



Horticultural Sector Committee

Corrected oral evidence: The horticultural sector

Thursday 9 March 2023

10.30 am

Watch the meeting

Members present: Lord Redesdale (The Chair); The Earl of Arran; Lord Carter of Coles; Lord Colgrain; Baroness Fookes; Baroness Jones of Whitchurch; Lord Sahota; Baroness Walmsley; Baroness Willis of Summertown.

Evidence Session No. 1

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Questions 1 - 20

Witnesses

[I](#): Tessa Jones, Director, Agri-Food Chain Directorate, Department for Environment, Food and Rural Affairs; Gill Laishley, Deputy Director, Farming and Primary Processing, Department for Environment, Food and Rural Affairs; Tim Mordan, Deputy Director, Innovation, Productivity and Science, Department for Environment, Food and Rural Affairs.

Examination of Witnesses

Tessa Jones, Gill Laishley and Tim Mordan.

Q1 The Chair: Can I welcome you on this very wet morning? I am glad that you can join us today. Could we start off with brief introductions from each of you, saying which area you are working in and your interest in giving us evidence?

Tessa Jones: Thank you very much indeed for inviting us this morning. We are very pleased to be here. I am one half of a job share of the director for the agri-food chain directorate in the Department for Environment, Food and Rural Affairs. I have two members of my senior team with me today.

Gill Laishley: I am one of the deputy directors in Tessa's and Charlotte's directorate. My teams cover supply chain issues in the farming sectors and in primary processing, so abattoirs and next-step processing in the farming chain.

Tim Mordan: Good morning. I am also from the agri-food chain directorate in Defra. My main responsibilities are for innovation, productivity and science.

Q2 The Chair: Thank you. This is the first committee meeting, so each member will have to declare their interests, but they have to do it only once in the whole inquiry, so you are lucky to hear everybody's interests declared. My name is Lord Redesdale. My interest is that I have land and farms in Northumberland but not based on horticulture.

I will start the questions. To what extent do the Government value the social, economic and environmental benefits that the horticultural sector, including ornamentals, provides? There has been a great deal of discussion about what horticulture includes, and we are keen that it includes ornamentals, although that might not be a specialisation in some of the areas that you have been looking at.

Tessa Jones: That tallies with our definition of horticulture, so we include that. The Government value the social, economic and environmental benefits of the sector. Our vision is for an ambitious, diverse and resilient horticultural sector. Our directorate focuses on two key priorities: security and sustainability, of the food supply in particular.

Innovation and versatility in this country gives us a wide range of horticultural crops—I think over 300 across both the edible and ornamental sectors—and huge value to the UK economy, at £4.8 billion in 2021. There is a significant value there, and that is behind a lot of the Government's support to the sector.

The sector makes a really important contribution to domestic food supply. The UK is 61% self-sufficient in crops that we can grow all year, and 74% self-sufficient in wider crops. I am happy to break that down further into

fruit and vegetables, if you are interested in that, but that says something about the size of the sector.

In terms of government support to the sector—we can talk more about this in the session—one of our flagship programmes is the £270 million farming innovation programme, which is available to growers in that area and has lots of exciting potential to drive innovation, improve productivity and deliver sustainability outcomes, including on net zero.

Q3 Baroness Fookes: I must first declare my interests. I am co-chair of the All-Party Parliamentary Gardening and Horticulture Group, a liveryman of the Worshipful Company of Gardeners, a member of the European Boxwood and Topiary Society UK, and a long-standing member of the National Trust and the Royal Horticultural Society.

What are the most significant risks facing the horticultural sector today? Bearing in mind my particular interests, I am anxious to hear what you say about ornamental horticulture.

Gill Laishley: We and the Defra ministerial team are acutely aware of the many challenges facing the farming and horticulture sectors, including ornamentals specifically. Still uppermost in many minds at the moment is the cost of energy, which impacts on everybody. Very specifically in the controlled environmental sectors—glasshouses and vertical farms—the cost of heat, light and humidity modification is huge. For everybody else, with the cost of cold storage for things like potatoes, pears and apples, there are energy implications across the piece.

The new energy bills discount scheme is for businesses and charities, and comes into force when the current scheme ends at the end of March. This will ensure that all non-domestic energy users get discounts on their bills into next year and right through to the end of March 2024.

Other risks for the sectors include input costs. Here, a specific example is fertilisers, which, despite the fact that natural gas prices are falling and therefore so is ammonium nitrate, they remain a pricey input cost. We are very aware of that and are looking constantly at the cost of fertilisers and a better way to regulate them.

Climate change has huge implications for all the sectors, both in the future and right now. I was at the National Fruit Show back in November and was talking to a blueberry grower who said that the hot summer had completely skewed the harvest time, meaning that his crop came on to the market at the same time as supermarkets were still tied into import deals, with deliveries coming in from traditionally hotter climates. That had completely flexed the market and, when the supermarkets wanted his crop, it had gone over. We have instant effects of climate change in the weather right now, and big implications going forward.

Labour shortages are a big issue for everybody as the numbers of European settled status workers has continued to fall—since the Brexit referendum, in fact, not even since we left. This year, the Government have announced 45,000 visas for seasonal workers, which includes the

ornamental sector, with the ability for another 10,000 should data suggest that they are needed. This 55,000 in total matches the forecast made by the National Farmers' Union on what was needed in the sector, so we are very pleased with that as an assist to the sector.

Looking more broadly at risks to the sector, pests and diseases remain an issue for everybody. This year, the Government have announced six more sustainable farming incentive standards to add to the three that were announced last year. One of those is the pest management assessment plan, allowing for payments to be made if demonstrating plans and systems to support pests.

That probably gives you the sense that we understand that there are an enormous number of risks in lots of directions, and those are the ones that, at the moment, are probably uppermost in our minds.

Baroness Fookes: When it comes to the cost of energy, how far would the ornamental horticulture sector be included in any schemes to be of assistance? Very often, you find that that is left out of various schemes.

Gill Laishley: The new energy bills discount scheme coming in is for all businesses and not sector specific. It is intended to guarantee that all non-domestic users can get help with their bills, so ornamentals would be as much in that as any other sector in the farming landscape.

Q4 **Baroness Fookes:** Could I ask a supplementary question on the seasonal worker scheme? It is good news, but one problem that has been put to me by growers is that it is a short-ish time and, in the past, they have been able to transfer the seasonal workers into permanent workers and increase their skills. If you have only a very short period, that is not possible. Have you looked at that?

Gill Laishley: I do not know how you would do that with a seasonal agriculture worker, because, by definition, they have always been required to be in the country for six months and then out of the country for six months. I do not know, but maybe that was more European settled status workers, who, prior to us leaving the EU, could stay because of freedom of movement. I would need to check that, but I am very happy to.

Baroness Fookes: Thank you.

Baroness Walmsley: I have no relevant interests to declare. Ms Laishley, could I pick you up on something that you said about supermarkets? To what extent is the way in which supermarkets buy their fresh food a risk to horticultural businesses?

