

# STREAM OF WORDS

Elliot Morley, Minister for Environment and Agri-environment,  
talks to Walter Menzies, chief executive of the Mersey Basin Campaign.

**Menzies** Minister, you were brought up in Liverpool. The city is transforming itself and there is a new spirit of optimism with the Capital of Culture designation and ambitious initiatives such as the Mersey Waterfront Regional Park - a very high priority for my organisation, the Mersey Basin Campaign. When you revisit the City - and Merseyside - what strike you, on a personal level, as being the positive changes?

**Morley** It is some considerable time since I have lived in Merseyside but there is no doubt that the changes have been far ranging and exciting. The physical appearance of the city centre and outlying areas such as Speke and Garston is striking and the waterfront area shows how well Liverpool copes with combining its culture and history with the needs of modern cities. But the changes go deeper than the physical, the attitude of the people of Liverpool was a key factor in persuading the decision makers to award Capital of Culture to Liverpool and forthcoming activity, including the Mersey Waterfront Regional Park, is very eagerly anticipated. Liverpool and its environs have definitely established that it is a vibrant place to live, work and play in the twenty-first century.

**Menzies** One of your responsibilities is the Environment Agency - active partners in the Campaign. The Agency is the lead for the Water Framework Directive (WFD), a major Directive from Europe, and we are already working together on its UK pilot project. There has been talk of 'no gold plating' and questions raised about the Directive not being incorporated into the Water Bill currently before parliament, as well as how it links to vital land use issues. How will it link with the new regional spatial strategies and local plans?

**Morley** The Strategic Environmental Assessment Directive will require planning authorities to assess the implications of their development and land use plans for the objectives of the Water Framework Directive. All public bodies will have regard to the relevant river basin management plan when exercising any functions so far as affecting the river basin district. We are also ensuring that national and regional land use planning guidance properly reflects new water priorities and Defra is in touch with the Office of the Deputy Prime Minister to establish what further action, if any, is needed.

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**Menzies** Defra's over-arching mission is sustainable development. The Mersey Basin Campaign has been recognised as an outstanding example of sustainable development in practice. Water quality improvements are one of the country's great successes and waterside regeneration has moved up this region's agenda, though there is still far too much dereliction. There is a risk of complacency and there are a few who argue that enough has already been done. How should the Campaign maintain its momentum?

**Morley** The successes of the Campaign can be a double-edged sword. It is important that the Campaign's achievements are publicised but equally important to stress that we are not yet at the point where the successes are self-sustaining. By our continuing support for the Campaign, the government recognises that further effort is required to build on the Campaign's achievements. This is the message that the Campaign must get across. The changes that the Campaign has recently made to its structure, the widening of representation on the Campaign Council and the enhanced role for the voluntary and community sectors, is already sending a clear message to the region that the Mersey Basin Campaign is as much about quality of life as about water quality and that there is still a very important job to do together.

**Menzies** An innovative feature of the Directive is the requirement for public participation. We know from our own experience that public participation takes time and costs money and it is widely agreed that in some other areas it often leaves a lot to be desired. What do you see as the real benefits of participation in the WFD and how far, realistically, should we go?

**Morley** We believe that effective public participation improves the planning process and at the same time provides for better delivery. By bringing in stakeholders with different perspectives on river basin management, we can give a spur to innovation, solve complex 'puzzles' through collaboration, and identify and exploit opportunities. There are significant links between river basin planning and existing participation processes: co-ordination between these linked decision processes will make it easier for the government and our stakeholders to target efforts and resources efficiently. Public participation is about making better decisions, but it is also an investment for the future: when stakeholders have bought into a plan, they are more likely to support and get involved in making it work. Here we are talking about building understanding and education to deliver ecological objectives. Where there has been no education or 'social learning', strategies and plans stay on shelves.





**Menzies** We welcome Defra's policy document "Directing the flow" and the debate Defra is encouraging on setting water and sewerage price limits as the outcome is so important for sustainable improvements in water quality. We fully support your commitment to advise OFWAT using "Directing the flow" as guidance. The fourth price review of water charges (PR04), which will set prices between 2005-2010, is well underway and it seems likely that the high levels of investment by water companies will continue to pay for environmental improvements. But industry tends to view environmental improvement as an undesirable additional cost. Is there a danger that those who pay will balk at higher bills? What more should be done to point out the benefits of higher standards and build support from bill payers?

