



Horticulture Sector Committee

Corrected oral evidence: The horticultural sector

Thursday 20 April 2023

11.35 am

Watch the meeting

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

Evidence Session No. 8

Heard in Public

Questions 93 - 99

Witnesses

[I](#): Jo Lambell, Founder, Beards & Daisies; Boyd Douglas-Davies, Director of the British Garden Centres and Chair of the Ornamental Horticulture Roundtable Group; George Hillier, Director of Property, Hillier Nurseries.

Examination of witnesses

Jo Lambell, Boyd Douglas-Davies and George Hillier.

Q93 The Chair: I thank our witnesses for turning up. We are starting a couple of minutes late. Can I start by asking you a generalised question so that you can give some background about you and your organisation? What is the value of the UK horticultural retail market both to the UK economy and to UK households more widely? Jo, could you start?

Jo Lambell: I am the founder of Beards & Daisies. We are an online house plant retailer. We have been trading for eight years and are a family-run business. We are the second largest house plant retailer in the UK.

I have some fascinating stats on the house plant industry. We have grown exponentially through the pandemic. In 2018, the market was worth £2.2 billion, and it has grown to a whopping £4.5 billion today. In 2021, it was worth £7.6 billion. In our business alone, in the 12 months from March 2020 to March 2021, we grew by £4 million in UK house plants, so it was a huge time for us. There are some incredible stats. The average household buys two plants per month. They spend £306 per year on house plants and 35% of Brits purchased a house plant last year, so it is a booming market.

Boyd Douglas-Davies: Good morning. Thank you. I am a director of the British Garden Centre group. We are the largest family-owned group of garden centres in Britain with 62 centres in the UK and three production nurseries. I am also chairman of the Ornamental Horticulture Roundtable Group and the immediate past president of the Horticultural Trades Association.

I can trump Jo's numbers with a bigger number, which is total horticulture value in the UK. Back in 2019 it was at £29 billion. It is forecast to grow by 2030 to over £42 billion, and that forecast was created pre-pandemic, so we can add some to that number. The scale of our business is that we are a £200 million business in the UK, with prediction to grow to beyond £300 million by 2030.

When we talk about value, we all assume we are talking about pound notes, but, of course, the value of horticulture to our world is far greater than the money. The value to our environmental policies and the value to our health, both mental and physical, is beyond measure, so I would add those as value measures that we should be talking about beyond the pound value.

George Hillier: Hi. Thank you for inviting me to talk today. I have a confession from the outset: I am not Robert Hillier.

Boyd Douglas-Davies: You look just like him.

George Hillier: He is actually sitting just behind me. My name is George Hillier. I am Robert's son. I am director of property at Hillier Nurseries, a

fifth-generation family business founded in 1864. We are one of the UK's largest growers of mature and semi-mature trees. We farm an area of roughly 700 acres and we produce between 40,000 and 50,000 trees per year. We are also a retailer. The retail arm of the business has 22 garden centres based across the south of England. We produce our own plant material for retail in those centres, and we produce as much as we possibly can here in the UK. We have a growing facility based in Hampshire where we produce that stock.

Both Jo and Boyd have covered the numbers sufficiently well. The only figure I might add is that in 2019 horticulture indirectly employed 675,000 people in the UK and, essentially, garden plant sales in the UK were worth £2 billion. That is talking about pound notes, and I want to talk a bit more about some of the other benefits that the horticulture industry provides. First, for the environment, fundamentally, horticulture is a force for good. Plant material sold in the UK sequesters carbon and stores it, so it takes carbon dioxide out of the air and effectively stores it and releases oxygen.

Boyd touched on mental health and well-being. What was amazing, and was probably brought home by the pandemic, was that when we were given permission to reopen as an essential retailer it brought benefits socially. Horticulture is often at the centre of communities not only for groups and societies but even just between groups of neighbours. Horticulture is a key part of what happens and what brings society together, in our opinion. Social value is absolutely at its heart.

In terms of caring for your neighbours, how many people did we see during the pandemic helping and supporting gardening and being in their gardens? It is where people socialised. Horticulture puts people back in touch with nature. People are spending time in their gardens. They are observing. It makes them more observant about what is happening in climate change. Particularly when we see shifts in weather patterns, when you are in touch with horticulture they suddenly become much more obvious.