Gill Laishley: There is quite a lot to unpack there. All products on the shelves at all times means a reliance on a mix of domestic production and imports. Even with our most advanced controlled environment growing, the season for things like tomatoes and peppers is only about April to November, so we will always have a mixed bag. When the seasons do something strange and we have a hot summer, that throws that, so it is a

risk that, as we go forward with climate change, we will need to address. The old model of the seasons is now slightly wrong. The other thing is the price pointing system of supermarkets, which has also had some problematic effects recently.

Baroness Walmsley: Is the department looking at the way that other countries do it?

Gill Laishley: Yes, we are. Do you want to come in, Tessa?

Tessa Jones: It is fair to say that this is a very live topic for discussion, not least as I was listening to the *Today* programme on the way in this morning. It is something that our Ministers are very interested in. You may know that the Minister of State had a meeting with the major retailers at the end of last month to speak about the shortages we have seen recently.

There is increasing awareness now that we have a different model to those in Europe, which flows through to price points and means that, in times of shortage from supply countries such as Morocco, there is a higher-priced market in the EU than here, so that may well be where they choose to flow the available goods.

It is a complex issue and not one entirely in government control, but it is certainly a conversation that we have begun with our colleagues across the food supply chain and one that Ministers are particularly interested in at the moment.

Q5 **Lord Colgrain:** Just to declare my interests, I have two agricultural interests in Kent—one an arable and livestock farm, and one a charity, where I am a trustee, which has a garden that is open to the public 365 days a year.

My question is to Gill, on fertiliser. I think I am right in saying that there are now no fertiliser plants left in the UK that are manufacturing basic fertilisers like nitrogen. There was a suggestion at one stage that the Government should be looking at using the Green Investment Bank to see whether it could support the manufacture of our own fertiliser. Do you know whether that has gone any distance at all? If it has not, do you know whether it is continually at the forefront of government thinking?

Gill Laishley: I have to be honest and say that I do not. I am not even sure that there are no fertiliser production plants.

Lord Colgrain: There was one in Liverpool that was closed. The latest one to be closed was in Newcastle.

Gill Laishley: Unless colleagues know, we may need to come back to you on this, as I do not know the specifics.

Lord Colgrain: In the same way as we are very conscious that we tend to be isolated on the supply chain, perhaps this is something that the Government should be giving more thought to in terms of domestic production.

Gill Laishley: Indeed, colleagues may be doing something. My interest in the fertilisers side is relatively new, so I am afraid that I do not know the background, but I am very happy to find out. It does sound like something that is very important and which we should look into.

Q6 Lord Sahota: I have no relevant interests to declare at all. My question is on resources and challenges. Are there sufficient resources available to support businesses with the current challenges such as rising import costs, et cetera?

Tim Mordan: Gill has already mentioned some of the immediate challenges facing horticulture and, indeed, the whole of the agriculture and farming sector. She mentioned briefly the energy bills discount scheme for businesses, which is open to businesses, charities and public bodies. That was confirmed on 9 January this year. That means that any eligible businesses and other non-domestic energy users receive continuous support up to March next year.

I know there has been a lot of interest in the energy bill relief scheme—the EBRs—which is the Government’s £18 billion scheme. Again, horticulture and agriculture sectors have been actively communicating with our Ministers about whether that could be opened more to the farming and horticulture sector. You will understand that this is a matter for the Department for Energy Security and Net Zero, so the Ministers there will be making decisions. I can only say that it is something that Ministers are very aware of.

On resources and short-term help, it is worth mentioning the farming investment fund. There are two aspects to that. One is for large grants, which we call the farming transformation fund. Farmers and growers will get a proportion of the total costs of a project. Later this year, we are planning to roll out some bids for projects on water management, which is clearly a matter of great interest to the horticulture sector, and on robotics and automation, which, again, is of interest to the sector.

The other half of the farming investment fund is the farming equipment and technology fund. This is for much smaller purchases of kit, again aimed at trying to make sure that we have farmers who can contribute to net-zero environmental enhancement as well as being more productive, sustainable and resilient. That is the aim behind the FETF, as we call it.

We rolled out the first round of that around this time last year, and it was very successful. We had originally set aside £17.5 million, and were very surprised and delighted that the amount of bids exceeded that by some margin. We had something like 4,000 applications, of which we have already paid out to something like 3,000 farmers. It now amounts to over 30,000, because we increased the budget to £48 million. That went down very well with the industry.

Two weeks ago, our Minister of State, Mark Spencer, announced another round, which is live at the moment. Again, this is for kit. It is easy to apply for. We have developed this fund very much in co-design with the

sector—farmers, growers and so on. It is quite an easy way to apply. There is a list of 90-plus bits of kit that you can buy, 11 of which are particularly relevant to horticulture. Others are applicable to horticulture but not directly related.

Again, this is all helping with costs and helping farmers and growers be more resilient and sustainable. The closing date for that is 4 April. It is live at the moment and we are encouraging farmers and growers to apply for it. That is another bit of immediate help that we are trying to provide.

Q7 Baroness Willis of Summertown: I need to declare my interest as a non-executive director of Natural Capital Research Ltd.

Can I follow on from that question? This is very much about food, but I still want to go back to Baroness Fookes' point. If you are a horticulturalist working in ornamentals, would you be able to apply for those grants?

Tim Mordan: Some of the kit in both funds would certainly be applicable to horticulture. We would be happy to write to you just to tell you a bit more precisely what is and is not out of scope for ornamentals.

Baroness Willis of Summertown: What would be really helpful to know is what percentage of successful grants that came through were for ornamentals.

Tim Mordan: I have the rough figures in my head for the number of horticultural ones that came through. It was probably higher than expected of the total ones. Around a third were horticultural or applicable to horticulture.

Baroness Willis of Summertown: Is that out of those that were granted or those that were successful?

Tim Mordan: That is from the applications; we have not finished the grant process. The ratios are the same for the money we have paid out so far. I could not tell you offhand how many of those are horticultural, but we can certainly let you know that.

Q8 Lord Carter of Coles: I should declare my interest as an arable farmer, but have no horticultural interests. Following on from that, when you devise these schemes, do you draw on the international experience? Do you link up with people in other countries, possibly the Netherlands, that have managed to drive innovation with government investment? Do you have a view on that as something that we could look at?

Tim Mordan: We do. We have regular contact with nearly all the member states of the European Union, and we look at what they do. Closer to home, because agriculture and horticulture are devolved matters, Scotland, Wales and Northern Ireland can do their own things, and we have regular meetings with them to compare notes. They are broadly similar. In particular, Wales has a broadly similar approach to grants.

Further afield, I met a representative from the Netherlands not so long ago who talked about their grant schemes. They have something broadly similar. More recently, France just announced a €200 million aid package to help to boost fresh produce. So we do talk to them. Inevitably, we are not comparing like-for-like, but we normally fare fairly well. Sometimes we are envious of what other member states and our other competitors do.

Lord Carter of Coles: When you say “envious”, is that because they spend more money?

Tim Mordan: I was thinking particularly of the Netherlands here.

Lord Carter of Coles: We always do.

