



Environment and Climate Change Committee

Uncorrected oral evidence: The Secretary of State for Environment, Food and Rural Affairs

Wednesday 30 November 2022

10 am

Watch the meeting

Members present: Baroness Parminter (The Chair); Baroness Boycott; Lord Browne of Ladyton; Lord Colgrain; Lord Grantchester; Lord Lilley; Lord Lucas; Baroness Northover; Bishop of Oxford; Duke of Wellington; Lord Whitty.

Evidence Session No. 1

Heard in Public

Questions 1 - 17

Witnesses

I: The Rt Hon Thérèse Coffey MP, Secretary of State for Environment, Food and Rural Affairs; Tamara Finkelstein, Permanent Secretary, Department for Environment, Food and Rural Affairs.

USE OF THE TRANSCRIPT

1. This is an uncorrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.
2. Any public use of, or reference to, the contents should make clear that neither Members nor witnesses have had the opportunity to correct the record. If in doubt as to the propriety of using the transcript, please contact the Clerk of the Committee.
3. Members and witnesses are asked to send corrections to the Clerk of the Committee within 14 days of receipt.

Examination of witnesses

Thérèse Coffey and Tamara Finkelstein.

Q1 **The Chair:** Good morning. Welcome to this introductory session with the new Secretary of State for Defra, the Rt Hon Thérèse Coffey. We are extremely pleased that she can be with us here today. She is accompanied by Tamara Finkelstein, who is the Permanent Secretary at the department. This is your first chance to appear before our parliamentary committee since you took over a month ago. It is really great to see you here today.

I have a few items of housekeeping. If Members have relevant interests to declare, I remind them to do so. A transcript will be taken and witnesses will get the chance to see it. This is going out live on parliamentlive.tv and will subsequently be made available on the parliamentary website.

We have an hour and a half of your time, for which we are very grateful. As this is your first outing before our Select Committee, perhaps you could give an overview of what your strategic priorities are in the department and what you hope to achieve.

Thérèse Coffey: Thank you very much, Chair. It is a great pleasure to make my debut here at the other end of the Corridor.

I am very conscious that I have been in the department before. I was there from 2016 to 2019 and had a swift exit to run DWP, but it is a delight to be back. While I was there previously, my main focus was on the environment side, as opposed to the other aspects, although at one point I had rural life opportunities as part of my responsibilities. That was important to me then and still is, as an MP representing the rural area of Suffolk Coastal.

Overall, the way I have tried to set out my ministerial team approach reflects the fact that the environment is very dominant, alongside net zero, given our role in helping to achieve net zero and in the carbon budgets. Fundamentally, those are the two apex elements of what we are focused on. Of course, other aspects, including the sustainable production of food, farming and fisheries, are vital. That is obviously the "f" in the middle of Defra.

Rural affairs is where we have the potential, in our consideration of general government work, to be champions for people and the countryside, but we cannot and should not be the only people who take that into account. Of course, that is true for the environment. The 25-year environment plan is a cross-government strategy. As will shortly become clear, what we are doing with the environmental principles and statements will become a cross-government consideration that all Ministers will need to consider when they are doing aspects of legislation that may have an impact on the environment.

Overall, the field is vast. When people who have never served in Defra arrive, they do not realise quite how much of Defra is in place for when things could go wrong. Right now, we are in a very reactive element. Avian influenza is a good example, but we know that we have a world-class biosecurity process and agency that is very much at the forefront of being ready to try to handle the different issues we face. That is also why we have a lot of focus on protection of our borders, being a single island.

It is wide-ranging. I have particular passion for some aspects, such as air quality, but overall, as Secretary of State, I need to make sure that we have a strategic approach. That is why now, in effect, I have one Minister dealing with food, farming, fishing and trade, and two Ministers, broadly, taking up the environment. One deals more with the natural environment and one deals more with the consumer, commercial side of environmental quality. Our Lords Minister, Lord Benyon, has a wide-ranging role representing the department in every aspect of Defra's life. He has taken on aspects of biosecurity, but I call him my overseer, in effect, of how we are going to achieve net zero, because it is so cross-cutting and has such impact. There is a complex Venn diagram for all our different interests and policy interests, as well as the delivery that we do. It is wide-ranging.

I am sure I have not mentioned every single thing that the department does. Floods still matter, as does the role of the Environment Agency and the natural environment. Right now, my main focus for the next three months will be on getting the environmental targets and the environmental improvement plan out, as well as preparation for the most important conference of the year, the CBD in Montreal next month.

Q2 The Chair: Thank you for that, Secretary of State. Your predecessor had a phrase, which was that he wanted the department to become an economic growth department, rather than a regulatory department. How would you snappily define your department?

Thérèse Coffey: Delivery on improving the environment and making sure that every penny of taxpayers' money achieves that. That applies to the environment and net zero. That is why the focus of ELMS reflects what we said in our manifesto. The full details of ELMS are not out yet because we are still going through it in considerable detail. I need to make sure that, with every penny, we get the best bang for our buck, not just in theory but in practice, by getting take-up by our original friends of the earth, the farmers and landowners, to have an improving environment. You cannot really have two apexes, but, bluntly, it is about species abundance and how we achieve net zero.

The Chair: Speaking of friends of the earth and farmers, I move to the Duke of Wellington.

Q3 The Duke of Wellington: As always, I declare my interests as set out in the register.

Secretary of State, we are extremely grateful to you for coming today. You now head a very complex department. There are so many subjects

that various of us want to bring up with you. Environmental targets will come up later. The details of ELMS, much expected and needed, will come up.

I want to raise two particular subjects. One is water quality. As you may know, during the passage of the Environment Act through this House and, indeed, through the Commons, there was increasing concern from Members of both Houses about the terrible state of our rivers and beaches, the discharge of sewage and so on. Poor Lord Benyon has been in receipt of many questions on the subject in recent months. Could you explain whether water quality is really one of your priorities? It is of great concern to the public, I think, and the state of our rivers and beaches is rather embarrassing, compared with the rest of northern Europe. Would you like to comment on that point?

Secondly, food is part of the title of the department. I do not know whether you have read reports of a very good lecture that Baroness Manningham-Buller delivered two or three days ago, which I attended. As a former head of MI5, she touched on the importance of food security and her hope that more of our food could be produced domestically to give us greater food security. Would you like to comment on that, too?

Thérèse Coffey: On the point about water quality, the water statistics are out today. We have seen a higher percentage of places rated "Excellent", although we have seen an increase in the number whose status is rated "Poor". Some of those are brand-new sites. Understandably, there are places where swimming is going on, particularly inland rivers, where people are looking for accreditation as bathing water to try to get some of the action they believe is necessary to improve the quality of that. I think we will start to see a trend in that regard.

There have been discussions with the Treasury. I am pleased that today we are able to say that, in future, the fines that water companies receive will not go back into the Treasury Consolidated Fund but will be used to tackle and improve water quality. That is something the department has been working on. We finally managed to land that in the last couple of weeks, which is great news. Credit to the Chancellor for agreeing to that.