Q94 **Baroness Buscombe:** Starting with you, George, if I may, what are the immediate challenges facing retailers today? I know some of your nurseries. I know Boyd's too. Some of them are garden centres, which is a broader thing than a nursery. A certain amount of your business, of course, is customer-facing with cafés, selling machinery and all sorts of add-ons. It would be interesting to know to what extent you rely for a flourishing business on some of those add-ons, if I can call them that.

George Hillier: Garden centres have changed a lot over the years. It is probably fair to say that they sit somewhere between out-and-out retail and almost a leisure activity, because quite often we have visitors to our stores, perhaps three generations of the same family, who are there not only to look at the horticultural products but perhaps to get a cup of coffee, a piece of cake and maybe spend some time with family in that environment. That is an important societal facility.

On the challenges, I thought the first session was absolutely fantastic, and it was amazing how many similarities there are in what has happened with British-grown plants for sale in this country. Production has been in decline for decades. There are many factors, many of which mirror a lot of the things that you have already heard. It is now dominated by Europe. Figures released by Defra show that 91% of the plant material sold in the UK has its origin outside our borders. That means that the seed, the plug plant or even the finished item itself started out somewhere outside our border, and that is not right.

My belief is that we have to encourage investment in the sector, and we have to start at the beginning. Education is a huge part, and then the training that follows it up. In our education system, there is very little that promotes people coming into our industry, and the training that is provided is limited. Those are real challenges in getting in the next generation who are going to be the next horticulturalists for us.

On the training side, we at Hillier have invested in and launched our own training and development hub. We are now a government-accredited employer/provider of apprenticeships. We had to bring that to the table because it was the only way we could find to get the right training and experience for people coming into our business, whether on the growing side or the retail side. We were able to do that partly because of our scale. We had to do it out of necessity, but the point is that smaller organisations will not have that facility.

Baroness Buscombe: Boyd, do you want to add anything to that before we go to online?

Boyd Douglas-Davies: Yes, please. I would love to. There are a couple of points. You asked about the value of everything else that happens in a garden centre. Some 30% of our business is about plant retailing. We are very proud of that number. It does not sound a lot, but as a garden centre operator I can assure you that still to be selling 30% of everything through the till as a plant is a big number. The reason we have all the other things is to ensure that we have year-round employment, because plants have a seasonality piece to them despite us selling house plants through the winter and so on.

We employ 2,700 people, of whom only 90 are seasonal workers. Everybody else has a permanent position with us in our company, and that is because we have a diverse offer that allows us to keep trading and create profit every month. That is where those other items fit. I believe that by having other activities we bring people to a horticultural establishment, maybe for the first time for our lovely Sunday carvery, but they then walk back out through the plants and they discover plants, so they have a purpose to play in broadening our marketplace as well.

I was delighted when Baroness Jones said 2030 earlier, because that is a date I would love to hear more often, but unfortunately some others in the building believe that the peat ban should come in much earlier. It is complete nonsense to bring it in any earlier. The very earliest that the

industry can accommodate it is 2030. That is the single biggest challenge, in answer to the question of what the challenges are right now for our business. We have stopped our investment plan while the threat of a 2026 ban on peat with the use of plants is in the air. The scale of that issue is based around our knowledge that, of the 8 million plants we sell a year, 51% are produced in the UK. That is a big number, but 49%, of course, are coming from Europe.

I have just come back from an extensive tour of nurseries in Europe. There are no nurseries in Europe that are on the peat-free journey like the Brits. British growers are way ahead of everybody else. I would say that nurseries abroad are 10 years behind where we are in Britain on this journey, so 2030 is a stretch target for them. If we bring in a peat ban in 2026, on current figures we will be 4 million plants short. There is not the production in the UK to satisfy what we need as a company, let alone the rest of UK retail horticulture.

If we consider what happens when plants are not available in spring 2027 in garden centres in Britain, what is the impact of that ban? The unintended consequences are beyond consideration. The biggest serious challenge we face as a retailer right now is the suggestion that being able to ban peat-grown plants at such an early date is even on the table. That is just not something that should be considered. It is the single biggest challenge we face.

Baroness Buscombe: Thank you, Boyd. Jo, Covid probably helped the online boom. I have some bare root roses being delivered this afternoon—overnight delivery. Through Covid a lot of us started doing more online. Your business is booming, but what are the challenges for you?