Tim Mordan: Yes, we do. They are starting from a different place. We have an agriculture and horticulture sector that in general is quite fragmented. They have a lot of their research, knowledge exchange and expertise centred in one university in particular, which I always have difficulty pronouncing, but I think it is something close to Wageningen. We have regular contact with them, and they are the ones that we keep in touch with.

Interestingly, although we are often told by growers that we should be envious of the Netherlands, there is a lot of collaboration. I talked to a large tomato grower just recently; the company is large, not the tomatoes. He said that although everyone talks about the Netherlands as the model to which we should all aspire, they are exporting their knowledge and expertise to the Netherlands. There are other examples, such as Thanet Earth, which is a massive operation in Kent. It was built and is maintained with a governance model that is very much Anglo-Dutch.

Q9 Baroness Willis of Summertown: In some ways leading on from the previous thing that we have just been talking about, this is a question about government support and funding available to the horticultural sector. Somebody commented to me that the problem is that there are no dedicated horticultural funds, so I went back to check and looked at the very good information on your website about what is available. When I go down it, I can see why they are saying that. I did the briefest of searches of grants for horticulture and, sure enough, you have payments for equipment and technology, for research and innovation, for improving animal health and welfare, and for improving tree health.

On the surface, there is nothing that says “horticulture”. When I drill down into the research aspect, which I thought was a really interesting one, I see that you do say that it is on farm and those immediately post farm gate. The areas are livestock, plants, novel food production and bioeconomy. I just wondered where the grants are that are dedicated to the horticultural sector, or maybe there is not one.

Tim Mordan: The farming investment fund that I mentioned has two strands that cover all of agriculture and horticulture. The amount that

Tessa mentioned earlier for the farming innovation programme is £270 million. That is a large amount. There is other funding as well, but that has to cover all sectors.

Clearly, each sector of agriculture will be vying for a special pot, so we invite bids on a competitive basis. We work very closely with UKRI and Innovate UK, which are our delivery partners. We have quite a sophisticated method of assessing the best projects that meet the key criteria about increasing productivity, sustainability, environmental enhancement, contributing to net zero and so on. We check that against making sure that all the sectors are properly covered.

I do not have the exact figure to mind, but when I started this role three or four years ago it looked on the face of it as though horticulture did not fare very well. Since then, horticulture is doing very well. I could give you the figures. I do not have them at my fingertips, but we have an exciting range of projects for horticulture.

Baroness Willis of Summertown: One of the issues with horticultural funding is that it always falls between the gaps. With UKRI, it falls between NERC and BBSRC, and both of them bat it between the two rather than one person taking responsibility. Is that also the case with capital infrastructure grants. There was an excellent response earlier on the impact of energy, but what some people in the horticultural industry we have talked to really need is capital grants for putting up new polytunnels. The problem with horticulture is that it keeps falling between the funding gaps. It is very hard even to find the word "horticulture" on the website.

Tim Mordan: There are two issues there. Horticulture, as Tessa mentioned, covers a wide range of products. Whether it is 300, which is often bandied around as the number, I do not know. Where does field veg finish and arable start? Some of the technology that we are funding might appear on our spreadsheet as applicable only to arable, but it could be applicable to horticulture. We have a reasonably good story to tell in terms of making sure that horticulture is well looked after, and it is something that we keep an eye on.

I mentioned that Innovate UK, which is part of UKRI, is our delivery partner. We talk to them on almost a daily basis about this. I do not see anything falling between the gaps in terms of the farming innovation programme. We work very closely and make sure that all the sectors are covered. Of course, there are other sectors that make equal pleas for special treatment.

Baroness Willis of Summertown: It would be very helpful to see a list of what UKRI has funded in horticulture, if that were possible.

Baroness Fookes: Given what my colleague has said about it not being terribly apparent on the website, could I suggest that the website be updated so that it can be clearly seen that both edible and ornamental horticulture are included?

Tim Mordan: We will certainly write to the committee and set out clearly some of the statistics that you have mentioned, as well as what is and is not out of scope in the farming investment fund and the farming innovation programme, if that would be helpful.

Baroness Fookes: That is fine for us, but I want to be sure that other people outside are equally clear.

Tim Mordan: Yes, we can do that.

Q10 **Lord Carter of Coles:** Could you tell us a bit about the evaluation process? You are giving this money out. How do you know that your criteria for giving it are right, and does it meet the objectives that your criteria had set? If it does, how do you disseminate that knowledge across the sector?

Tim Mordan: We have to report to our masters on how the money is being spent and make sure that it has been spent wisely. Of course, inherent in any R&D innovation is no certainty of success. That is the way science is. Also, some of the returns on investment can be quite long term, five to 10 years or more. That is the way it is.

However, UKRI is very adept at having very robust evaluation processes built in, so there are checkpoints. I co-chair, with UKRI, a programme board that oversees the funding. Coincidentally, that is where I would be if I was not here. We regularly review all the projects and make sure that they are on target. We review any that are lagging behind. Further down the line, there is more detailed evaluation of whether they are delivering the key criteria that I mentioned—on climate change, contribution to net zero, resilience and so on.

Lord Carter of Coles: Have you had any really notable successes that you would like to share with us?

Tim Mordan: There are lots.

Lord Carter of Coles: One or two will do.

Tim Mordan: There is some quite good work on robotics and automation going on, which is of great interest to the committee, especially in connection with labour, which we have already touched on, and whether eventually that could be part of the solution to the labour problems that we have.

There is lots of work going on at Lincoln University, funded by some of the money I mentioned. Professor Simon Pearson there has an array of projects going on, some of which are still in development. The obvious ones are automatic strawberry and raspberry pickers. There is a project for a robotic raspberry picker that we funded, which is coming to fruition. There is a blog on the GOV.UK website where we are talking to the CEO of the company concerned.

If you are an amateur gardener, you know how notoriously difficult it is to pick raspberries, let alone if you are robot. They have managed to make good headway in automation for harvesting raspberries. There are lots of companies up and down the country developing that for strawberries.

One that caught my eye is by a company called Muddy Machines, which is developing a robotic courgette harvester. This was part of the farming innovation programme feasibility studies. We put some money aside for feasibility studies rather than projects, just to see if they are going to take off. That has been really successful. They are developing a novel class of agricultural machinery that will address labour but also builds on some work that they did on automation in asparagus harvesting—another crop that is notoriously difficult to harvest, because it does not necessarily grow where you expect it to. That is good.

For the courgette harvester, it is a particularly complex challenge of designing a machine that has the imaging software and the ability to be dexterous in the same way that a human hand would. This is one of the problems that we find with robotics and automation across the piece. There is lots of work going on in strawberry automatic harvesting, and that is probably the most advanced. It is one of our real success stories, and we can now produce strawberries from March to November with almost 100% self-sufficiency, which is great. It would be wonderful if a large proportion could be automatically harvested.

For other crops, it is not just a question of developing a robot and then applying it to all 300 horticulture sectors. Each one requires different software and different technology, but we have some really good ones.

