of those determined to offend.

33. Defra along with the Welsh Assembly Government and other Government Departments will work with the Agency to explore opportunities to increase funding to improve detection and compliance for those that the Agency does not regulate directly, or who choose to operate outside of the law.

Recommendation 14

The fact that there is a perceived inconsistency of approach employed by the Environment Agency in prosecuting environmental crime around the country is unhelpful and worrying and must be addressed by the Environment Agency as a matter of urgency. (Paragraph 39)

34. The Environment Agency has already taken a number of steps to ensure consistency, and where there is evidence of problems the Agency is working to address these.

35. The Agency's *Enforcement & Prosecution Policy and Guidelines* (available from www.environment-agency.gov.uk) are designed to ensure consistent and proportionate

enforcement responses in particular cases. The Policy was subject to extensive public consultation.

36. The Agency also has procedures in place to encourage consistency. For example, the Agency grades offences or a breach of permit condition in accordance with the severity of their environmental impact, which help to direct the appropriate enforcement response. Additionally the Agency is developing the concept of “Prosecution Panels” to scrutinise investigations and advise on the appropriate enforcement response.

37. Consistency means following an agreed and transparent set of principles in the decision making process. However, the complex variation in cases means that an overall impression of uniformity will never be achievable, or desirable.

Recommendation 15

We do not agree with the argument that certain sectors are in some way being singled out for harsher treatment than others simply because it is easier to do so; if an environmental regulation is being infringed then the Agency has every right and indeed a duty to act against the offender. Where we do have some concern is with regard to the fact that the majority of incidents are, by the Agency's own reckoning, committed by those in the unregulated sector. This is not adequately policed and this imbalance must be addressed by the Agency and DEFRA. (Paragraph 40)

38. It is rightly the responsibility of regulated business to manage their activities so as to comply with the law, and minimise the risk to the environment and human health. The Agency will always respond firmly to serious incidents along with those occurrences with potentially serious environmental consequences, in accordance with the Agency's Enforcement and Prosecution Policy.

39. As indicated in our response to Recommendation 13, the Agency is taking steps to target more resources at offenders who fall outside the regulated sector. For example, the Agency has established Special Enforcement Teams to deal with offending that not only crosses Agency regional boundaries but also has an international aspect. As mentioned, closer liaison is being developed with other enforcing bodies to exchange information and plans. The fly-tipping protocol with the Local Government Association is an example of practical steps that can be taken to ensure effective and efficient use of Agency and other enforcement agencies' limited resources.

Recommendation 16

For those companies and organisations who are not dissuaded from their illegal activity by the threat of detection, prosecution and sentencing, whether that be a financial penalty or, in a very few and extreme cases, a custodial sentence, other means have to be found to ensure their compliance with environmental laws and regulations. (Paragraph 45)

40. The Agency is modernising the way that it regulates business—including reducing the oversight (and associated charges) of responsible businesses that demonstrate effective management of their environmental obligations. This rewarding of good performers provides a positive incentive for compliance.

41. However, effective sanctions are needed where particular operators choose not to comply, or choose to operate outside of the law. To ensure that these sanctions represent a real and effective deterrent Defra and the Environment Agency are continuing to work together to examine the possible use of more tailored and flexible sanctions for use by both the courts and the Agency itself.

42. We welcome the Hampton Review’s recommendation that the Sentencing Guidelines Council should consider new guidance on fine levels, taking full account of economic benefit gained from illegal activity.

Recommendation 17

We are reassured to see that DEFRA clearly recognises that the status quo with regard to how environmental crime is dealt with cannot be allowed to continue. (Paragraph 47)

43. The Government believes more needs to be done to make enforcement more efficient and effective. Defra is continuing to explore with the Environment Agency and other stakeholders a more holistic approach to the enforcement of measures for environmental protection, which will both be fairer to those who transgress and more effective in protecting the environment by giving courts a wider range of options for penalties which they are more likely to be willing to use.

44. It will be important to consider how a focus on remediation of the damage done to the environment, rather than punishing the offender could contribute to a more effective approach.

Recommendation 18

The creation of a robust civil penalty regime as an alternative means with which to deal with environmental crime is something we considered in our earlier reports and which, subject to learning more of the detail of the proposal, we would support. (Paragraph 48)

45. As mentioned in our response to the Committee’s Recommendation 17, the Government is committed to exploring the merits of a full range of options aimed at improving enforcement. Discussion at the 30 November Environmental justice Conference demonstrated that administrative penalties are certainly one very interesting approach, and their possible impact will need to be assessed in the course of further

work that is planned. However, another outcome of the conference was to highlight the need to establish a firm evidence base on which to assess the various options under consideration. Again, we welcome the Hampton Review's recommendation that the possible merits of administrative penalties should be explored.

Recommendation 19

Given cuts in Grant in Aid funding for the Agency in the region of £4 million, and the additional requirement to make efficiency savings of over £75 million, any suggestion that it can assume responsibility for a civil penalty regime without a significant increase in funding will doom this initiative to failure. (Paragraph 49)

46. As noted in the response to recommendation 10, grant-in-aid funding to the Environment Agency has not been cut. The 2004 Spending Review also allocates a further £5m in 2005/06, £10m in 2006/07 and £15m in 2007/08 to the Agency.