Jo Lambell: We are obviously suffering at the moment with inflation, the downturn in the market and the cost of living. Our nursery is in Essex. We have a fulfilment warehouse and a number of polytunnels that we have to heat. We have tens of thousands of pounds-worth of tropical house plants that we are trying to store in heated polytunnels and trying to replicate the glasshouses of Holland, because the market is so heavily dependent on Holland; 95% of our plants are imported. Later, I will talk about how we are moving to some UK-grown house plants.

Our costs for heating the polytunnels have more than doubled since last year. We now have gaps in our range where growers in Holland are no longer providing the same depth of range because they face the same struggles in heating the glasshouses, so they are consolidating their range. They face the same pressures. The demand is there, but we are simply not able to offer the same variety and number of plants that we used to.

The Earl of Arran: Of the stuff that you all import, how much do you worry about disease?

Jo Lambell: From a house plant perspective, there are a couple of plants that we did not sell pre-Brexit—coffee plants and olive trees. For us, it is quite challenging because we are able to sell fewer varieties, and we are very low risk despite the fact that we are inspected and follow the passport regulations and so on.

The Earl of Arran: Is it the same at Hilliers?

George Hillier: We are extremely conscious of biosecurity. If we look at what has happened to the industry over the years, we have been too slow to react. We have allowed material into the country that has led to the devastation of native species of trees and plants, and there are still many threats around that could be really significant. It was great to hear that British garden centres are at 50% because of what we do in our own production facility. We are at 85% UK-grown crops, and as many of those as possible are grown on our own facilities. One of the key reasons behind that is biosecurity, because it is really important. At the end of the day, we believe that a UK-grown plant planted in the UK will do better because that is much more like the environment it was grown in.

The Earl of Arran: Disease on foreign imports is quite hard to detect, is it not?

George Hillier: It is quite scary when you start looking at some of the nasties that are out there; we have seen the decimation of the elm tree and then we had ash dieback. There are countless examples where things happened because we did not react quickly enough. If you look at the policies of other countries, New Zealand and Australia in particular, which we have talked about, they have much stricter rules on what can happen in terms of bringing in material that has then led to risks.

Lord Colgrain: This is a question just to display my ignorance. Where are the continental nurseries getting their peat from?

Boyd Douglas-Davies: They are getting it from Baltic states. It is coming across from eastern Europe, largely. They do not bring it from our peat bogs in Britain. They source it from their own side of the water.

George Hillier: Do you mind if I say one thing about peat? Our nursery is peat-free. It has been hard to get there. We have been there for some time on trees. One of the key issues around peat is the plug plants that supply the industry, and that is where the Defra figure of 91% from outside has its origin. The young plants that people are buying will have peat in the mix they are grown in. As you said, the legislation is different there. There is not the infrastructure and investment in this country in propagation to fulfil the market's needs.

Q95 **Lord Watson of Wyre Forest:** Boyd, how easy is it for retailers to measure their environmental footprint, including from overseas trade?

Boyd Douglas-Davies: It is not easy at all. Part of the problem is what you are measuring. There are two sides to the environmental footprint. There is what we can see as our carbon footprint but also the green

handprint that we are leaving behind, because everything we do as an industry creates an environmental bonus. Are we measuring both things and putting the two together? How do you take that and go across to Europe and establish what the international measure of a carbon footprint is? I do not believe there is an international measure at the moment.

We currently source, as you have heard, nearly half our plants from abroad. We also buy many other products from abroad that are just not manufactured in the UK. As retailers, we are dependent on the Far East and other countries for some of the range we sell. Talking to other countries about how they create a measure is beyond our capability as a small retailer in the British Isles.

We have 62 garden centres spread across the country. Every single one of them is a different building, has a different footprint physically and is constructed of different materials. Yes, we have lots of different ways of doing that, but it is a very onerous task, and for a business it is yet another piece of work in a challenging time when we are challenged to produce a business that is making a profit to support the 2,500-plus families in the UK that we support. It is another contentious issue. Burden is a very good word.

Lord Watson of Wyre Forest: Understood. Jo, from your opening remarks, we sound like a nation of house plant lovers. I think you said we spend £306 per household on average per year. Is that because none of us actually knows how to look after house plants, they all die and we have to buy them the next year?

Jo Lambell: It is interesting. We did some meaningful research with 20,000 pieces of feedback in 2021, and most people deemed themselves to be newbies—new to the industry—but that has changed now.

Lord Watson of Wyre Forest: There are a few of us here who might follow up for some tips, but we will do that offline.

Baroness Buscombe: I notice that you have one section online that says “Unkillable plants”. I thought that was rather brilliant.