**Morley** We believe that, in making decisions on water prices, it is very important to understand how paying water customers and the paying public view water policies and their priorities for spending over the 2005-2010 period. The main participants in the periodic review have engaged in a combined survey of customers' views, expectations and priorities, to help inform stakeholder decisions. The results of the first stage of the survey process were published late last year and revealed that there is some demand for further environmental improvements and some willingness to pay for this through higher water bills. These findings reinforced our general approach and we are looking forward to the results of the second stage of the customer survey, to be published next month, on customers' views on local improvements to water and sewerage services and the impact on their bills.

**Menzies** Many problems of point source pollution, such as from sewerage works and waterside industries, have been dealt with - largely funded by water customers through their bills and investment by these businesses. What are your thoughts on the policy levers that Ofwat does not own such as the Common Agricultural Policy (CAP) and the polluter pays principle, particularly when tackling diffuse pollution, such as from agriculture?

**Morley** I agree that the agricultural industry needs to play its part in reducing water pollution. Reforms to the CAP agreed in June will help, but will not be enough on their own. In April, Defra published a stakeholder discussion paper, which reviewed the latest evidence on the size and extent of the problem, and the specific contributions of different farming sectors. We are currently working to develop an action plan to reduce diffuse water pollution from agriculture in England. Agriculture is not the only contributor to diffuse water pollution, for example, the urban environment and related infrastructure contains many sources. Defra has therefore begun a review of non-agricultural sources of diffuse pollution, which will be carried forward through a process of engagement with stakeholders by Defra and the Environment Agency.

**Menzies** The timetables for the periodic review of prices and the Water Framework Directive do not fit. How can we ensure early, co-ordinated planning for WFD so that sustainable - rather than end of pipe - solutions can begin to be implemented now?

**Morley** The periodic review and WFD timetable do not coincide because the specific obligations of the WFD will not have an impact on water companies, and hence water bills, until outside the 2005-2010 review period. There is a clear need to ensure that there is a consistency of approach between investment decisions taken now, and those that will be needed to implement the Directive in the future.

**Menzies** We also welcome Defra's commitment to local environmental quality and responded to the consultation document "Living Places - Powers, Rights, Responsibilities". There is an unresolved issue of responsibility for litter in aquatic environments. We are doing something about this - with a programme at Salford Quays and a purpose designed litter recovery vessel cruising the central Manchester canals, for example. But the problem is enormous, growing, and the responsibilities are confusing. Can we expect to see government action?

**Morley** Following the consultation, "Living Places - Power, Rights, Responsibilities", officials have been consulting further with stakeholders on the individual options in the document, including the options relating to the aquatic environment. My officials will be meeting with the Mersey Basin Campaign shortly. We will be consulting further on specific proposals in light of previous meetings and those still to take place. We look forward to Mersey Basin Campaign engagement in this process.

**Menzies** Finally, the Campaign is a very broad partnership including government, public agencies, local authorities, businesses, voluntary and community groups through to hundreds of individual volunteers. What message would you like to send to voluntary and community groups in particular to encourage them to get involved and take practical action at the local level? What message would you send to businesses to encourage them to get involved and contribute to a more sustainable future for all of us?

**Morley** The Mersey Basin Campaign has an enviable track record of involving both voluntary and community organisations and businesses in taking practical steps to improve the water environment. Its establishment in 1985 was a real declaration of intent - and there are a host of achievements throughout the Campaign area which show how that vision paid off - from river valley initiatives bringing all stakeholders together to improve their local watersides to anti-litter projects and an extensive environmental education programme. Much has been achieved over the years and there is a real sense of achievement in many parts of the region, but there is still much more to do. We must all play our part - companies, residents groups, public bodies and voluntary organisations - in contributing to an improved quality of life, sustainable regeneration and a vibrant economy both for our own children and for future generations.

**MORE INFORMATION:**

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