Yes, it absolutely needs a focus. I am conscious that we want to do more with the water companies, as water quality will improve the overall environment and species abundance. I see it as a contributor to aspects of our apex of species abundance. If we have poor quality in our river environments and chalk streams, as well as flowing out into our wider marine environment, it will have an impact on species. I see it as important in its own right, but it is a contributor to improving the overall status of our environment more broadly. Rebecca Pow, who left the department in July but has come back and is principally responsible for water, has already been working on a more holistic water plan. The best way of saying it is that that work has resumed.

Turning to food, the word is of course in our name. Sustainable production of food is important. Our manifesto commitment was that we

wanted to maintain the same levels. It is fair to say that we have seen huge impacts around the world, particularly from Putin's invasion of Ukraine. Understandably, how we are going to continue to be more productive and to increase the element of resilience in our own farming and production of food has become an increasing consideration.

At the same time, we were very pleased to support the grain from Ukraine initiative. We have given £5 million to that because we recognise that the breadbasket of Europe that is Ukraine still needs to get its grain out to the world so that we can feed people in low-income and vulnerable countries, in particular. Our Farming Minister has been in place for coming up to two months. He is a farmer himself. I assure you that there is a great champion for that.

The Duke of Wellington: On water quality and sewage discharges, which are so concerning to the public generally and to Members of both Houses of Parliament, we all want and hope to hear that this is becoming a greater priority for the regulators, the Environment Agency and Ofwat, and for the department. There are times when I do not quite get that impression. A recent report showed that the monitoring of our river quality by the Environment Agency has been reducing. That is rather surprising following the passing of the Environment Act last year, which was meant to increase monitoring, and the diligence of the Environment Agency in trying to control discharges of sewage, as all of us know that some of them are not legal. They are simply not legal, and the Environment Agency needs to be on that a bit more than it is.

If I may come back on food security, I hope the Government realise that food security is more important now than it was a year or two ago. That ought to be reflected in government policy and the encouragement of growing food in this country.

Thérèse Coffey: We set out on a journey, moving away from the European Union BPS to do that. The money is there for public goods. We still want to have sustainable food production in this country. Of course we do. That is the manifesto commitment that we made.

On water quality, it is my understanding that there is a criminal investigation by the Environment Agency under way. It is acting as the independent regulator in that regard. I am also aware that the OEP is currently investigating Ofwat and the Environment Agency, given complaints that it has decided to take up formally. That is under way.

We have a brand-new chair of the Environment Agency, Alan Lovell. We are going through aspects of business planning right now and will have a discussion with the agency about the priorities for the government funding that it receives with regard to that.

Tamara Finkelstein: We have seen a great improvement in our monitoring, from 5% of storm overflows in 2015 to 90% now. That is part of why we are seeing some of the evidence that we then need to tackle.

This is a key part of the policy statement that we give to Ofwat to kick off the planning process for the water companies and the expectations of £56 billion of investment, so it is very much placed as a priority for the new price review for the water companies. They are busy making the investment plans required. These things take longer than one would wish. Of course, as the monitoring increases, we see the problem and, rightly, want it solved as soon as possible, but some of it requires investment, and that takes some time, as you know.

The Duke of Wellington: Completely. Thank you very much for that explanation. I was hoping that Ministers generally could give a very clear signal to the regulators that this is incredibly important and they really have to get on to it. I will say no more.

Thérèse Coffey: We already have.

The Chair: As an additional point, Secretary of State, you mentioned that the OEP was undertaking an investigation into the approach taken on water quality. You mentioned some of the people it is investigating. It is also investigating the approach of the department.

Q4 **Baroness Boycott:** Thank you very much for coming here as your first visit, Secretary of State. As the Duke of Wellington said, food plays a very large part. A predecessor of yours two or three Secretaries of State ago, Michael Gove, commissioned the Dimpleby review of food, which looked at food across the board, from what people are eating to how we are growing it. There have been new statistics out about obesity in 30 to 40 year-olds. There is childhood obesity. The quality of food is very poor. It may not kill you today, but it will kind of kill you tomorrow. The Dimpleby review set out to try to reshape the system. Is it dead in the water, or are you going to bring some elements, or all of it, forward? Do you see it as your new responsibility to look at how the nation eats, as well as how the nation grows? You have talked about ELMS.

Thérèse Coffey: Hen-ry Dimpleby was commissioned to do an independent assessment to feed into the production of a national food strategy. The national food strategy was published while George Eustice was Secretary of State. It is not my intention to revisit that. I am not intending to do more. I have set out my main focus. We are already breaking the law, frankly, in not having some of this stuff done. I do not want to break the law by not having the environmental improvement plan ready. Those are my top priorities right now.

Baroness Boycott: Are you saying, therefore, that this Government are leaving the question of what the nation eats and how our children are fed to the department's response to the Dimpleby review and that there will not be any advancement on that?

Thérèse Coffey: It was not so much a response to the Dimpleby review. The Government set out the national food strategy. Clearly, it has aspects across government. The Department for Education leads on children, principally. There are different ways of informing that, such as

what it has done to change aspects of the quality of school meals. That is one of the elements. More broadly, there are aspects of labelling and, frankly, treating adults as grown-ups, which is important to me. There has been a significant change in aspects of food labelling. In essence, I am not planning to revisit the national food strategy that was published only in June.

Baroness Boycott: There will be no interference in the way the supermarkets and the big food companies proceed, whether on industrialised chicken or on the level of ultra-processed food that is available.

Thérèse Coffey: We have the Food Standards Agency, which is a non-ministerial department sponsored by the Department of Health and Social Care. That deals with aspects of the safety of food. I am not planning to change the national food strategy. It was published literally only four months ago. I am not reopening it.

The Chair: In your opening remarks, you mentioned the fact that the environmental targets are expected imminently or have been delayed. I cannot quite remember the phraseology, but they were referred to. Are you in a position to say now whether they will be published before Christmas?

Thérèse Coffey: I really hope so. That is my intention. There has been a change in Administration, so some of these things will take a bit more time, but I want them done as quickly as possible. I will be disappointed if we do not.

The Chair: I am sure that you will not be the only person who is disappointed if that is the case, given that they were a legally binding—

Thérèse Coffey: I will be very disappointed if they are not strengthened.

The Chair: At the beginning, you set out your two priorities around both the environment and achieving net zero, which was very encouraging to hear. Clearly, having delayed the targets will have a knock-on effect on putting together the environmental improvement plan, which is due imminently, at the beginning of next year. Could you say a word about how you see climate change being factored into your delayed environmental targets?

Thérèse Coffey: The department consulted on targets early in the year. We have not expanded anything in that. We are already part of the government response to achieving net zero. By the way, I am very conscious that, in effect, a new plan for CB 6 needs to be presented by 31 March. Again, the department is working on that.

It is one reason why I want to take a bit more time getting into the details of ELMS. We are still not there yet on exactly how we get the bang for our buck, but we are in a reasonably good place. We will be able to make some announcements on ELMS soon, early in the new year, to get that properly under way. I will not pretend that we will hit the ground

running, but there will be much clearer pathways, alongside the environmental improvement plan, on where we see the need to prioritise.

That will vary around the country. There will be particular concerns about land use on aspects of peat. There are competing challenges for the use of land right now. That is an important reason why we want to improve the soil. That is why the soil standards are there. They will help not only with better production of food, potentially, but with environmental aspects. We are trying to make sure that we have a good, holistic approach that is not just pie in the sky but that we have gone through in a very systematic way. There will be some things that are brilliant on carbon but not as great on the environment, and vice versa. I am trying to make sure that we get the balance right.