Jo Lambell: Unkillable/low maintenance. We talk about it being for those new to plant parenthood.

George Hillier: Could I comment on carbon footprint measuring? I think Ali spoke very well about scope 3. Scope 1 and scope 2 should be relatively simple for everyone to do. Scope 3 will be much more challenging, and organisations will benefit from support from third-party organisations to ensure the accuracy and completeness of the information. That can be expensive and particularly prohibitive for SMEs.

I think everyone in our industry is aware of the risks posed by greenwashing. They are so worried that the new phenomenon is actually greenhushing, where organisations too afraid to promote sustainability wins choose to say nothing for fear of reprimand on other matters. It is absolutely crucial that organisations measure their carbon footprint

whatever their size so that they have a base to work from and can see the journey and progression as they reduce their carbon emissions. There are free tools online. At the end of the day, the lion's share of scope 1 and scope 2 will be in energy usage.

We have been working with an organisation called Planet Mark on carbon footprint reporting for the last four years, and we have successfully reduced our carbon emissions as a result of our actions in that collaboration. We are putting particular emphasis this year on scope 3, both up and down stream in our supply chain. That means that there will be a lot more challenges because that data, as Ali said, will not be collated by some of the suppliers and they will not be used to being asked for that data, so that will definitely represent a challenge, but it is something we have to do.

Lord Watson of Wyre Forest: Boyd, that seemed like quite a comprehensive approach to an environmental footprint. Why do retailers find it harder?

Boyd Douglas-Davies: Because it is a massive task. If you are to take the full extent of measuring everything and doing it properly and getting to a point of absolute clarity, there is a huge amount of work across numerous sites and it is another cost, and costs are piling up. There are a lot of obvious costs that as an industry we face at the moment, but that is an additional cost that we need some support for, and we need some consistency in the measure. As soon as you bring in the international piece, understanding all the complexities and talking to a grower abroad about the journey the plant has come on when you are buying in the open market on a Tuesday morning in Holland, it adds a lot of additional day-to-day practical challenges.

The Chair: Can I ask a question on that? I know that Planet Mark was working with the Eden Project. It was raised in the last session. Should there be one carbon reporting methodology?

Boyd Douglas-Davies: Absolutely—one process that everybody can understand, because then immediately you are all on the benchmarking. We can all measure ourselves and say, "How are we really doing?", and we can look to the best in the industry, learn from them and follow their lead when we all agree that we are measuring in the same way.

The Chair: Which should be the organisation that brings that all together?

Boyd Douglas-Davies: George sounds like an expert to me.

George Hillier: No, I will not pretend that we are experts. Fundamentally, we are horticulturalists, but we are doing the best we can, and we are getting advice from third parties. Realistically, there is a real willingness and drive within our industry to do this properly. From what I have seen, some of the trade organisations have done a good job

of bringing people together to look at how things can be done in a more responsible way.

The Horticultural Trades Association has a programme on reference sites where sites have done work to reduce carbon emissions through solar PV, insulation, changing heating strategies, taking gas out or recycling materials, and then those reference centres are open for other HTA members to come and see how those organisations have done that and then take some of the good stuff back to their centre. If we are looking for a central organisation to help us lead on that, I would definitely promote it.

Baroness Fookes: There seem to be such difficulties in finding a common standard and getting it enforced, if I may put the idiot question, is it worth doing? Is it not more important to concentrate on the particular measures that will reduce carbon footprints or improve the environment?

George Hillier: Do you know what? It is a journey. The first time we measured our carbon footprint in its entirety, we as a board sat down and said, "Right, how do we do this?" We are not environmentalists. We need support to understand whether the data we are providing is actually accurate, so we got some support, but that first measurement was our line in the sand. That was as it is, and for everything we have done since then to reduce our carbon emissions we have been able to look back and say, "Was that a success or not? Have we reduced our actual emissions or not?" Without that, you are guessing.

Boyd Douglas-Davies: The important thing is that we fundamentally make Britain better. Nobody is arguing that plants make the place a better place to live in. I am sure all of us enjoyed the blossom as we travelled here this morning and thought, "Spring has arrived. Fantastic", and saw the blue sky above it. I took a photograph of it just outside. That is brilliant. We should be working together on how to get Britain planting more because of what it does, fundamentally, for our mental and physical health and our social spaces. Without plants, we have nothing, so we should be focusing on the benefits as well. We are in danger of spending a lot of time working on numbers while ignoring the actual plus side, so we have to make sure that we are balanced in our thinking.