47. The Gershon Review has set ambitious, but achievable, efficiency targets for the whole of Government. The Environment Agency has a target of £73 million that will be retained by the Agency to fund new and existing high priority projects. Driving through efficiency savings will support, rather than threaten, important new work.

48. Should the agency be expected to assume responsibility for a new kind of regime then Government would ensure that the Agency has the funding necessary to finance its implementation.

Recommendation 20

Whilst no one would wish to see a business fail, if the civil penalty is effectively without teeth then it is likely to fall at the first hurdle. It is important that the Agency is prepared to use a sufficient level of fine to ensure that the penalty regime works effectively both as a means of prevention as well as a cure. (Paragraph 50)

49. The committee has raised an important issue that will need to be considered in assessing the suitability of administrative penalties as an appropriate enforcement tool.

Recommendation 21

We support the Agency in its intention to make greater use of the lifestyle provisions of the Proceeds of Crime Act 2002. We cannot consider that the survival of a business which is a serial offender in environmental terms and shows no signs of wanting to improve its lamentable environmental performance should rank higher in terms of importance than the protection of the environment which that business desecrates. (Paragraph 51)

50. The Proceeds of Crime Act provisions are now available to the Agency and others, and when applied will send an important message to serious environmental offenders.

The Hampton Review recommends that criminal offenders should be specifically targeted, and the government recognise that in many cases the Agency has to deal with elements of explicit criminality. In these instances it is quite right that the full force of the law be used. The confiscation of the benefits of criminality would send a powerful message to those involved in environmental crime that they will not be allowed to benefit from evading the law.

Recommendation 22

We would urge DEFRA and the Environment Agency to consider how best to harness this tactic of "naming and shaming" corporate environmental offenders in the interests of environmental protection. (Paragraph 53)

51. The high value placed by most businesses on maintaining their good reputations appears to be an important motivator to ensure greater compliance with environmental regulations.

52. The ultimate aim of Government is to educate businesses and individuals into acting in an environmentally responsible manner, and the naming of poor performers forms one part of this. In fact, in its annual report on business' environmental performance, "Spotlight", the Agency already names the best and worst performers. In further work to improve the efficiency and effectiveness of enforcement, Defra and the Environment Agency will explore further options which may build on businesses' concern to maintain their good reputations.

Recommendation 23

We do not think it is unreasonable to expect businesses which are subject to environmental laws and regulations to complete an annual check-up of how they are performing against requirements; we see this simply as a natural progression which follows, if not accompanies, the introduction of a civil penalty regime. We would urge DEFRA to consider mandating such an assessment. (Paragraph 54)

53. Company directors should already be identifying and managing business risks, which should include the risks of non-compliance with environmental law and possible damage to the environment.

54. Before Government could decide whether an annual check-up of how businesses are performing against requirements would be a desirable requirement, careful consideration would have to be given, supported by a Regulatory Impact Assessment, to ensure SMEs are not disproportionately affected. There are, however, no plans to pursue this idea in detail at present.

Recommendation 24

Prevention is always going to be better than cure and a robust programme of education and publicity led by the Government is crucial to this being achieved. What we have seen in this inquiry has echoed our earlier findings in that successful communication of policy, new legislation and regulation is patchy. (Paragraph 55)

The response to recommendations 24 and 25 are combined below.

Recommendation 25

It cannot be acceptable for businesses to be left waiting an improbably long time for guidance on what for many were fundamental changes to their practices and procedures which could not be put into place in the time left to them. The debacle surrounding the implementation and publication of the ban on co-disposal of hazardous waste demonstrates all too clearly the failure of the Government adequately to engage with industry in a timely fashion. This must be addressed as a matter of urgency. (Paragraph 59)

55. Education is at the forefront of Government policy in ensuring compliance with environmental legislation. We agree that it is important to provide industry with guidance on complex issues such as waste and that this should be done as early as possible to enable industry to plan and investment appropriately.

56. The Government took and continues to take exceptional steps to communicate and publicise the requirements of the landfill directive to business and industry, including six consultations on the Directive's provisions. Early on, the Government established a dedicated project managed programme to implement the requirements of the Landfill and Hazardous Waste Directives. Moreover, the Environment Agency has produced guidance notes on all aspects of landfill and hazardous waste and a dedicated one stop shop website for advice to business on hazardous waste issues has been set up.

Recommendation 26

It is clear to us that until we have successfully embedded learning about the environment, and the impact of our actions on it, into our formal and informal education systems, we will continue to see both the business and the individual commit environmental crimes. (Paragraph 60)

57. The Government recognises that in order to change people's behaviour, education and awareness raising is vital. However, this is only part of the solution and must be part of a holistic approach, combining community engagement and enforcement.