Probably the most critical thing is how we get take-up of the financial support scheme. I seem to remember that when I was Environment Minister our higher level stewardship scheme was apparently the best thing since sliced bread, yet hardly anybody took it up. There is no point in having a world-class scheme if nobody uses it. We need to make sure that we have something that will be sufficiently attractive and sufficiently deliverable to make a difference.

As regards the delays to the targets, the committee will be aware that we have lots of targets already in law on what we do to try to improve the environment. These are stand-alone targets, in effect. Some of them are very targeted. The approach was set out in the consultation.

Q5 Lord Colgrain: Thank you both very much for coming to talk to us today. I draw attention to my farming interests in the register.

My question is indeed to do with ELMS. I am afraid that it is becoming an increasingly vexed question for the farming community, as I am sure you are aware. There was a delay for at least two years, before we reached the point we got to on ELMS, and we are being told that the last two pillars will be trialled through to 2024, which seems an unconscionably long time. The SFI, to which you referred, has clearly not been a success. It has not been taken up in any quantity. It is far too onerous; there is far too much paperwork involved and far too little money.

There has been quite a lot of comment in the press about the fact that the other two may be rolled into countryside stewardship. It has been noticed that your department has not denied that. The farming community as a whole needs a strong steer. I feel a bit of disquiet when you say you are "hitting the ground running", and you talk about saying something in January. The whole question of ELMS has been ongoing now for a very long time. What is the status of the Government's review of ELMS? Will the local nature recovery payment and the SFI payment remain part of it?

Thérèse Coffey: I was trying to make the point that I do not think we will end up hitting the ground running, but I think there will be a comprehensive prospectus. I do not assume that there will be 100% take-up on day 2. I am very conscious that the land and farming

environment around the country is very different. There will be different challenges that we want to focus on in particular. We have recently put out a grant connected to slurry, because we have particular issues. There are particular rivers or catchment areas where we have real problems. Not particularly good farming practices are contributing to that.

I want to make sure that we are being as intelligent as we can, while getting a broader, larger take-up of more comprehensive things that every farmer can contribute to, but I am very keen to make sure that, where farmers co-ordinate and can get better biodiversity outcomes, or potentially better carbon outcomes, they get rewarded for working together. For example, if people are thinking of planting hedgerows, let us see if we can get multiple farmers or their landowners collectively lining up their hedgerows. Then we can create better corridors, on the Lawton principles. The extra amount of work that goes into co-ordination should be rewarded, because it should lead to better biodiversity outcomes. That is why I am trying to make sure that we get the best bang for our buck, but that we do not have the perfect scheme in which nobody gets involved. That is why it is taking a bit of time to go through it. There are a few things.

I cannot go into detail on the other aspects, because they have not yet been fully agreed across government. That is why I cannot say too much more, but I do not think you will be surprised at what we are trying to do. Do you want to add anything, Tamara?

Tamara Finkelstein: I want to pick up on a couple of things in the question about the rollout of schemes. The transition period is to 2027. We are taking out only the basic payment over that time. It was always intended that things would come out over time. The question of rolling it out up to 2024 was always the conversation that we were having as part of the transition programme.

We are not unhappy at the initial level of take-up of the SFI, but obviously we want it to be higher. I particularly want to pick up on the issue of huge amounts of paperwork. We used the pilot to go quite a long way towards really reducing the process. The feedback that we have had on that for the RPA has been really positive. It is never perfect for everyone, but we are keen to ensure that it happens at pace and that it does not put people off doing it. You may have other feedback. I would be keen to know of it and happy to have that discussion. If we are not getting that right and improving it, we need to do so.

Lord Colgrain: I am sure that some other members of the committee will come back on that as well. As far as the RPA is concerned, the last three land agents I have spoken to all said that they have encouraged their clients to look at the SFI, but at least 90% of them are backing away from it because it is too complicated, there is too little money involved and there is a concern that they may be making a commitment now to something which, in the years to come, they will wish they had not made a commitment to because there will be something slightly better down the road.

That is where the consistent delay that there has been for years is causing a real issue. It is also causing an issue because the farming community does not know the direction in which you are trying to point it and is therefore very reluctant to make investment. I can only urge that you concentrate your efforts on this, and that you try to maintain the date you give, which I know is the slightly off-the-cuff date of January.

Thérèse Coffey: I hope we can get there. It may be February. That is what I am trying to do.

The Duke of Wellington: Can I make one point in addition to Lord Colgrain? So complex are some of these proposals that farmers are being faced with having to pay quite high consultancy fees to agents of one sort or another to make their applications. It is too complex for many farmers to be able to do it on their own. That must be a great disadvantage.

Tamara Finkelstein: It would be good to get information on that, because for the SFI that absolutely should not be the case. The idea of the design is that it should be simple and easy to do. It would be good to get any feedback on that, because we would like to act on it.

Thérèse Coffey: If you want to refer any of the agents you are talking to, that would be helpful.

Lord Colgrain: I will certainly do that.

Thérèse Coffey: It is important to get feedback from our farmers.

Tamara Finkelstein: It really is.

Q6 **Lord Lilley:** I suppose I should declare an interest as a smallholder in France who as yet has not succeeded in tapping French farm subsidies. I do not understand them, and I do not understand ELMS.

My understanding is that, in the past, farmers were paid simply for owning land and 100% of their commercially remunerated activity was from farming and producing food. I want to know what impact ELMS will have on food production. If in future they get that money only by devoting time, effort, resources and capital equipment to the environment, presumably they will have less time, effort and capital equipment to devote to producing food, so presumably food production will go down if ELMS achieves any diversion of resources to the environment. If it does not and it is just a way of dressing up the way the money goes to the farmers, why not just give it as it is at present?

Thérèse Coffey: In our manifesto commitment, we were very clear that we would move to public money for public good, and that improving the environment is absolutely vital. It is one reason why the world is coming together next month. We want an ambitious framework to reverse the decline in nature happening right around the world, including in this country. We cannot do that in this country without involving landowners and farmers. The £2.4 billion available is important to try to drive those

outcomes and to make sure that public money is used both to achieve net zero and to improve the natural environment.

I have asked a bit about the landscape recovery pilot projects—

Lord Lilley: Sorry, my question was about the impact on food production, not the environment.

Thérèse Coffey: Regarding some of the landscape recovery pilots, I have asked whether going into landscape recovery means that you basically stop producing food. My understanding, from what I have been informed of, is that farmers have been able to produce the same amount of food while having significant improvements to the landscape, including aspects of soil standards and so on. In effect, they are rewiring aspects of their farming processes—using different technologies or, for example, till farming as opposed to ploughing—as a way to achieve similar or even better productivity while enhancing the environment.

It is a change, and it is right that public money is used for sustainable food production while enhancing the amount of money and the proportion that is going into improving the environment. In England, 70% of land is used for farming, so it is critical that that farming land does not become an industrialised polluter and that we do what we can with public money to remove that pollution while still having sustainable food production. The two are not mutually exclusive; in fact, they are very supportive of each other—verging on symbiotic, but I have not quite got the evidence to prove that.