We are also doing some work on peat substitutes. There is also some work on next-generation robotic vehicles using renewable energy, which is quite exciting. There is a whole load of examples of precision farming, which means zapping weeds more precisely than the indiscriminate application of crop protection products.

Lord Sahota: We are talking about technology and robotics. Are they mostly British inventions or were they invented somewhere else?

Tim Mordan: We have not spoken to every country. America, unsurprisingly, is investing a lot of money in robotics. Not so long ago, we had a visit from a senior American delegation, who were very excited about what we are doing in this country on robotics and automation. We invite countries to come to us in the hope that we can learn from them, but it is often the other way round. I would like to think that we are up there in the vanguard of technology when it comes to robotics, but it is still quite a long way off.

Lord Sahota: Is it quite expensive?

Tim Mordan: It is, and that is one of the other problems. We can develop the kit. Like the ones that I just mentioned, some of the technology is fairly close to market, but we often face this so-called valley

of death, where we invest and we develop the machine, but then getting it into the marketplace can be a real challenge. Under the farming innovation programme, we try to introduce that element of how to get it into the marketplace.

Going back to the second half of Lord Carter's question, we also try to make sure that there is some element of knowledge exchange to it, because we do not want to do the research and then just leave it on the shelf.

Q11 Lord Carter of Coles: My question is about labour. You have mentioned this many times. The issues are quantity and quality, and I was curious as to whether the department has a model. Do you have a labour market model for the whole sector, and specifically a bit for horticulture? Do you have any sense of the impact of the shortage of labour and the impact of low skills? You said that you took the NFU labour market study, but how do you know?

Gill Laishley: We are trying to establish a better evidence base for this. We are in the middle of an independent labour review by John Shropshire, which is looking at the food sectors, but there will be read-across into ornamentals, because the issues are very much the same, and I am sure that we can extrapolate the findings and apply them across horticulture more widely.

We are looking precisely at the mix of immigration-based labour, for want of a better word—that is what is left of the European settled status and seasonal agricultural workers—and the problems of domestic supply, why we are not attracting people into these markets from our domestic workforce, and automation. We are looking at that across the piece to try to identify the problems across the food sector, from farming to manufacturing—that is the scope of the review—and then across the three pools of labour, domestic, immigration, loosely used as a phrase, and automation, to give us that evidence base.

At the moment, it is a little reactive. The NFU says that it is about 45,000. We investigated that and think that that is the true number of people who we need to get the harvest in, and to deal with the poultry and turkey demand in the run-up to Christmas. We are conscious that we need to take a broader view of the whole problem, which is why the independent labour review will be reporting in the spring.

Lord Carter of Coles: Is it not a bit late to be doing that? I am amazed that the department has not done this years ago. This is the most critical factor, apart from energy. I am just curious as to why we do not have a model for the labour market.

Gill Laishley: It is a very good question. This is no excuse, and perhaps we could have seen this coming. The European settled status number has changed the landscape, but that was, clearly, quite predictable.

Lord Carter of Coles: It is hardly a surprise after six years, is it?

Gill Laishley: No, absolutely not. I appreciate that completely. It is maybe a little overdue, but it is in hand now. The Home Office also launched a review into the shortage occupation list of skilled professions that are identified as short in the UK, which allows another skilled workforce into Britain to work. That is going on at the same time, and one will feed into the other.

Our independent labour review findings will feed into the Home Office's review of the shortage occupation list, which is also pretty critical. We get from the farming sectors generally that some skilled occupations are missing from that list, but without the whole evidence base, which is not there at the moment, we do not know for sure.

Lord Carter of Coles: So we do not know the effect of low skills on productivity. If we are able to upskill, and therefore decide to put money into upskilling, we do not know what the payback will be. We are just hoping that we are going to train people and that it will be all right.

Gill Laishley: I am not sure that we do not know that. Intuitively, there must be a return from having a highly skilled workforce in an increasingly technology-based industry, with the things that Tim talked about coming on track, and more and more skilled jobs in the sector, and perhaps fewer unskilled, as we go forward. The whole assessment is being done now and we need to take all of that data and work it through.

Lord Carter of Coles: It is unfair to pursue this until that comes out, so perhaps we can come back. I have one final point, if I may. With the absence of people from the European Union coming, if you now go up to 55,000, do you believe that people will come?

Tessa Jones: Just to reiterate this, the make-up of the 55,000 is 45,000 visas available now and an extra 10,000, should the need be demonstrated. Home Office colleagues would want me to be clear on that. We expect those 45,000 to be taken up. Visas are being granted and some folk are already here.

Lord Carter of Coles: Where do they come from?

Gill Laishley: The situation in Ukraine has altered that. A lot of agricultural workers historically come from Ukraine. We now have rather more coming from Tajikistan, Nepal and Indonesia. There is a different mix of countries from which people are coming over. Last year, that created a little bit of a delay. This year, we are on the front foot and the visas have been announced earlier. The visa numbers were announced very late last year, which did not help. The combination of the late announcement of the visas and the change in the source of the labour, if I can use that slightly clumsy expression, meant that there was a rather late arrival. This year, we are much further forward, with the visas being announced much earlier.

Q12 **Lord Colgrain:** Following on from the previous question, is it fair to say that the Government have been wildly optimistic in thinking that UK

unemployed people are going to get involved in doing quite a lot of the manual work in the sector? Year after year, we are told that more and more people are going on training courses, but they never seem to complete them and they certainly never come out the other end as permanent workers in the sector. When you talk about these figures in terms of permits, is there a sense that, because we know by experience now that UK people will not come in, those permits will be inadequate and even more will have to be granted?

Tessa Jones: We are confident that that is the number needed for this year. In the longer run, skills and automation are two strategic solutions to the labour supply challenge, and they are both things that John Shropshire is looking at in his review. You are right, in that the uptake of domestic workers in those roles has not filled the numbers by any means. We are having conversations across the whole food supply chain, at farm and up stream of that, to try to unpick that more and to understand what the barriers may be and what we can do, in partnership with industry, to make those attractive roles and to upskill people to do them.

Tim Mordan: That is absolutely right, Tessa. During the early stages of Covid, we had this cliff edge of suddenly nobody coming over. We had to work hard to look at how to boost domestic workers and it was a real challenge. You may remember that we did work with the industry, which was very keen for us to partner with it on something called Pick for Britain. That was partially successful, in that it raised awareness of the jobs that are out there in horticulture. We got a lot in, but the feedback that we got from most of the large growers was that there was disproportionate effort in trying to attract domestic workers, and only one or two stayed. Under SAWS, traditionally they were from Romania and Bulgaria. More recently, as Gill said, they were mainly from Ukraine. They stayed, and the following year they brought their families and developed communities, but that dropped quite suddenly.

During the early days of Covid, apart from Pick for Britain, when we were trying to see whether we could get more domestic workers, we looked as widely as possible. We tried to deploy some lateral thinking and think about students, prisoners and Army veterans. We really tried hard. We worked closely with the DWP to see what they could do to make it more attractive. There were pockets of success. Some of the smaller growers managed to attract more domestic workers, but, by and large, the problems of attracting domestic workers, which you are aware of, prevailed. It was seen as hard work. It is outside in the British weather. There were issues with the transport links to the areas where the large growers are.