58. The environment already features in both formal and informal education systems throughout England and Wales in a variety of ways. Sustainable Development (including waste) forms an integral part of the national Curriculum and Defra also

funds Environmental Campaigns (ENCAMS) each year to carry out a number of projects and awareness raising campaigns aimed at instilling key behavioural change. This includes the Eco Schools project that encompasses nearly 4000 schools.

Recommendation 27

Without doubt, one of the greatest challenges facing the Government is to make businesses fully understand that they are as duty bound to comply with environmental regulations as they are, for example, with Health and Safety regulations. (Paragraph 62)

59. Government wishes to ensure that industry is fully conversant with the need to comply with environmental regulations. This requires a combination of advice and information and a penalty regime that effectively punishes those who transgress. Initiatives such as NetRegs demonstrate the work being done to improve the information available to businesses as to their environmental responsibilities. At the same time work continues to explore how the penalty regime might be made smarter and more flexible.

Recommendation 28

Whilst we accept that it is early days yet with respect to the development and introduction of a civil penalty regime, we assume that an effective method of communicating with all businesses to whom the penalty might be applied must be a fundamental pillar of the structure of the regime. Failure to include an effective communication strategy into the system at the outset may lead to unforeseen rights of appeal being granted to those companies who might seek to demonstrate ignorance. (Paragraph 63)

60. Should a regime of administrative penalties come into force the Government would, as a matter of course, ensure that businesses affected would be fully informed about the implications of the scheme, and to their responsibilities under it.

Recommendation 29

We cannot condone fly-posting under any circumstances, but we accept that some businesses do fall outside of the more traditional and accepted parameters for advertising. The Ministry of Sound did express some interest in some of the initiatives we saw when we visited Leeds during our inquiry into Fly-tipping, Fly-posting, Litter, Graffiti and Noise; we would encourage them to work with others in their industry, and the local authorities, to find alternative and authorised sites for poster-based advertising. (Paragraph 65)

61. We strongly encourage businesses to work with local authorities to look at alternative, legal ways of promoting their events, music releases and other materials. Local authorities, the police, businesses, community groups and others will be encouraged to work together to develop solutions that are appropriate for their locality

using the tools and powers that are available to them both through existing and new legislation.

62. The roll-out and implementation of the Clean Neighbourhoods and Environment Bill will include guidance and seminars to foster partnership working. Last September Defra established a new Fly-posting Action Group bringing Government Departments responsible for fly-posting together with leading local authorities in the field, to discuss the Clean Neighbourhoods proposals, share good practice and look at other ways of dealing with fly-posting.

Recommendation 30

The Ministry of Sound has told us that it is already exploring the concept of text messaging as a method of publicising its club nights and we would encourage it and like businesses to pursue this and other innovative methods as viable alternatives to fly-posting. (Paragraph 66)

63. We agree that it is essential that businesses take responsibility for preventing degradation of the local environment, and developing advertising methods that do not blight the area. It is unacceptable that clean-up costs should fall on the taxpayer. Companies who benefit from advertising must accept the cost of conducting their business in a responsible way. The use of text messaging is one such approach and we welcome the Ministry's work in exploring this concept.

Recommendation 31

Without doubt, the one issue that links all four of our inquiries on environmental crime is that it is by and large not an issue which comes high enough on anyone's agenda to rate any real attention or make any significant impact on behaviour. (Paragraph 67)

64. The Government is committed to tackling environmental crime and anti-social behaviour such as fly-tipping. This has been backed up by recent joint-working initiatives, such as the Flycapture database.

65. This commitment is further demonstrated by the work going on as part of the cross-departmental Cleaner, Safer, Greener agenda to create sustainable communities through tackling poor environmental quality and environmental crime. This is borne out through recent initiatives such as the Anti Social Behaviour Act 2003, the Clean Neighbourhoods and Environment Bill, the Nuisance Vehicle Strategy and the extended Best Value Performance Indicator 199 to cover wider aspects of environmental crime.

66. As a result of projects such as these the Government is exerting real pressure on individuals and businesses to practice more sustainable behaviours.

Recommendation 32

It is incumbent on every business to ensure that, as a matter of course, and not as an additional extra if there is the time and money, it and its employees not only know what its environmental obligations are but also comply with them. (Paragraph 69)

67. Businesses listed on the Stock Exchange already have to report on CSR in their annual reports. The presumption is that these companies will already have gone some way to ensure it and its employees not only know what its environmental obligations are, but also comply with them.

68. However, Government can help to make businesses aware of this duty, and can advise them on both what their obligations are, and how they can comply with them. As mentioned before, in addition to its continuous efforts to engage with businesses, the Environment Agency has set up the NetRegs project to advise businesses of their environmental obligations, and how - in clear, plain language—they can comply with both mandatory and good practice requirements. Furthermore, the Government is committed to developing a sustainable business plan with the 3 UK environmental regulators to develop the site further and faster. This should go a long way to ensuring that all businesses are made aware of their environmental obligations.

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Fourth	The International Challenge of Climate Change: UK Leadership in the G8 and EU (HC 105)
Fifth	Environmental Education: Follow-up to Learning the Sustainability Lesson (HC84)
Sixth	Sustainable Public Procurement (HC 266)
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