Lord Lilley: Taking away £2.5 billion-worth of resources from food production is not expected to result in any reduction in food production, so farmers were previously rather inefficient. Is that what we are saying?

Thérèse Coffey: It is self-evident that if farmers do not change and improve the productivity of their land, they are likely to get less out of it. There are very straightforward ways in which that can be done. Some of it is a bit of a change, but, frankly, industry is changing all the time to make its assets more productive and get more out of the circular economy, produce less waste and so on. That is happening right across other sectors. Alongside BEIS, our department champions the circular economy, and the same can be said of the agricultural sector.

Tamara Finkelstein: As the Secretary of State said, the expectation is around improvements in productivity on our most productive land. As it comes out of the basic payment, some of the money goes into environmental land management, much of which, as the Secretary of State said, has a dual purpose in improving food productivity and food production. Money is also going into farming innovation, the farming investment fund, which funds kit to improve productivity, and research and development. Aspects of the money are being used to support food productivity, which is part of the picture.

Lord Lilley: So it is not all public money for public good.

Tamara Finkelstein: Aspects of it are, in investment in sustainable food production. More sustainable food production in a way that supports the environment is a public good.

Lord Lilley: It seems an astonishing series of coincidences.

The Chair: Indeed. Thank you for that comment, Lord Lilley.

Q7 **Lord Whitty:** I want to raise the same issue, essentially. The Government wish to reject land-related or production-related payments, which the CAP was for most of its life, so you have moved to a system that has been sold as benefiting primarily the environment, whereas we had hoped that we would have a system that incentivised food production in a sustainable, environmental way. You have altered the method of production, but most farmers regard the schemes you have come up with so far as too complicated and not worth the effort.

Part of the problem is that we are taking land out of food production and giving farmers subsidies for other forms of environmental benefit rather than making sure that the food they produce, and therefore the volume of food, is born of good environmental practice in its effect on the soil, water, air and so forth, and is better from a nutritional and public point of view. The emphasis has moved away from food production to the extent that a lot of people have given up food production and are using their land for other forms of environmental benefit—for example, forestation. Is that necessarily what you wanted?

Thérèse Coffey: Technically speaking, the original CAP was on the basis that, “You’re not going to plant as much wheat as you want on your land and we’re going to subsidise you for not planting as much wheat as you could, so that we have sustainable land right across the European Union in different ways”. That is why, in plenty of places, plenty of farmers never got any CAP at all; they had free-range poultry or free-range pigs and they got nothing, while it benefited wheat, or certain sectors.

Lord Whitty: I am not suggesting that we go back to that.

Thérèse Coffey: I was flagging that that was how it was designed. As it turned out, I am not sure that it had the impact it was designed to have. I used to sit in European Council meetings to go through a lot of these things, and they ended up with a much more regulatory approach. We are trying to get a balance in using public money to improve things.

There are very few other sectors that we subsidise, in effect, in quite the same way, but it is important that we do. I am very conscious that of course we want sustainable food production in this country; events in the last year have reinforced why that matters. But I am also very conscious that we need the best, most environmentally friendly use of land as well in order to help improve nature and tackle net zero.

The Duke of Wellington: If I may intervene, Secretary of State, you do not seem to make a distinction between arable farming, such as the production of wheat, and livestock farming, often on permanent pastures

in the hills in the lowlands or highlands, which is a very different form of agriculture. It is well proven that growing crops to feed animals is not the best use of resources. Growing food for human consumption is what we are all trying to achieve, and with your various subsidy systems we should be encouraging extensive grazing on permanent pasture, which is the best use of land that cannot be ploughed up for arable production.

Thérèse Coffey: That may well be true, but it is why this is a wide-ranging scheme. There will be different bits of the SFI; different elements in the prospectus. For example, livestock is a major source of methane and pollution going into our rivers. The sort of work that we want to do is to try to help to reduce that. I am very conscious that some of these things are expensive, which is why we have things such as the slurry grants. We need to work together to tackle the pollution of rivers from run-offs.

Some of the support money goes into helping with that, rather than it just being about how many hectares you happen to own or have inherited. We already know that agricultural land rightly gets treated preferably in the inheritance tax system, recognising the covenant approach and passing it on to make sure that it is well looked after and is not just seen as being treated in a special way. We want to use a lot of the money in a variety of ways to achieve environmental outcomes. As I suggested earlier, they can be symbiotic, and they are certainly not mutually exclusive.

Q8 Lord Browne of Ladyton: Good morning, Secretary of State, and thank you for coming to talk to us this morning with your Permanent Secretary. I want to ask some very specific questions about the imminent impact of the Retained EU Law (Revocation and Reform) Bill, which has not yet emerged from Committee in the other place but will shortly.

How many pieces of environmental legislation will be affected by the sunset clause in the Bill? What capacity does your department have to review, scrutinise and react to the affected pieces of legislation before the December 2023 deadline? Apart from a small number of reserved areas, environmental policy is largely devolved on these islands. What is your assessment of the capacity of the devolved Administrations and the Scottish Parliament, for example, to react to that? What is their official capacity? What is their parliamentary time to be able to deal with these imminent and quite substantial changes?

Thérèse Coffey: To go back to the purposes of the retained EU law Bill, retained EU law has a certain status, so it is about changing that status to say, "Do we need this legislation or not?" It is a bit like the fact, dare I say it, that, historically, environmental targets have been put in law—indeed, the new set of targets that I hope will be in law very soon. There is no doubt that deadlines and targets are ways of getting Governments to achieve certain desirable outcomes.

About 1,100 pieces of legislation were on the books, and we have already repealed about 140 of them in the processes we have been going through

since we left the European Union. For example, legislation codifying stuff to do with the European Fisheries Control Agency is no longer relevant to the UK. There is quite a lot that is no longer relevant, so it is an opportunity to take that off the statute book.

There is an opportunity to think about how we can do things differently. In the past, the Environment Agency has regularly said to me that it would like to change quite a lot of the water framework directive, because some of it is not relevant or does not help it to do its job. In respect of air quality zones and reporting, due to the formula set in European law for population density and such aspects, the east of England ends up including places such as Uxbridge. Now that we are no longer part of the European Union it does not make sense to be doing this wider European reporting. We need something more tailored.

The approach I have agreed with Tamara, the Permanent Secretary, is that we go through what we have and see what we can start on. My default will be that we do not drop the ball and we retain stuff. That does not mean that everything will be retained in this exercise in the next 12 months. We have already shown some of the stuff that we want to get rid of, and some of the regulations will focus on where we could make improvements more quickly. Some of that may be aspects of bureaucracy, but other aspects we will need to consider more slowly. It is not my intention to suddenly drop lots of legislation just for the sake of it; I want to take a more considered approach. Tamara, do you want to say a bit more about how we are going through that in the department?

Tamara Finkelstein: Yes, we are doing that exercise to fully work out the total number of pieces of EU law in scope and then having conversations with Ministers as to what we want to retain, repeal or reform, and over what period. Clearly, there is the period to 2023 and then the period when we would have powers to reform to 2026.

As you said, Lord Browne, resources will be required to do that. We will assess what resource we require in our policy, legal, and central teams. We have quite a lot of benchmarks and so on to use, because we did a lot of this work in the run-up to EU exit. We will look at that and how we use our resources as part of our business planning processes.