Lord Colgrain: You mentioned Thanet Earth. It ran a very extensive programme. There were no English people at the end of any of the courses it ran. It is really important that we do not kid ourselves that this is going to be a solution to the numbers and that we make sure that the permits are in place.

We received evidence last week on the question of automation. It will be

at least five years until there is a commercial application to a lot of this machinery and equipment. We all want it to come as quickly as possible, but we have to be realistic. There is an awkward period that has to be properly addressed in planning.

Gill Laishley: When you look internationally, we are not necessarily a huge outlier. Most countries rely on some seasonal workers of some kind. Australia does, America does, France and Germany do. They all have a seasonal workforce. There is something about the seasonality of it that will not be most attractive to domestic workers, who want a job that is not seasonal. You are right, in that we have to accept that there is something unusual about seasonal work.

In terms of the domestic workforce, there are the other things that we are doing about the longer-term labour shortages outside the seasonal work that the sectors are struggling with and which the labour review is also looking at. We are not the only country that has not cracked seasonal work by using our domestic workforce. It is not good company, but we are in company there.

The Chair: The demographics across the whole of the farming sector are pretty appalling. Has anybody looked at the age of farmers in the horticultural sector?

Tim Mordan: I am sure we have statistics available. The figure that is normally bandied around is that, compared to other sectors of the economy, farming has an older profile. It is mentioned that the average age of a farmer is around 60, which sounds quite young to me.

That belies what happens in reality. The person who signs the cheques or whatever might be more mature, but the actual farming is done by younger people. We do not have any detailed information or data on the demographics. It is only a feeling, but it feels to me like horticulture, as a high-tech and innovative sector—I am only guessing—would possibly attract, dare I say it, a younger demographic.

Q13 **Baroness Jones of Whitchurch:** I should declare an interest. I am the chair of Rothamsted Enterprises, which is part of the Rothamsted Research agricultural institute, which has UKRI funding. I am also on the South Downs National Park Authority, which is involved in farming in protected landscapes. That is also government funding.

I want to go back to the seasonal workers arrangements that we have at the moment. There is a lot of frustration out there among farmers, growers and so on. One of the frustrations is that the seasonal worker visas are for six months. As we have heard, the growing season is changing, partly because of climate change. There are opportunities to grow for longer periods or to do two crops a year, but you cannot do that if the workers are only there for six months.

First, have you talked to the Home Office about having more flexibility in those visas, not just in the numbers but in how long they last, so that we can adapt to climate change and the opportunities there are? Secondly,

there have been stories in the press and so on about some of the newer workers from different parts of the world having to pay to come over here. By the time they have finished their work, all they have managed to do is earn enough to cover the amount they paid to come in the first place. It is almost a gangmaster issue.

What are you doing about that? How are you liaising with the Home Office to make sure that that is not happening and that people come with a proper contract that is legal and can be scrutinised?

Tessa Jones: Indeed, let me take each of those in turn, if I may. On the "six months in 12" rule, we are in constant dialogue with the Home Office across the whole range of elements of the visa scheme. It is a really good example of cross-government working in this area. We certainly have discussions about all elements of that to try to increase our understanding of the particular needs. Those conversations are in hand.

The point about worker welfare is paramount. We have a real focus on that for those who are being sponsored to come across. Where there are concerns, we are working closely with the Home Office and the Gangmasters and Labour Abuse Authority to make sure that any reports of mistreatment are followed up and that operators are treating people fairly and responsibly.

There is also, as you may be aware, a minimum wage threshold to help to ensure that people make money, which is what they are coming here to do, as well as provisions for set numbers of hours over the week to make sure that the contracts give them the opportunity to make money.

Q14 Baroness Walmsley: Can we now focus on net zero? How are the Government supporting horticultural businesses to help to achieve their net-zero targets? In your answer, could you address two particular issues? First, there are issues relating to tenant farmers and growers who grow their crops on somebody else's land. Many of these schemes are very long term.

Secondly, we are aware that the environmental land management scheme has lots of sub-schemes within it. There is the sustainable farming initiative and a whole lot of other schemes, which have been touched on earlier.

A few minutes ago in response to Baroness Willis, Mr Morden said, "We just invite bids". I am sure that is not all you do. If that was the case, people would not know which bids to apply for. I wonder whether you could go into how you are helping those in the horticultural sector to know which schemes aimed at net zero are relevant to them and which ones they have a chance of getting money from. If you could include those two factors in your reply, I would be very grateful.

Tessa Jones: I might speak generally, and then Tim might offer an extra reflection on tenancy. In terms of support for reaching what it is fair to say are challenging net-zero targets, we have a number of schemes already available through the environmental land management scheme. There were certain elements included in the prospectus that we published

earlier this year, such as growing cover crops within rotation to maintain soil cover during fallow periods and improve carbon capture.

There are a number of other elements. Some of them get quite technical, and others are elements of a longer-term scheme that need further development—the UK is not alone in this—of the science behind them, the understanding and their practical deliverability. That is something the team is working really hard on. It is a much bigger effort as you scale up across other Defra sectors, working with the newly established Department for Energy Security and Net Zero. That is a very live focus of activity at the moment.

As for signposting people towards particular schemes, I am hopeful that we do, but I am very happy to go away and check that we have done all we can. Similarly, to the point made earlier about having the word “horticulture” on the website, I am happy to ask the team to check that we have made it as easy as possible for people to access that support.

Baroness Walmsley: It is interesting that we are going back to crop rotation. Is there anything particular to help farmers find more environmentally friendly ways of maintaining soil fertility, rather than just throwing in a lot of inorganic fertilisers?

Tessa Jones: I confess that some of the details of this sit with our colleagues on the environment side and with the ambitious environmental improvement plan that was published at the end of January. There is a really rich set of measures and ambitions to improve all sorts of environmental indicators, such as soil, air and water quality. There is a lot there. I would be happy to get further detail on that, but I am afraid it is slightly outwith my area of expertise.

Baroness Walmsley: Could we address tenant farmers, please?

Tim Mordan: Just to finish off what Tessa said about soil, in the measures that were announced quite recently there is a soil assessment and the production of a soil management plan. We can go away and find out more about that.

On tenants, you will be aware that Baroness Rock did a very thorough and excellent piece of work on tenancies. She came up with many recommendations—over 70 of them—that we are working through with Ministers at the moment. There will be a response to that before too long, I hope.

Some of those recommendations were about making the current schemes, such as the environmental land management scheme and the sustainable farming incentive, as well as some of the grants I mentioned, more accessible to tenants. We have already got cracking on that. We have done what we can and have made some headway in making them more accessible.

In some ways, those were fairly quick wins. We are working through the other recommendations, and there will be a response before too long.