Baroness Fookes: Most of these plants come in plastic pots, do they not? Then there is the issue of the plastic pots and recycling.

Boyd Douglas-Davies: In 2017, our industry took on the plastic pot challenge, and we converted to a pot that is completely kerbside recyclable. Unfortunately, most council authorities in Britain refused to recycle the plastic pots, so we have a massive challenge. We as an industry took that on and we worked hard on finding a solution that works UK-wide, so somebody somewhere needs to tell local authorities to recycle these pots, because it can be done. It is not down to the industry. The industry made the first massive move, and in 2017 we achieved that. We moved to a recyclable pot that can be reused, yet we still battle with

local authorities that refuse to take them because “they are dirty”, “they are contaminated”, and other such nonsense. It just drives me bonkers. We have been working on this for a long time, and we need some support.

Q96 **Baroness Walmsley:** That takes me very nicely to my question, which is mainly aimed at you, Jo, because you obviously have to package all your materials that are sent out by mail order, and that is a real challenge when it is a matter of getting rid of plastic. Could you tell us how you have solved the problem?

Jo Lambell: As an industry, it is utterly flawed. We have thousands of trays that we cannot return. They also come in plastic transport sleeves. There are a small number of growers that have sustainable options. We are in the process of applying to be a B Corp right now, and we are quite proud that all our packaging—

Baroness Walmsley: What is a B Corp?

Jo Lambell: It is a marker of sustainability in both business and community. All our packaging was 95% recyclable, and we became 100% earlier this year. We have always absorbed those costs, but it is super-challenging because we still have to import our packaging from Holland. They are the absolute experts. We sell everything from a tabletop prayer plant to a 2-metre palm tree throughout the UK with UK couriers. The expertise still sits with Holland. We are importing packaging from overseas that we would much rather keep here.

Baroness Walmsley: Recyclable and recycled, as we have just heard, are two different things, are they not?

Jo Lambell: Yes.

Baroness Walmsley: In some products, the Government are now saying that the retailer has to take the packaging back.

Jo Lambell: Yes.

Baroness Walmsley: How would that affect your business? If you sell me a plant in a pot, I shall use that pot 100 times, but not everybody is able to do that.

Jo Lambell: Yes.

Baroness Walmsley: How would that affect you? If your business had that duty put on it, how would you cope?

Jo Lambell: We have a great initiative currently with one of our UK pot suppliers that is willing to take back all our plastic trays. All of their pots that we use are 100%. They are decorative outer pots and are 100% recycled produce. The supplier will take our plastic trays, repurpose them, and we will buy them back as pots. That is quite a special scheme.

Baroness Walmsley: They make a new product out of it.

Jo Lambell: Yes.

Baroness Walmsley: I see. Okay. It is a bit niche, is it not?

Jo Lambell: It is incredibly niche, yes.

Baroness Walmsley: What about our other two witnesses?

Boyd Douglas-Davies: Bringing pots back to the garden centre happens all the time. We encourage customers to take the pots away again. Those like you who want to keep growing more and more can get free access to pots. The pots can go to be recycled, as I said earlier, and there is a huge range of products that can then be made. Garden furniture can be made. Decking can be made. There are so many things that can go back into the garden space from that recycled product, but you get into all sorts of discussions then about the cost of bringing that back and the transport.

The best possible recycling scheme would be kerbside where you only have to walk as far as your wheelie bin, and then it gets back into the system. That would be the best way to capture them because it would be a nationwide comprehensive scheme with no burden on an individual, and therefore they will do it.

Baroness Walmsley: If they have the technology to recycle.

Boyd Douglas-Davies: All recycling authorities have the technology to do it; they just choose not to do it at the moment.

Baroness Walmsley: Perhaps we should recommend that they are forced to.

Boyd Douglas-Davies: It is an absolute must, yes. In the same way as we talk about drink bottles, let us talk about plant pots.

Baroness Walmsley: What about compostable packaging?

Boyd Douglas-Davies: There is some good stuff out there. There are even pots that you can plant straight into. In one of these sessions a few weeks ago, Baroness Fookes asked about plants grown in pots that you can plant straightaway. The challenge with those is that many plants grow at a slow rate, so you cannot start the plant's life in that pot because it will have composted before the plant ever gets to the garden centre. You run the risk of a two-part process to grow it in a reusable pot. Of course, you want to go through the whole plant health security thing of sterilising the pot and so on to put it back into production, and at the last stage you could put the plant into a compostable pot.