There is a question about exactly how we put together SIs and so on in a way that allows the right scrutiny but uses the resource effectively. We are in that process. As you said, we will also need to take account of that work with the devolved Administrations. I cannot quite give you exactly what resource we think we would need, because a lot of decisions are still to be taken, but it is a considerable endeavour.

Thérèse Coffey: Of course, it has not actually become law yet, so there is an element of quite high-level stuff that we have gone through. We will have an internal star chamber in the department, probably in February or March, just to see where we think we can make some changes.

Lord Browne of Ladyton: I agree with you: deadlines concentrate

minds, and no doubt people listening to this will be pleased that you realise that suddenly dropping things can have a detrimental effect if you are not ready for it. There is a sunset sudden drop in the Bill, December 2023, which will be nearer than we think it is, looking at it from here and as time goes on.

As I understand it, you are in the early stages of assessing just how big the scale of the challenge is and whether you have the capacity for it. Presumably it will divert resources from other priorities, because you have this deadline. You anticipate that in future you will discuss with the devolved Administrations what the impact on them will be. Have you or your Permanent Secretary any idea when you will get to do that? Certainly I know from Scotland that there is a great deal of concern about what impact this will have on their limited capacity. They have no idea of the scale of the challenge they will face.

Thérèse Coffey: The idea of REUL came out several months ago under the Boris Johnson Administration. The initial assessment is on the Cabinet Office dashboard, and I think it is still to be updated, because clearly we have identified legislation that needs to be considered as well.

I cannot answer for the devolved Administrations, but I know that our officials have discussed it. It came up briefly at our recent ministerial meeting, but, as I said, it is not primary legislation yet. That does not mean that we are not preparing certain aspects; we have already identified and repealed over 140 pieces of legislation. It is a work in progress, and we will adjust the resources we need according to the approach we decide to take.

Tamara Finkelstein: We are engaging and working very closely with the devolved Administrations. As the Secretary of State said, it was a topic at the inter-ministerial group. That engagement and so on is happening. There is an amount to do to work out exactly what resources are needed and in what way.

Lord Browne of Ladyton: Bearing in mind that the dashboard initially identified 570 pieces of legislation, and the *Financial Times* reported at the beginning of this month that somewhere in the order of 1,400 pieces of legislation had not been identified, and now have to be loaded on to the dashboard, it is a moving target, is it not?

Thérèse Coffey: It will not surprise anybody, particularly in certain departments, and ours is one of them, that, having been part of the European Union for nearly 50 years, there is a considerable amount of legislation. The competence was moved to the European Union some time ago. When I look at SIs now, I see that we are still referring to certain EU regulations. There is a lot of work to be done; nobody is denying that.

The approach I have taken has certainly been welcomed in the department. Other Secretaries of State may take a different approach in their departments, but I think that is the most sensible one for us.

Lord Lucas: Do you see any positive things coming out of this process? I hope you might be considering reducing the burden on small abattoirs. We tend to regulate them much more strictly than other parts of Europe do, and ours locally in east Sussex are going out of business.

Thérèse Coffey: Minister Spencer is keen to do a review of aspects of small abattoirs, but I do not know which direction he is heading in.

Lord Lucas: Do you see no other opportunities coming out of this process?

Thérèse Coffey: I have not been through the process internally, so I am not informed sufficiently. To give you an example, when I was the Minister a few years ago, it used to drive me nuts that some issue on the A40 meant that the entire east of England was declared not to be air quality compliant, which was ridiculous. Again, in the grand scheme of things, it will not make a massive difference. What matters more is the activity of improving air quality, and that will always be my priority. But it is those sorts of things that end up misleading the public that air quality in the east of England is terrible, when actually it is not; it is this bit over here on the A40, which is nowhere near East Anglia. To be frank, that sort of thing gets a bit irritating.

Q9 **Lord Grantchester:** I declare my farming interests as set out in the register. Welcome, Secretary of State and Permanent Secretary.

I have a recollection that my question was asked last Thursday in Oral Questions here in the Lords, when the Minister, Lord Benyon, answered our chair, Baroness Parminter, and Lord Wallace of Saltaire on a follow-up question for clarity, that no regulation or environmental protection would be discarded by the Retained EU Law (Revocation and Reform) Bill without a better one being implemented. That reminds me of the categorical assurances that food standards would not be undermined by trade deals, yet no statutory underpinning was agreed to by the Government, with rather disturbing consequences. The Bill in its current form does not contain a provision to maintain existing levels of environmental protection.

Do you expect existing levels of environmental protections to be maintained when the Bill comes into force and, if so, by what method? Will this be guaranteed by statute in regulations? What processes of parliamentary or other wider scrutiny will be in place for environmental improvements to the Bill?

Thérèse Coffey: I will have to leave that to the Bill managers in this House to explain. My understanding is that we have been pretty clear on the Floor of the House in saying that the Bill is not designed to weaken environmental protections. A lot of it is about making sure that, from our perspective, environmental law is functioning in a way that is more tailored to this country and able to help us drive and improve environmental outcomes.

In a broader sense for the Government, it is about making sure that we have a legal system that is fit for purpose. I do not know whether anybody here was involved in those sorts of negotiations. I remember one incident when all of a sudden Ministers were excluded from a decision on very important environmental targets, and they ended up being decided at what is called a COREPER. It is important that we have a fresh look at some of these things and ask whether they are working for us. We may have lost on the vote plenty of times, but that does not mean that we want to weaken the environment. Sometimes it was to do with the methodology or different aspects, and now we have a fresh opportunity to look at some of these things.

You have a Conservative Government who are absolutely committed and have put in statute how we want to improve the environment. That is what we intend to do, and we need our regulatory framework to help us achieve that.

Lord Grantchester: I am sure it is not designed to weaken environmental protections; it is a way of discarding EU regulations for UK ones. I would have thought that an alternative would perhaps be to wait until the department had a better regulation in place and then to do it in an incremental, systemic way, rather than an all-in, all-out system, as this revocation Bill seems to suggest is the department's preferred methodology.

Thérèse Coffey: The structure of the Bill is, in effect, repeal or replace; it is not designed to go off on a journey about increasing regulation. It is designed to ask, "Do we need this?" In theory, as part of the European Union we may have voted against something because we did not think it was appropriate for the UK, but lost in a majority vote. Do we still think it is relevant? I am talking in broad-brush terms now. Is it necessary, or is it an unnecessary burden that does nothing to help us, be it in business or in improving the environment? If I could spend less time having the Environment Agency write various reports in a particular way and have something more tailored to the UK, would I take advantage of that? Probably yes.

Lord Grantchester: I worry about the diversion of resources from your priorities, which we all wish to concentrate on.

Thérèse Coffey: That is why I have tried to set out my approach and have said to my officials that it is my default, but that does not mean that we should not do the work. We will retain stuff, but we will have it in this new status so that it does not have the status of retained EU law. It will become domestic law and not have a different status.

Lord Grantchester: I come back to what I asked in my question. Will there be some method whereby the department will guarantee that, on the date when the sunset clauses come into effect, something will not fall through the gap and there will be a regulation that will maintain standards? Is there some way in which that can be categorically assured as we debate the Bill that will be going through our Chamber?

Thérèse Coffey: I have tried to tell you that. That is certainly my approach. I cannot tell you the approach of other Secretaries of State.