Gill Laishley: On the question of quick wins and trying to make these things more accessible to tenant farmers, following the changes you will just have to demonstrate that you are likely to have management control of the land for the three-year duration of the SFI. Even if you are on an annual rolling contract, that does not necessarily stop you, as it did before. There is now about demonstrating that you are likely—. I do not know whether that is quite the right word. As I said, this is not our policy area.

This is definitely a move towards saying that if it is likely that you will have management control of the land that you are bidding to include in the SFI for three years, you can make that investment. It is definitely trying to move towards the tenant farmers, even those who have been caught by the annual contract situation.

Q15 **Baroness Jones of Whitchurch:** My question is about cross-departmental working and collaboration. We have touched a little on relations with the Home Office over workers, contracts and so on, for example. In Defra's remit, there is quite a need, really, for a lot of collaboration, whether it is with the new Department for Science, Innovation and Technology or the Department for Business and Trade on imports. There are a whole lot of different departments with which you inevitably overlap.

It seems quite often that Defra is considered by some of the other departments to be the junior player in those relationships. It sometimes feels like we are asking for collaboration and making perfectly reasonable requests to the other departments, but there is a bit of a blank wall as a response.

What does it feel like on the ground? Do you have good relations? More importantly, do your interventions deliver any change within the other departments you are working with?

Tessa Jones: I will give an honest answer. All our answers are honest, but I will give quite a frank answer, if I may. Defra feels like a different department from the one I joined in 2015. I will not say whether that characterisation was true then, but since we left the European Union and repatriated responsibilities for policy and a huge amount of public funding in the agricultural sector, the tenor of the discussions has shifted a bit, including on the trade space.

We would now certainly characterise ourselves as an equal partner and a major player in everything from trade negotiations to funding discussions. We are probably one of the few departments across Whitehall with a dedicated visa scheme through the Home Office route. It does not feel like we are a junior player. Not every interest we raise will translate into exactly what we ask for, but that is the nature of cross-governmental discussion.

Certainly the lines of discussion are open. They are often really rich evidence-based exchanges. We feel very confident in our place at the

cross-government table. Tim might be able to give some examples of that.

Tim Mordan: I would not want to sound too defensive, but, rather than a junior partner, a lot of us regard Defra as a department that punches above its weight in its influence on other departments. There is lots of contact with lots of departments at different levels, some ministerial and some at official level. There is contact with the devolved Administrations and Governments. That is very frequent, at official level in particular.

The Home Office is clearly a big partner, because it owns immigration policy. We share the same building with it, so it is easy to have conversations or have a coffee with them. We have daily contact with them.

We have regular contact with the Department for Levelling Up, Housing and Communities, which we also share a building with, on issues of planning and the National Planning Policy Framework, which I know often affect the horticulture sector.

As I mentioned, we have good relations with the DWP on workers, trying to get more workers in and looking at what we can do there.

We mentioned some of the schemes that the Department for Energy Security and Net Zero, as it is now called, is interested in. We have regular contact with them on how they can help the sectors we look after.

We also have the new Department for Business and Trade. We have regular and systematic contact with them at both official and ministerial level, but we also have lots of ad hoc meetings on particular issues. The trade bit of that has a very small agritech team in it, which does lots of the outward-facing international work on agritech, giving us an agritech presence around the world in the key market countries.

Going back to the earlier question about international comparisons, through that conduit we get a good handle on the things we are doing that other countries are interested in and vice versa.

Baroness Jones of Whitchurch: You will know that a lot of the growers in the UK get very frustrated that new trade deals are being done that will mean that they are effectively being undercut. Whatever they are growing, whether it is fruit, vegetables or crops of certain kinds, they can no longer be competitive.

There has to be a trade-off, but is there any serious discussion with the Department for Business and Trade about the wider economic issues and how this affects the UK and its growing sector?

Tim Mordan: We have a whole EU and international trade directorate that is dedicated to doing just that. We are probably not the experts in that area, but, exactly as you say, we try to make sure that the sectors we look after get the best deal possible.

The only other department that I was going to talk about—there are lots of departments—was the new Department for Science, Innovation and Technology, which you mentioned. It is still finding its feet. We have made contact with the people there. We are having regular meetings with them. I know that our Minister of State, Mark Spencer, is having a meeting with their new Minister, George Freeman, next week.

There is contact at all levels. Could it be more? Could it be better? Of course it could, but we are doing all we can with the resources available to make sure that we have good contacts and get the results we want.

Q16 Baroness Willis of Summertown: Thank you very much for all of that, but what about the Department of Health and Social Care? Many people right now are talking about the horticultural sector and the benefits that horticulture can provide to society through gardening. The link between gardening and physical and mental well-being is very well established.

I saw that Defra had a green prescribing call in 2020. I just wondered whether that continues to be on the agenda, in looking at horticulture and its physical and mental well-being benefits?

Tessa Jones: We have good working relationships with the Department of Health and Social Care. On our side of the house, it is more about the diets piece and food as consumption. We can go back and check on gardening specifically. Green prescribing sits with our environmental colleagues as a piece about access to open spaces. We will just check where that falls and give you some reassurance on that.

Baroness Willis of Summertown: I would really appreciate that. Green prescribing was a National Health Service scheme that linked up with horticulture. Again, I worry that that is falling off the agenda as we move in these other directions.

Tim Mordan: We will check, but I have a couple of thoughts. When we talk about horticulture, we often think about Kent, the Lee Valley and so on, but some of projects we are working on are in peri-urban areas and brownfield sites. We have not discussed it today, but there is currently a new entrants scheme under way. We have about five suppliers with which we are working closely to look at how we can develop innovation hubs and get people excited about a career in agriculture or horticulture. A couple of those are in peri-urban areas. That feeds into what you were saying.

I am aware of Baroness Fookes's connections with the Royal Horticultural Society. I know it has done some brilliant work and its website has some excellent pages on the mental and physical health benefits of gardening, the great scope for biodiversity in urban gardens and so on. There are some great case studies on the website about individuals who have been rehabilitated through horticulture.

Baroness Willis of Summertown: The evidence base is very strong in the medical sciences, but there is a question about where this sits in the government departments and how you get those cross-disciplinary links

there. That would be my thought.

Baroness Foakes: I am particularly interested in encouraging young people, and even older ones, to go into horticulture. I am thinking particularly of ornamental horticulture, where you need a lot of skills. I am not referring to the crop picking arrangement but far beyond that, going up to and beyond horticultural degrees.

Do you have any contact with the Department for Education on this? It seems to me that there could be a very useful connection between the two. In particular, I had only this morning a letter from Baroness Barran about making careers far more professional and far better, suggesting that there should be careers leader roles, as they are called, and much greater attention given to the various careers that might be available. Surely, horticulture should be one of them. Is there any contact on that?

Tim Mordan: Yes, there is. We work very closely with the Department for Education, particularly in relation to the still new but emerging Institute for Agriculture and Horticulture—TIAH. That is now about two years into its existence. It is still doing lots of trials and pilots before it launches.

When we left the EU, we did a consultation on the big issues the industry was facing. One of them was exactly that: there is no place for people to go to have careers advice; there is no professional framework. There was no single place to go, unlike in other sectors in industry. With government support, both in kind and money, we helped get the Institute for Agriculture and Horticulture off the ground.