I have seen garden centres trying to do a pot swap at the point of transaction when they take the plastic pot off at the till point and put the cardboard pot around it, and then the cardboard can compost in the home composting. Realistically, that is beyond the ability of most garden centres on the bank holiday Monday that is coming up. That is just not going to happen unless somebody can provide us with an awful lot of

bigger car parks to accommodate the people for the time it is going to take to do that process. Eight million plants a year would take a lot of pot swapping.

Baroness Walmsley: Is there any scientific development?

Baroness Jones of Whitchurch: I was just going to go on to exactly that point. We should not be using plastic in the first place. What are the alternatives? We have strayed on to that. It seems so obvious to me that there must be other materials that are genuinely compostable and recyclable. Rather than getting hung up on whether a local authority will recycle our plastic pots, we should move away from plastic totally and find other materials.

Boyd Douglas-Davies: We can find an alternative, but the plastic is a fact of life today, and tomorrow we could kerbside recycle. We could change it that quickly. I cannot, but you could. You could make that difference for us. We could then be working on other things. Of course, everything comes at a cost. If we have to find millions and billions of plant pots a year and replace them with something else, there is actually a cost to everything we are going to use. The woven coir pot that is used starts in Sri Lanka or India, so what is the carbon impact of bringing all those across? There is a cost to that. We need to be really careful that we do not switch from an issue to a worse issue, and that is part of the challenge. That is where we should be going, but we need help and we need research and development funding to understand how the long life of the alternative will work in our environment.

Lord Carter of Coles: Are all local authorities refusing kerbside recycling?

Boyd Douglas-Davies: No, that is the frustration.

Lord Carter of Coles: Some are, so we could reference some that are doing it.

Boyd Douglas-Davies: Absolutely.

Lord Carter of Coles: Perhaps you would let us know who is doing it.

Boyd Douglas-Davies: We can give you a list. That proves that it can be done because there are people out there doing it.

The Chair: It all depends on the recycling plants that they have to hire out. Sorry, I used to work in this.

Baroness Jones of Whitchurch: The Government have announced that they are going to have a standard for recycling, so that all local authorities have to meet the same standard rather than all doing it differently. I think we are just waiting for the date for that to be implemented.

Baroness Buscombe: Why do we not all just put our pots at the bottom

of our recycling bins so that they do not realise they are collecting them? If they are going to be difficult, we can be the same.

Boyd Douglas-Davies: Half way up, because when it tips out if they are at the bottom they are then on the top and they see them.

Q97 **Lord Sahota:** George, how widely available and commercially viable are sustainable alternatives to peat, pesticides and fertilisers?

George Hillier: We have had many years of finding alternatives for pesticides and fertilisers. To be fair, there are alternatives available, whether on a commercial basis or even in our own gardens. I do not think there is much of an issue with an alternative to those. Peat is the bigger issue and the one that we have been talking about already. From our perspective as a peat-free nursery operation that we have alongside our retail, the issue is with the shortage of alternative, and crucially, sustainable materials.

Charles Carr runs our nursery, and at one point he said—because we have compost delivered—the gap between deliveries during some of our peak potting periods is too big, but that is because the producers cannot get enough of the raw materials. As Boyd rightly said, we cannot jump out of the fire and into the frying pan on this and start using something that actually has a worse net result on carbon emissions than the current alternatives.

Lord Sahota: Do you want to add anything, Boyd?

Boyd Douglas-Davies: The single biggest alternative is wood fibre, but wood fibre is being pursued by the energy companies as their source of alternative fuel. We are in a position where we are competing against a subsidised industry that is consuming all of that product, so what we get left with as an industry are the leftovers. There is not enough left over for us to go completely peat-free at the moment. There is the period of time it takes to produce that product, of course. The green waste that people talk of is completely unstable as it comes out of recycling centres, so there is a huge amount of work involved in that.

To bring coir from elsewhere in the world has its own impact. The volume of quality, sustainable, consistent peat-free material is the biggest challenge. If we push our button on plants being not grown in anything but a peat-free alternative, there simply is not enough product that we can see in the UK available by the end of 2026. Plant production will be hampered. If we cannot produce plants, there are other problems. A consistent, reliable and sustainable alternative is just not there at the moment.