The Chair: Thank you. I think that is an indication that, if there were a write-round on an amendment to put that into the Bill, your department would be supportive.

Thérèse Coffey: In no way am I suggesting that we need to put anything into statute.

The Chair: Thank you for that clarification.

Q10 **Baroness Boycott:** How will you drive delivery of all the environmental standards across government, which we have tried to look at throughout the life of this committee, and, in particular, the environmental principles policy statement? Under Prime Minister Johnson there was a Cabinet committee chaired by him, which is no longer there, as I understand it. Is there a replacement now for something cross-cutting that will ensure that these policies turn up in all departments?

Thérèse Coffey: The 25-year environment plan is still a cross-government strategy and will in effect be replaced by the environmental improvement plan, to be published by the end of January.

The key document, which we are still trying to finalise, is the environmental principles policy statement, whereby there will be a process, a bit like the public sector equality duty, that Ministers will have to go through and make a consideration in line with the principles that will be shared. We are not quite there yet, but it will be a toolkit of resources for policymakers across government to help them to implement that duty. I am conscious that we will continue to try to enhance some of our governance to manage implementation of the different aspects of the duty. There is a committee connected with net zero, which I see playing an important part in that sort of approach. We sit on that committee.

Baroness Boycott: You used the words "to help" people. That is quite different from "to make" people.

Thérèse Coffey: They will be required to follow the principles and, just as they are required to consider equality when they come up with different policies and legislation, they will be held to account for them.

Baroness Boycott: What role will the Prime Minister play?

Thérèse Coffey: Ministers who are appointed by the Prime Minister are expected to undertake their responsibilities. I do not think the Prime Minister checks every equality impact assessment. It is expected that Ministers will do that; it is delegated, but it is part of what they are expected to do.

Baroness Boycott: When George Eustice left office, he said that the trade deal with Australia was bad for farmers. He seemed clear that what he put forward in Defra was overridden by the Department for

International Trade, with the appointment of a Minister of State by Liz Truss, who clearly said that he wanted Defra to be a trade ministry rather than an environment ministry. Where do you stand on that, as the new Secretary of State? Will Defra take precedence when trade deals are organised, to ensure that they are environmentally friendly, good for British farmers and not undercutting us in any way, such as in animal health, for instance, as was the case with Australia?

Thérèse Coffey: Liz Truss, who is a friend of mine, was a previous Defra Secretary and made a lot of progress. She put a lot of focus on good-quality food for both domestic consumption and exports. She took that passion with her when she went to Trade. There is no doubt about that.

George Eustice explained his views in a recent debate in the House but, being part of government, he will have had discussions in that regard as part of collective responsibility. As we go forward with trade deals, it matters that we take a lot of considerations into account. I should have mentioned earlier that in our Conservative manifesto we talk about public money for public good; there is also an element about the high animal welfare standards that we expect in this country. Helping with the husbandry—perhaps more gender-neutral phrases are now in practice—in animal welfare is also an important part of how we get support for what we are trying to get from our food industry.

I have asked my Minister, Mark Spencer, to lead on trade, and we have had various discussions, but there are limited amounts of discussions on trade deals. I think we are involved in two or three right now.

Baroness Boycott: Are you personally happy with the Australian trade deal?

Thérèse Coffey: I see no reason for it not to proceed. I am quite happy for it to proceed.

Q11 **The Lord Bishop of Oxford:** Secretary of State, it is good to hear your priorities at the beginning. It sometimes appears from the outside as though the Government's level of energy urgency, leadership and co-ordination on the environment and climate has diminished over the last year rather than continued to increase. What would you point to, to counter that supposition, in the priority of government as a whole and the things that are actually happening to make a difference?

Thérèse Coffey: We should be very proud that in Glasgow, in COP 26, we gave nature its own independent day. I should say climate COPs; we should stop calling it COP because there are plenty of COPs for all sorts of conventions. I have been to several COPs and nature barely got a look in. The very fact that more generally around the world nature-based solutions are being seen as absolutely pivotal is real progress.

I have often thought that in the UN Convention on Biological Diversity, nature has been the Cinderella when considering the global challenges we face. It might be frustrating that the CBD next month does not have quite the same prominence as our climate conference has. You just have to

make the best of what you use. It is why we are increasingly bringing things in about other aspects of how our natural environment and marine have basically been used as a free carbon sink for decades or centuries. That is rightly now getting the attention it deserves.

In so many ways, Covid has been a body blow for the world. I do not just mean the very sad number of deaths or the aftershocks of the economic elements. The golden year was supposed to be 2020, bringing together COP in the UK with support from Italy, the CBD with China, and the big UN ocean conference. It was to have been a fabulous golden triangle. We tried to recapture that, but, as I say, there are some things that are great for carbon but not so great for the environment. We need to revisit and reassert ourselves. I expect the cups on this table are pretty environmentally friendly, but given the number of plastic cups still being used by default we have to go back on to that journey and get behaviour change. I know you have been doing reports on that as well. We need to get going on that.

This has particularly been helped in recent years with the UK leadership. We are bringing nature much more into the discussion and the action on what we want to get a balance there. This is our time to really push that. That is why we are also investing in things like the Blue Planet Fund, with £500 million, a significant amount of money. It is why we are working so hard in our run-up to CBD 15 to make sure that nature is fully recognised. Candidly, the carbon and climate has been going for some time now. We have to try to get ourselves to much greater level pegging, but it is still going to take some time to get the amount of investment in that. That is why the UK, in partnership with Ecuador, Gabon and the Maldives, has set out the 10-point plan. Lord Goldsmith has been absolutely pivotal in that. It is strongly supported by Lord Benyon. I think it is the way forward to try to make this real journey happen instead of, dare I say it, the nebulous targets that we had in 2010. We need something meaningful, and it is important that we can achieve that.

The Lord Bishop of Oxford: Thank you. That is a very helpful answer.

Q12 **Lord Whitty:** Defra is a pretty small department in relation to Whitehall, and it is very dependent on its arm's-length bodies for carrying out a lot of its policies. I suppose I should declare a past interest as a non-executive director of the Environment Agency and of Ofwat. It seems to us that there has been some diminution in particular of their monitoring and their enforcement role in recent years. I know you have OEP looking at it, but how satisfied are you that your arm's-length bodies have sufficient resources and staffing, particularly in the monitoring area, as we saw with questions about water? There are some serious anxieties about the Environment Agency's ability to monitor the situation there.

Thérèse Coffey: I am due to meet the new chairman of the Environment Agency tomorrow. We have not yet exchanged letters about priorities. We are going through a business planning process, so this is the ideal time to be doing that. As I heard the Permanent Secretary say earlier, we have increased the amount of monitoring that is being done.

Every department and every arm's-length body would always like more money. I never hear of any wanting less. There is always stuff that could be done. I am not pretending otherwise, but we have set out a reasonable approach. There is more money, a combination of capital principally and increase in our spending review. I pay tribute to my predecessors for securing that. Within the individual EAs, we will be setting out priorities more clearly, building on previous agreements.

It is probably best that the accounting officer, Tamara in her role as Permanent Secretary, adds a bit more.

