Government grant funding for river restoration programme for the attainment of Water Framework Directive goals for the years 2012 to 2015 in England including Habitats Improvement, Agricultural & Non-Agricultural Diffuse, Invasive Non-Native Species and Metal Mines

Objective of the river restoration program
Since the 1990s, England has made good progress in tackling the major polluting and abstraction pressures. This has made it clearer that we also need to focus on problems where individual responsibility is harder to assign: tackling diffuse sources of pollution and the legacy of alterations that society has made to the shape and connectivity of water channels. Since many of these pressures on the water environment have no clear responsible polluter, we need public funds to tackle the problems they cause.

Only 27% of water bodies in England and Wales currently achieve Good Ecological Status as specified under the Water Framework Directive. The default objective is for 100% of water bodies to be at good status by 2015 - there are provisions about disproportionate cost and technical feasibility, which mean lesser objectives can be set or longer timescales can be agreed (up to 2027).

Government’s WFD Programme is delivering the first river basin management cycle (2009 to 2015) including investigations and measures and reporting of the first River Basin Management Plans. Defra priority areas for action are:

1) Habitat Restoration
2) Diffuse agricultural pollution
3) Diffuse urban pollution
4) Pollution from metal mines
5) Managing the problem of invasive non-native species.

Measures that fall under the first three categories include:

- Fencing of river and stream banks is proposed in order to exclude grazing livestock from the banks and watercourses or to reduce the density and period of grazing. (Fencing is designed to achieve several specific environmental outcomes, which will make a major contribution towards achieving good ecological status of watercourses by: reducing or halting faecal pollution of watercourses (usually by cattle); halting damage and erosion of banks by livestock, which causes soils to wash into the water and alters the natural form and profile of the river (could be cattle or sheep, but again usually cattle); reducing of or ceasing of grazing of vegetation along river and stream banks in order to create a buffer of taller vegetation).
- Tree planting (this helps WFD objectives by improving thermal regulation and oxygenation of the water; creating buffers to slow down water running off the land and
reduce run off of soils and pollution; contribute a future supply of woody debris for habitat creation and increasing in-channel diversity).

- Coppicing and minor replanting activities to improve the riverside habitat
- Capital improvements to block surface-water channels (known as grips) and improve upland peat environments and prevent sediment and organic matter entering watercourses.
- Capital improvements to trap sediment and prevent it entering watercourses
- Tackling diffuse pollution by providing farmer advice and/or implementing measures to reduce sediment input to river.

The majority of projects under the programme have already been selected and commissioned. During 2012/13, we will be finalising the selection of projects for this scheme. There is therefore some limited scope for new projects to be run but landowners in the area will be informed of these.

**How landowners were chosen and why**

73% of water bodies in England are currently not achieving good ecological status. Using the best available techniques, only the most suitable water bodies were identified for improvement works – such as those in the worst condition or those important to improve for the long-term sustainability of the waterbody. A waterbody is a designated unit which may be a lake or part of a river. The project leads need to engage with whoever owns the land were relevant works are necessary to improve the waterbodies. In some cases, there may be several owners of a single water body. It is important to note that a great deal of water improvement activity does not take place within the water but on land around rivers. Furthermore, there is often little or no incentive for a landowner to take the required action. Engagement with landowners is therefore critical to the success of projects.

**What are the key criteria for selecting projects?**

- Project is forecast to contribute to or achieve an improvement on water body and/or element status
- Project aligns with one or more of the three Defra priority activity areas (see above)
- Project will contribute to wider strategic projects.
- Project will deliver value for money (as predicted by internal economics tools)
- Undertaking the project will ideally involve collaborative working with external partners, and opportune external funding
- Project is predicted to be deliverable; i.e. there is confidence in the ability to spend the funds requested, and the perceived risk of non-delivery is not high.
- Funding not to be used to pay for work others have a legal responsibility / duty to undertake/ pay for.
- Project benefit priority species

**For protected area specific projects**

- Projects benefit water-dependent Natura 2000 site or SSSI water body
- Project contributes to water dependent BAP objectives.
- Will help a Natura 2000 site meet its conservation objective.
Eligibility
The involvement of individuals and groups under this scheme is not limited to those in the agricultural sector. The scheme is open to everyone if the activity fits into the schemes aims and objectives outlined above.

Only Small/Medium Enterprises (SMEs) are eligible for the scheme – (SMEs are defined in Commission Recommendation EC No 364/2004, as being enterprises which: have fewer than 250 employees; have either an annual turnover not exceeding €50 million or an annual balance sheet not exceeding €43 million; and conform to specified criteria of independence (in general, not more than 25% of an SME can be owned by other companies).

State Aid Compliance
European law restricts the amount of State Aid given to agricultural businesses. This document sets out the parts of the scheme that are subject to agricultural State Aid regulations and are covered by the Block Exemption Regulation 1857/2006.

Where a grant is awarded for capital work intended for the conservation of non-productive heritage features located on agricultural holdings such as archaeological or historical features, the rate of aid may be up to 100% of eligible costs (in accordance with Article 5.2 of EC Regulation 1857/2006).

Aid may be granted up to 60% or 75% of real costs incurred in Less Favoured Areas, as regards investments or capital works intended for the conservation of heritage features of productive assets on farms, such as farm buildings, provided that the investment does not entail any increase in the production capacity of the farm (in accordance with Article 5.3 of EC Regulation 1857/2006).

The work is not expected to lead to an increase in production capacity, but where there is an increase in production measures under Article 4 shall apply.

Aid to non-agricultural businesses and activities under this scheme will be provided in accordance with EC Regulation 1998/2006 on de minimis aid. De minimis aid is a certain category of aid which does not need to be notified to the European Commission providing that the recipient does not receive more than €200,000 worth of de minimis aid over 3 years from all Government sources. Technical aid such as training will be granted in accordance with Article 15 of Commission Regulation 1857/2006 and will be paid at an aid intensity of 100%. No payments will be made direct to the beneficiary.

Duration of the scheme
Projects were initiated from 10 September 2012. The last project will take place by 31st March 2015.