Lord Sahota: Thank you. Do you want to add anything to that, Jo?

Jo Lambell: We have just this year moved 5% of our house plant range to a UK-grown 97% peat-free nursery—Hills in Chichester. We are one of the first retailers to do that and really shout about it. The transparency is not there when buying plants from Holland. With packaging, you can see

it if you choose a paper sleeve and a cardboard tray. That visibility is not there for a peat-free house plant, so we are not even able to make an educated decision and pay the premium to have a peat-free alternative. We are a long way from being able to buy peat-free house plants from Holland.

The Chair: An issue raised in other committee sessions was that there do not seem to be the standards around peat-free that you would expect. Is that an issue you have come across?

George Hillier: It is an emerging market and an emerging product. We have seen vast development. When we first started using peat-free media, it was pretty hit and miss, but it is getting better. It is different. It holds water differently. It holds nutrients differently. Of course, not only does that mean re-education at production facilities but for retailers and the end-user if they are going to keep it in peat-free. Some gardeners only have pots. They have a balcony, so that is their garden. They will have to learn how to use peat-free. The issue is the volume of supply of those raw materials, as Boyd says. There is not enough. We cannot make the mistake of doing something that is more damaging for the environment just to say that it is peat-free.

Boyd Douglas-Davies: You have to bear in mind that it is a bit like making a meal. If you are making a peat-based compost, it is a bit like making beef Stroganoff. The same things go in day in, day out, so you can measure that and decide what is good or bad. All the peat-free alternatives are completely different. It is like measuring chicken Kyiv against beef stroganoff. They have two very different tastes. If you put in sheep's wool, that is a very different consistency from coir or wood fibre. When creating a standard for what a good peat-free compost is, immediately you have so many different ingredients, all of which can work, but it is about training people. They are all different. The outcome of peat-free gardening is that it will be difficult, but more importantly it will be different, and education of the consumer will be needed.

Every peat-free plant grown in the UK at the moment is fed on a daily basis. That is not what you have to do with peat-based plants. Every plant that is loaded on a lorry immediately starts to starve. It goes on its journey to a garden centre. From the garden centre it goes to the customer, and then it might get fed again, or it might get fed at the garden centre. It certainly is not guaranteed that, and that is a big problem. Plant health will be a very big issue when we move to peat-free production.

George Hillier: That said, there is a real commitment from our industry to go peat-free.

Boyd Douglas-Davies: Absolutely.

George Hillier: We know that it has to happen and we have to make it happen as quickly as we possibly can, but we cannot do something that is detrimental.

Boyd Douglas-Davies: Yes. That is why we were delighted by the 2030 announcement earlier. Thank you. We will stick with that number.

Baroness Jones of Whitchurch: It was not our announcement.

Boyd Douglas-Davies: It has to be a realistic date.

Q98 **Baroness Fookes:** George, are there any particular challenges in working with, or in competition with, EU countries and other countries beyond them?

George Hillier: From a retail perspective?

Baroness Fookes: Both production and retail.

George Hillier: The concept of bringing in material that has been produced elsewhere presents an issue with carbon emissions because of the logistics involved in actually getting it to where it is then sold. That is fundamental, and it is always going to be an issue. Anything that we bring in will have a bigger carbon footprint than if we had been able to produce it here. There is an issue with flexibility of range from EU suppliers because of the demise of propagation and nursery-grown plants here in the UK. It is now predominantly European, and they have a range, so growers and retailers can only pick from the ranges that they are producing because there is nobody in the UK who can offer an alternative. The other thing is increased cost. The costs, alongside the carbon emissions, of transporting those goods to the UK will impact margins and profitability.

Baroness Fookes: What about biosecurity in production? A lot was said earlier about the effect of pests and diseases. That must surely be an issue when you are importing.

George Hillier: Absolutely. As I said earlier, we have not done enough in the past to protect our climate and our native species from imported pest and disease. We have seen the impacts of that over decades, and it is still a big risk. There are things in other places that we do not want to—

Baroness Fookes: Xylella, presumably. It infects a great many plants.

George Hillier: It does.

Baroness Fookes: It is not really specific.

George Hillier: It is not specific and it can lie dormant for up to two years, so it is very difficult to detect. It is prevalent in southern Europe, and, as you say, it can infect a multitude of species and plants that can come in.