Tamara Finkelstein: If we get the settlement for the Defra group, including our arm's-length bodies, as we did in the spending review. There was an increase in the amount that we have and actually an increase in what we passed on to the Environment Agency. As the Secretary of State says, you always wish to have more. We are kicking off a business planning round now, where we will work out what the Environment Agency gets as part of that. The Autumn Statement held our budget in cash terms, so there are challenges with inflation, but we will go through that process and look at the need for what we are asking for. That is the process we are going through now.

The Duke of Wellington: You just said, Secretary of State, that you were meeting the new chairman of the Environment Agency tomorrow and that one of the things you will be discussing is priorities. I suppose we on this committee would urge you to encourage the Environment Agency to make water quality and sewage discharge a higher priority than they currently appear to be.

Thérèse Coffey: I think the Environment Agency has brought a lot more prosecutions. I think that is in place. As I referred to earlier, there has already been a requirement for significantly more investment in aspects of that. We should not take our foot off the gas. We should put our foot to the floor, as it were—the pedal to the metal—to achieve this. Absolutely.

The Chair: We had the Office for Environmental Protection chief executive and chair before us a couple of weeks back. As you know, it has had its initial year. It has been looking at its priorities for the future and the areas of work that it needs to get into. In a note that we have received, it suggests that it needs additional funds in a remit of £3 million and a fairly substantial number of additional staff on where it is at the moment. Do you accept, given that it had a settlement for the first year, that there is more work for this important body to do, and in your thinking will you look carefully at the proposals that it will bring forward?

Thérèse Coffey: We will certainly look carefully. In the initial year it had a bit of flex and some money for start-up costs and similar. My predecessors will have been through aspects of business cases and funding arrangements in that regard. I do not want to undermine the review, but it has a bespoke planning process. You might expect that at

the beginning of an organisation. Those discussions are just starting. Is that fair?

Tamara Finkelstein: Yes, exactly. We have an arrangement with them to do a transparent process together. That note is a sort of kick-off point for us, so we will have that conversation. In fact, I have a meeting with it today and I am sure we will discuss that. In the first year we gave it £7 million and then additional money and staff for start-up costs. We will obviously keep that under review. We will try to give it certainty on what that budget might look like, but we absolutely recognise what Dame Glenys has put in her notes. That will be part of the process to reflect on really carefully, as you suggest we should.

Q13 The Lord Bishop of Oxford: Secretary of State, you have referred several times to the upcoming CBD COP 15, part 2. What are your hopes and expectations, and the Government's main targets, for what will emerge from the COP? Also, who will be attending the meeting on behalf of the UK Government?

Thérèse Coffey: I hope there will be no critical votes when they are away. It so happens that there are three Members of the House of Lords going on behalf of the Government: Lord Benyon, Lord Goldsmith and Baroness Penn. I will be attending too and I will be leading the delegation. We are principally there in the second week of the conference, because that is when there is the high-level summit. There is no leaders' summit. Although China has the presidency, Canada is hosting it, reflecting that the UN office is in Montreal. I do not think that a leaders' summit has been planned.

There are some Ministers coming from the Scottish Government and the Welsh Government, and a Minister from the Turks and Caicos. Indeed, we will have our advisory bodies attending, so I am pretty certain that Natural England, Kew Gardens and the JNCC are going. I cannot remember whether the EA is going, but we have plenty of people attending to help with the negotiations, as well as our dedicated civil servants, of course.

On the outcomes that we are looking for, in essence the critical thing that we are aiming to get as a goal is halting and reversing global biodiversity loss by 2030. You will be aware that the UK has been working with many other countries on 30x30 as an approach to get that into place. We will have to work very hard on that. Indeed, we had some ministerial meetings while I was in Sharm el-Sheikh to try to advance it. There are significant challenges.

Obviously, we want mechanisms that will promote implementation—planning, reporting and review—as well as how we bring in financing from all sources. That is where the 10-point plan comes in. The Canadian Minister, the honourable Steven Guilbeault, referred to it as a ready-made blueprint. We do not have complete agreement to that, and we will be working hard on it, but the idea that this can all be done through aid is just not feasible. We need a bigger scale in that regard. That is why

having the more comprehensive approach, with great use of things like the GEF—the Global Environment Facility—will be critical as well.

Baroness Boycott: It is good to hear that so many people are going. Given that people have said that the last set of targets, the Aichi targets, have not worked and the targets this time are, as you said, 30x30 as well as to reduce the human impact on the natural world, how are you going to make this different from what it was before? How is the world going to make it different?

Thérèse Coffey: There has been considerably more effort and recognition of the challenges facing nature. It has a lot more prominence, and there is a variety of recognition that what happened with Aichi was insufficient, to put it politely. Professor Bob somebody—I cannot remember his surname now—came, with others, to the G7 that was held in Metz to share the IPBES report that came out in 2019. I think the recognition there really motivated G7 action to make this change and to get it up the agenda.

Last year, in Glasgow, having nature as a very important part of the approach continues to escalate it. There is realism that it has to be done. Quite a lot of it, not surprisingly, will come down to how we get finance to try to support it. That is still an ongoing key part of the discussions. There are very active discussions, not only with officials but with Ministers, in our engagement in the run-up to the CBD. I hope it will be successful. Some of the geopolitics at the moment are challenging, but we will put every effort into it to make it a success.

Q14 **Lord Lucas:** How satisfied are you with the outcomes of COP 26 for adaptation? How are your own plans for the third national adaptation programme going? Does Defra have a vision for a well-adapted UK, and how does it aim to take us there?

Thérèse Coffey: I am refamiliarising myself—the best way of putting it at the moment—on adaptation for climate change. Within government it is a Defra lead, so we are actively working on the adaptation plan with the multiple risks; I think it is about 60 risks over 12 departments. We are still working on that. We anticipate publishing it next year in response to the climate change risk assessment that was published at the very start of 2022.

That will also help us to achieve our broader outcomes or our apex targets on responding to the risk to terrestrial and freshwater habitats. That is a key one for Defra, but there is a lot of work to be done, particularly by the Department for Transport, for example, to develop the pathways to get there. One that stands out is the potential impact, on rail infrastructure and stuff like that, from global warming going higher than where we want it to be. There is work happening across government. Our officials lead that along the way. We are still making progress.

Lord Lucas: Is there any concept yet of how we can adapt to not living in places where we live at the moment, and how we can move to higher

ground?

Thérèse Coffey: You are not one of those people who wants my constituency to disappear, are you?

Lord Lucas: It would make a very nice offshore wind farm.

Thérèse Coffey: That is a very controversial local issue. It is not so much the offshore wind farm as the onshore infrastructure potentially affecting it. I will not go into constituency matters, because I am here representing the Government.

Q15 **The Chair:** Secretary of State, you mentioned rail and infrastructure. Clearly, making sure that we future-proof our critical infrastructure is absolutely critical when we are talking about adaptation. In the summer, I noticed that the Climate Change Committee's analysis of reports from critical infrastructure providers had lots of gaps. Not everyone reported, and those that did had not necessarily reported as fully as would be helpful to enabling the Government to make policy decisions on which you can base your plans. Will you make the next round of adaptation reporting for those critical infrastructure providers mandatory? That would seem to be a sensible step in order for you to make the plans that we all know we need in order to adapt to climate change.