The problem it has at the moment is that there are too many people asking for it to do more than it can deliver at the moment. There is a lot of excitement about it. There is unanimous support for the professional framework it is going to deliver. As part of that, TIAH has a large number of young-ish people working on its cultivators pilot. Before that goes live properly, TIAH is looking at whether people are getting the right careers advice, where they can go for professional help, giving them management information on career opportunities and that sort of thing. That is a really positive and exciting step.

It will take a while before it gets off the ground and becomes very well known in the industry, but I hope that will also shift the dial for some people's perception of agriculture and horticulture. It is an exciting sector.

Baroness Jones of Whitchurch: I just wanted to follow up very briefly on the other side of this, which is non-departmental organisations. Defra seems to work with a particularly large number of arm's-length bodies. What does that feel like on the ground? There are so many: Natural England, the Environment Agency, the Agriculture and Horticulture Development Board and so on.

There are lots of them. You pull the lever at Defra, but very often another

organisation has to deliver on the ground. I just wondered what that felt like. Do we have the right number? Are the powers distributed properly? Could you see a rationalisation of some of those? Is that network working well?

Tessa Jones: We refer to that collection of bodies as the Defra group. Again, in the last seven or eight years, the links have been drawn much more closely around the Defra group or the Defra family. In a previous life, I was responsible for doing the first Defra group strategy, where all those bodies came together and said, "Let's agree that we are about a few major and fundamental things here".

Each body has its own culture and legal status. Some are more statutorily independent than others. You asked about how it feels. The leaders of those bodies sit together on a regular basis. There is definitely a sense of collective endeavour around the group, as well as real respect.

Over the period of delivering major reforms to the farming and countryside programme, there has been a sharpened focus on where the relative expertise sits and the necessity of partnership working. To take an example on behalf of colleagues, policy and programme experts designed the future farming and countryside programme and the Rural Payments Agency delivered it. The same can be said for all sorts of other sectors.

As for whether we have the right number and the powers are in the right place, it is quite a complex landscape. Successive Governments have asked that question. That will remain something that folks look at, but certainly for now the focus is on delivering a really ambitious agenda across the piece, working collaboratively and using the expertise where it exists. We know that some of the front-line people have real expertise to advise businesses and farmers, and at other times they will come to us for advice on what the wider framework is.

I do not know whether there is anything else you wanted to add on practicalities.

Baroness Jones of Whitchurch: The Chair will probably want to move on, but thank you for that.

Q17 **Lord Colgrain:** I am very conscious of time so I will be quick with my question. How well do the Government engage with external stakeholders such as sector representatives, industry bodies, and farmers and growers themselves, when developing policy?

If I can narrow this right down and just talk about red tape, we have had any number of Ministers saying that red tape will be reduced, but my personal experience is that it has not been to anything like a sufficient degree. Are you hearing this from the representatives, growers and farmers? If so, are you confident that you have done all you can to reduce red tape? It is not just the time involved but the complexity.

Tim Mordan: Gill could probably answer this better than I can, but I would reflect, having been in Defra and its predecessor, MAFF, for a long time, that we seem to be perpetually doing a review of red tape and better regulation. Interestingly, I have been involved in those exercises in the past. Sometimes there is a balance between reducing red tape and accountability for the public purse, making sure taxpayers get a good return on their money.

There are a couple of areas where I would say that things are definitely better. First, the emphasis of the environment land management scheme, which in part is the successor to the BPS arrangements, is on collaboration and co-design with industry, farmers, people who are at the sharp end of this, but also making it simpler. Rather than a rigid system in which you can apply once a year and you might then get a visit and a penalty, you can have a good relationship that is about visits, advice and so on. I have had very positive feedback about that different way of working in order to make ELMS work.

Secondly, I would go back to the farming equipment and technology fund, which is part of the grant scheme I mentioned earlier. Again in co-design with the sectors, we made that as simple as possible. If you look on the website, notwithstanding what we mentioned earlier about horticulture, there are 91 bits of kit that you can buy. It is a straightforward process, and we have got good feedback on that as well. Are we perfect? Of course not, no, but we are doing what we can.

Gill Laishley: I was just thinking this through. Working with our stakeholders, growers individually and grower representatives, is a real strength of the work we do, with near constant dialogue and collaborative working.

Red tape does not come up a lot for us, but that may be because we do not cover some of the more highly regulated spaces in Defra. I do not run ELMS, SFI or the transition from the old BPS payments. Maybe that is where all the red tape stuff is. I am interested to take this question back to our colleagues in the more highly regulated space.

From my point of view, we have a very good relationship with our stakeholders, our growers and their associations. On their behalf, we try to resist too much formal data gathering, for example. There is quite a desire in the government machine for lots and lots of formal data. We find that, by the time we have it, it is too late. We take that argument back to the central departments on behalf of the sectors and say, "What we've got is much more useful, because we have instant access to real-time data and information, which may not be statistically valid nationwide but tells you what is really going on".

The strength of that probably can be seen in the seasonal agricultural worker visas. That was a very rapid debate with the Home Office. Our teams were able to talk on behalf of the sectors with a lot of confidence because we talk to them all of the time. Every time there was another question about the numbers or what they were for, we had that to hand.

It would be interesting to take that back to other bits of Defra, where the red tape is a problem. In my space, it is not something I pick up very much.

Tessa Jones: In our review of retained EU law, there will be a focus on opportunities to remove burdens that are no longer applicable. That is a huge exercise.

The Chair: Let us not go there.

Tessa Jones: I did hesitate to mention that.

The Chair: We do not have another two hours. Lord Arran, you have to declare your interests.

Q18 **The Earl of Arran:** My great passion is the spring gardens in the West Country, et cetera, particularly at this time of year. I had a quick question.

Presumably you are very keen and more than curious to know what is happening, well and badly, in the devolved regions across the British Isles. You are also keen to learn about new innovations and techniques that come from abroad. How much do you pay attention to all that? Do you travel much?

Tessa Jones: It has been a difficult couple of years for travel. As Tim mentioned earlier, we have good connections with other Administrations, both in the EU and globally. I may invite Tim to say something about the recent trip to Canada, which had an exciting focus on innovation.

In respect of the devolved administrations, a key mechanism for us is the UK Agriculture Market Monitoring Group, which is a really important part of our intelligence gathering around monitoring and assessing the impact of market developments in the agriculture and horticulture sectors across the UK. That is where we try to spot the issues that are bubbling up so that we can act accordingly. That group meets monthly, and the notes of those meetings and the relevant data are published on GOV.UK.

That is really important for us, but it is by no means the only devolved Administration engagement that happens.

The Earl of Arran: You are swapping ideas you can both benefit from. That is good. My last question is a slightly tricky one. Listening to the great amount of skilled pickers who come at different times to this country from abroad, I presume they are genuine and do not come under the guise of being asylum seekers.