Boyd Douglas-Davies: Since Brexit, we have had a huge challenge in the costs of bringing plants from abroad. The paperwork has changed, and we have adapted to fit the paperwork, but it costs us an additional £15,000 per week in administration for all the paperwork that suddenly came in. It made no difference whatever to what we were doing the week

before or the week after Brexit arrived. The cost of trading with Europe is that it created a whole industry of paperwork.

One of the biggest challenges right now with bringing plants from abroad is something we call dark time. When a plant goes on to a lorry, it goes into dark time, and we want to keep the minimum dark time on a plant's journey. Now, unfortunately, the plant health inspection process can add 24 or 48 hours of dark time to a plant's journey, and when you consider that may be only a 24-hour journey it could treble the time the plant is spending in a completely unhealthy environment. To me, it is wrong to leave 43 trolleys of plants in the back of a lorry for an extra 24 hours while we wait for an inspector to come along and spend five minutes telling us that we have bought healthy plants.

We are not helping the health of plants in Britain by doing that. We need to get a better system. I know there are plans for changing the inspection, but they are quite a long way off. It needs to be a 24-hour plan, not a 9 till 5 routine. I had a lorry stuck in Spalding just two weeks ago because the plant inspector did not start work until 9 am, so they arrived at 10 am. The lorry should have left that building at 5 am. We work 24 hours a day to move plants as quickly as possible to maintain their health.

Our industry has been hugely focused on plant health for ever. It is what we do. It is what we need to be really good about. Some of the paperwork regimes are not helping. They are actually making things worse. We need collaboratively to work out the right way to bring products from abroad.

Baroness Foakes: Are you getting co-operation from the powers that be?

Boyd Douglas-Davies: We have good dialogue. If I put my OHRG hat on, we have very good dialogue with it. We spend a lot of time talking to it, and we are getting it to listen to what the problems are. It has resource issues; I know that. It has had to recruit a lot more inspectors because of the new policies. What happens but does not help are the delays. A lot of our industry has invested huge amounts of money in new plant import systems, and then those systems are not brought in on the expected date. That is wasted money and wasted resource. That is not helpful either. There is a lot more we can do collaboratively to make things better.

Baroness Foakes: I presume that there is also an export trade.

Q99 **The Chair:** We are going to run out of time. Can I finish off? I apologise to committee members. I have one final question. There have been a number of asks, obviously, of the Government, and this report will go to the Government. Could I ask each of you what would be the single most important issue you would wish the report to highlight?

Jo Lambell: Because the house plant industry is subject to remote selling regulations, we have invested in systems and processes and a

huge amount of manpower to apply a UK passport, which physical bricks and mortar retailers are not subject to. That seems unfair and it is immensely expensive. Each month, a new house plant retailer closes. The pressure on the margin of having to absorb these costs is not intangible.

Boyd Douglas-Davies: In the short term, withdraw the threat of an early peat ban and work with industry to agree on the right date, which is not the end of 2026. In the long term, invest in our industry so that we can keep Britain growing. Invest in allowing us to build more nurseries, invest in research and development, and invest in education. There are five new garden towns being built and 64,000 new homes. How much investment in the garden product has there been in Britain to support those 64,000 homes, let alone the rest of Britain?

George Hillier: I know you have only asked for one, but I have two key issues I would really like to raise, if I may.

The Chair: Two or 200?

George Hillier: As I said at the start, horticulture is fundamentally good for the environment. Our sector sells millions of plants, trees, herbaceous plants, bulbs and seeds in the UK market each year, encouraging the UK public to get out in their gardens, be at one with nature and reap the benefits of mental health and well-being associated with being in their green space. All those products are not just carbon neutral, they are carbon positive. They sequester carbon and, as I said, release oxygen, as well as educating people about the impacts of climate change. It is quite right that operators in our sector are held accountable for their carbon emissions, and we must measure our carbon footprint. There is much more we can do and will do to make that better.

That said, the single best way to promote the positives of our sector is to have a recognised and government-backed methodology for calculating the carbon sequestration achieved so that we can see both the areas for improvement and the positive impact of our sector, while at the same time encouraging the next generation of gardeners through science-based fact.

Secondly, the Government must back UK-based growers, both propagators and finishing nurseries, encouraging them to invest in infrastructure, as Boyd said. Training and education are critical to our sector, and they are missing at the moment. We have to reverse the decline of the UK market so that we can compete with EU suppliers.

The Chair: Thank you very much. Thank you for a discussion of wide-ranging issues and for joining us this morning.