Thérèse Coffey: I think it is best if I reflect on that, because I do not know enough about it or the process. In 2019, when I moved roles slightly within the department, I suddenly got responsibility for it, and then I moved again. I have not really got my teeth into it and I have not had the chance yet to get my teeth into the adaptation side and our responsibilities across government. I cannot make a commitment about mandatory aspects. I rarely like to say that I will write back to the committee, if only because I like to be able to answer the questions you have, but I will need to think about it and come back to you.

The Chair: We are happy with that.

Q16 **Lord Browne of Ladyton:** On the issue of critical national infrastructure, I think your reference to the railways was an aspect of that. It is a very important issue in a number of different ways across government, and it is a security issue. The Joint Committee on the National Security Strategy was pretty scathing about the ability of the Government to date to protect our critical national infrastructure from the effects of climate change.

One of the really disappointing aspects of that report was that the Minister who had responsibility for that refused to give evidence to the committee, saying that he was not able to answer the questions that it wanted answered. We are also waiting on the national resilience strategy, which is mandated by the integrated review and will be a very important document. It would be interesting to know what your department's contribution to that environment is, how much of a priority the resilience strategy is to you, and whether you are satisfied with the Government's approach this particular issue.

Thérèse Coffey: On resilience, there is a broad-brush strategy across government. I know that the department regularly reviews through its risk assessments and similar. The climate adaptation response does not just cover critical national infrastructure. It is broader than that. There will be elements, I am sure, that have CNI status. They will probably have higher priority, but we are looking at a broader sense of adaptation more generally through our response in the plan, which we need to do next year.

I guess, to some extent, it is not about trying to be unduly slow or making stuff perfect. When I was Environment Minister, getting stuff done and delivering really mattered to me. It was certainly true in DWP. That is what I want to drive. I hope that the plan we come up with, frankly, kicks the tyres so that it is not just another piece of paper that gets put on the shelf. I hope there is a real delivery approach on how we are going to make that happen.

I assure you that I will be robust and that it will tackle the issues it is supposed to tackle and will not just be something to gather dust. There is no point doing it otherwise. That is what we need to make sure is effective.

Lord Browne of Ladyton: I agree with all of that, but unless there is a co-ordinated process in government and proper leadership, none of this will happen.

Thérèse Coffey: Perhaps the Permanent Secretary can add a bit more.

Tamara Finkelstein: I will add a bit about our engagement in the overarching process. First, there is a process of looking at the national security risks in areas of critical national infrastructure. We have responsibility for food and water as critical areas. We are very involved in that and in the delivery of the integrated review. We are very much a part of that, and the issues and risks that you talk about are very much part of that.

On the adaptation strategy work, as the Secretary of State said, we are doing that very much cross-government with a lot of input, including from the Treasury and the Cabinet Office centrally. I have a lot of confidence in our building a good plan that sticks. There was a question about adaptation reporting. We are developing a strategy on that which will come out at the same time as the national adaptation plan. It will be available for consultation. It is about reporting, which is slightly different from your question, but it was raised before.

Lord Whitty: It is not just things that are strictly major infrastructure projects. The adaptation process requires involvement in the planning process. The number of buildings and homes that are being built on the flood plain, with rising sea levels and increased rainfall, is completely against the policy and the advice that comes from your department and from the Environment Agency. Is there any way in which the department can have a stronger view on the planning process and prevent that

happening?

Thérèse Coffey: There are various consultees in place when planning applications go through. As you will be aware, there is a default that people should not be building on flood plains. There are some mitigations, though, that can address that, such as whether buildings are elevated or whether garages rather than home quarters are on the ground floor, and stuff like that. There are some approaches that can be taken, but my understanding more broadly is that, by and large, councils do not allow development on flood plains because of the obvious risk, but there will be situations where they do.

Lord Whitty: Mitigation is an important point, but the latest reports indicate that there is a very significant amount of building going on in vulnerable areas, irrespective—

Thérèse Coffey: To some extent, but there is the risk that you would never develop in London again. There are flood risks in London, but as a mitigation we have the Thames barrier, and there is other activity that you undertake. There is an element, frankly, of being pragmatic about some of these things.

Lord Whitty: The problem is that you have the responsibility departmentally, yet local authorities are ignoring it.

Thérèse Coffey: I am conscious, as I say, that where there is appropriate mitigation we are not going to decide every planning application in Whitehall. Local government has a role and has to take into account local considerations and the mitigations that are there. I doubt there would ever be another change of housing in parts of my constituency if there were no mitigations. By default, they do not build on flood plains, but when you are trying to get some homes, say in Aldeburgh, you might have a different way of allowing redesigns to allow people to be housed, whether that is a variety of activities, so that people can get back into homes quickly if, unfortunately, flood incidents happen. Designing on designated flood plains is simply daft, but there are always places that have flood risk. As I say, we are not going to stop building homes in London just because of a flood risk.

Q17 **Lord Grantchester:** Forgive me for coming in with a rather controversial question on inflationary food pricing right at the very end. I tend to regard farmers as businesspeople, and they receive income from only two sources. One is the supply chain and the other is government through its payment schemes. When farmers see approximately 40% of their income slowly being withdrawn by government, with little to replace it, is it any wonder that the supply chain becomes anxious for its supplies and processing manufacturers suddenly become unable to pay to secure their supplies? Do you see any element of the present inflation in food prices being due to the withdrawal of payments for agriculture? Is the department tackling rising food prices?

Thérèse Coffey: I am not aware of that element of the supply chain. I have read a lot about certain egg producers who say that they are not producing eggs as they do not think they get paid the right amount of money through commercial routes.

Inflation is a real challenge for everybody in this country. It is why the Government are determined to tackle it. There are some elements where, as I said earlier, the aftershocks of Covid are still leading to issues in global supply chains. There is no doubt about that. It is particularly being driven by energy costs. That is why our energy security strategy as a government is important, not only initially supporting households in cash terms but supporting businesses, and making sure that we are more energy independent so that we do not have quite the same shocks that we have at the moment.

There are a variety of reasons why food prices are going up, but I am not aware that it is due to the Government reducing money for farmers and therefore other commercial routes are driving up the prices instead. Of course, there is always the Groceries Code Adjudicator that we legislated for several years ago and which can be called upon.

Lord Grantchester: It can if there are unfair practices. I was wondering about manufacturers securing their supplies when they see their suppliers' income being quite quickly reduced. I have been talking to several cheesemakers who are very anxious that the product is still secure for them. Just pass it on.

Thérèse Coffey: Okay. I assure you that representing Suffolk Coastal I have a reasonable number of farmers. There is very little wheat in my part of the world. It tends to be pigs, poultry and potatoes, with a few other things.

The Chair: On that exchange of views, thank you, Secretary of State and Permanent Secretary, for your time today. A couple of Members might want you to follow up with some information, which I am sure you will find. Indeed, Secretary of State, you have offered to write to us on the issue about consideration of the adaptation reporting. Thank you for that.

Thérèse Coffey: I ought to correct the record. I have just been told that the Environment Agency is not available to meet me tomorrow, so we are meeting next week instead. I am surprised that it is not available to meet me.

The Chair: I have to ask who it is meeting if it is not ready to meet the Secretary of State.

Thérèse Coffey: I am sure it has a great reason.

The Chair: Anyway, thank you for giving us your time.