Gill Laishley: There has been a small increase in seasonal agriculture workers claiming asylum once in the UK. To some extent that is because of the changing landscape of where the workers are coming from. It is a relatively new set of data. The Home Office is dealing with that as part of the issue of immigration status. In the main, no, the seasonal agricultural worker route is for people who want to come over, work for six months and then return to their home country.

The Earl of Arran: They want to go back.

Gill Laishley: For them to be seasonal agricultural workers, it is a requirement of the scheme that they return. For the operators that operate these schemes for the Home Office, that is a part of the contract they have an obligation to fulfil.

Q19 **Baroness Willis of Summertown:** I now come to the REUL Bill. It is right at the very end, so you have answered some of the questions on the way. We are now up to 1,781 pieces of environmental legislation in the REUL Bill, if the dashboard is correct. Do you know how many of these are relevant to the horticulture sector? From your own perspective, which ones are of most concern?

Tessa Jones: I do not have the horticulture number. I know that across agri-food, as we call it, there is a significant number in our space. It has been a big focus for the team to work through these piece by piece and assess them. We can check whether they can break out the number specifically on horticulture.

We are looking for opportunities to ease burdens on growers. In some cases this is an easy call, where we are removing redundant things from the statute book. There is a 1998 piece of legislation about grubbing up apple orchards that had a 15-year length of time. It still sits there and has been transposed, but it has no practical effect. The legal preparations have been intense, but we are advancing that piece of work.

There is nothing intended for repeal that will have a negative impact on growers. As I am sure you and colleagues are aware, there is a wider set of decisions to make about how to progress.

Baroness Willis of Summertown: Who is scrutinising the decisions you are making on this to make sure they do not have an adverse effect, for example, on the environment or on biodiversity?

Tessa Jones: Do you mean external to government or within government?

Baroness Willis of Summertown: Yes, external to government, within government or even within Defra. How many checks and balances do you have? This idea of reducing burdens on the grower might be great for the grower, but not for biodiversity.

Tessa Jones: There are a number of strands to that programme of work. There are policy officials with expertise in those areas and central teams that are looking at the package in the round. They are working hand in glove with legal colleagues, and then Ministers will make final decisions on that package.

Of course, there are all of the usual checks, balances and scrutiny. I know colleagues in both Houses are taking the Bill through Parliament, and then there is also the usual scrutiny externally from bodies including the new Office for Environmental Protection.

We are not short on scrutiny. We would probably like a bit more time in the day to work through the massive volume.

Baroness Willis of Summertown: No, I understand that.

Gill Laishley: Lord Benyon confirmed in Committee on the Bill, so it is on record, that Defra's approach is to retain EU law unless there is good reason to repeal or reform it. We are working to that statement, and we would expect the House to hold us to it.

Baroness Willis of Summertown: It would be good to get the data on how many of those have horticultural relevance.

Baroness Fookes: When you are considering all these matters of retained European law, do you have a checklist? "Is it totally redundant? Does it need updating? Can it be made simpler?"

Gill Laishley: We have made really good ground on working through the huge amount that is relevant to the farming sector and horticulture. So far, the vast majority that have been identified to be allowed to sunset or to repeal have no impact at all. As Tessa said, some are no longer relevant and some, indeed, were never relevant to the UK because they are about olive oil, which we do not produce.

The numbers look huge, but the vast majority are nothing to worry about to an extent because they are doing nothing. For the rest, there is a scrutiny process. Do we keep it as it is with the future ability to amend it if necessary? That is the next step up. Then there are the ones that are more likely to need some amending straightaway. There is a diminishing number as you go through that process.

Each piece is looked at and scrutinised. We are working through those in a very methodical way, with our lawyers, and then there is scrutiny in both Houses to make those changes.

Tessa Jones: Yes, there is a checklist. Our categories are reform, replace and repeal.

Baroness Walmsley: First, how long does it take for one piece of European law—I am thinking about those that need to be looked at, not the redundant ones—to go through all the processes you have just described?

Secondly, is there any particular area that you are a bit afraid might fall between departments and not get looked at? What sort of thing keeps you awake at night?

Tessa Jones: On your first question, do you mean how long it takes to do our assessment or to make the legislative change?

Baroness Walmsley: How long does it take to do the assessment and decide what legislative change is needed?

Tessa Jones: It depends on the size and complexity of the piece. Some of them will be quite niche, such as a marketing standard on a specific commodity. Others will be much broader. It is variable. That work is spread across those who are experts in the field.

You asked what might fall between cracks. This happens in all sorts of areas where things are multidisciplinary. There is a convention that one department eventually puts a hand up and says, "We will lead".

Baroness Walmsley: There has been a departmental reorganisation as well.

Tessa Jones: Yes, but there will always be a lead name. Somebody has a master spreadsheet. We will make sure there is a name against every item, even if it is a bit of an imperfect solution.

Baroness Jones of Whitchurch: I am trying to understand the process here as well. You look down your 1,700 or whatever pieces of legislation, and you put some in the repeal box. Say there is one to do with the storage of seeds or something that looks fairly simple. Going back to Baroness Willis's question, at what point do you check that with the people on the ground who might be affected by it? That might be the growers, local nurseries or whatever.

What is the external validation of your decision to put it in the repeal box? Is there still an opportunity for you to review it, having found out on the ground that it was more important than you might have thought in the department?

Tessa Jones: We are still working through the exact process, when we get to the stage of knowing what that indicative list would be. As colleagues have said, external engagement is part and parcel of what folks across the team do. I would like to think we would be fairly confident. Often, there is a variety of voices. There will not be a single impact; there will be some people who want to see a change and others who do not, depending on their interests.

I would hope it would be broadly known, but, in taking the package through to changing the statute book, we would always have that final chance for scrutiny.

Baroness Jones of Whitchurch: You might review or reverse your decision at that point, if you suddenly realised there was more of a consequence than you had thought of originally.

Tessa Jones: That would happen before the final change was made.

Q20 **The Chair:** This is the final question, so you are into the home straight. What are the priorities for the department going forward? What are the opportunities and risks that Defra specifically is looking at over the next few years?

Tessa Jones: The broad priority is to boost production sustainably and to have a thriving, innovative, productive and competitive sector. As your

opening question indicated, it is not just of huge economic value. As we have seen in the last few weeks in particular, people care about where the food on their plate comes from, and they derive huge pleasure and well-being benefits from gardening and the ornamental sector. That continues to be a priority.

Today it has been very useful to flag some areas where we should go back and check whether horticulture is called out and specified enough in the broader efforts we are making. That has been very helpful. The huge delivery vehicle is to spend this £270 million well; to make sure, as Tim said, that the innovation translates into wider market take-up and transformation of the sector; to evaluate that properly; and to continue to be a leader globally in that sector.

It would be remiss of me not to say that there are also continuing and really difficult challenges around global input costs and energy, notwithstanding that energy prices are stabilising a little. The labour and skills conundrum is also a real focus for us going forward in this sector and more widely. There is a lot of opportunity, but there are some tricky challenges to work through as well.

The Chair: Thank you very much indeed. That is quite a long time to face questioning. Thank you for being so expansive in your answers. That leads to the end of the committee's evidence session.