

Environment, Food and Rural Affairs Committee

Oral evidence: Work of the Department, HC 705

Tuesday 24 October 2023

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Members present: Sir Robert Goodwill (Chair); Steven Bonnar; Ian Byrne; Rosie Duffield; Barry Gardiner; Dr Neil Hudson; Robbie Moore; Ms Sheryll Murray; Cat Smith; Julian Sturdy; Derek Thomas.

Questions 221 - 314

Witnesses

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



Examination of witnesses

Witnesses: Dr Thérèse Coffey and Tamara Finkelstein.

Q221 **Chair:** Welcome to this EFRA Committee meeting, where we are very honoured to have the Secretary of State and the Permanent Secretary answering questions on the work of her Department, which is pretty much anything we would like to ask her. You are very welcome.

I was going to start with a little admonishment for the tardiness in some Government responses to reports. The rural mental health report was due on 18 July. The marine mammals report was due on 28 August. The species reintroduction report was due on 11 September. Additional to that, the border target operating model first monthly update was due in July and received in October. Almost miraculously, all of these have arrived just before this meeting.

Dr Thérèse Coffey: I would like to apologise. It is not acceptable. Some processes arrive too late, then I want to make changes and things take longer than they should. You are right to hold us to account on that. We will strive to do better. I know that we have a deadline this Friday, do we not? You will get it.

Q222 **Chair:** That is wonderful. That certainly helps this Committee work. Sometimes matters within the reports are timely ones and, as time goes on, they may become less of an issue. In response, picking up on the species reintroduction report, you have said that species reintroduction is not a priority, so you will not be producing a strategy or a list of priority species, which were our recommendations. Given that species such as beavers are already being introduced, are you content not to have a plan?

Dr Thérèse Coffey: There has been a request, I think, about whether we remove the need for that sort of licensing approach. I am currently not minded to do that, but we have not had that discussion within Government. The reason I say that is that it really is not a priority, recognising the breadth of what DEFRA has to cover.

This is day 365. Tomorrow will be the anniversary of me being appointed Secretary of State. If you think back to when I walked in, I was informed that I was going to be breaking the law on the following Monday because we had not done x, y and z. I have had to choose to prioritise and I can assure you that species reintroductions ain't one of my top priorities. Therefore, we have stepped back away from that. That does not mean that your report was not welcomed. I am conscious of some of the things that you said. Ultimately, we have a broader range of activities and we have to choose where we can put our resources.

Q223 **Chair:** It is a bandwidth issue.

Dr Thérèse Coffey: It is bandwidth. Species reintroduction is simply not a priority for this Administration.



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Q224 **Chair:** One point I would pick up from our marine mammals report is that, while it is illegal to sell products from these animals in the UK, some can go through our ports and we become a transit. One recommendation was that we should ban this movement through British ports. That seems a fairly straightforward, small piece of legislation, which I think would be very popular around the country, where people have a great affinity for whales, porpoises, dolphins and other marine mammals.

Dr Thérèse Coffey: I understand why you say that. Ultimately, it is a very small volume, we believe. Again, we have this very long list of statutory instruments to prepare. In terms of outcomes, there are things that would have greater outcomes through the legislative approach. I do not think that we have said no entirely forever. It is just, again, not something that we necessarily have the bandwidth to get through.

Q225 **Chair:** Thanks for that. We look forward to receiving further timely responses to this Committee. A lot of work goes into producing these reports and we would like to think that they were taken seriously and responded to in a timely manner.

Dr Thérèse Coffey: My officials would love it if I did not look at the reports in detail when returning them, but there we go.

Q226 **Chair:** Is it you that has been slowing them down by going through them with a fine-toothed comb?

Dr Thérèse Coffey: Yes, I have been slowing some of them down. Yes, of course. I do not mean deliberately, just going through them in detail.

Q227 **Chair:** Turning to the issue of tenant farming, a large proportion of the farming sector is in the tenanted sector. There are very successful tenanted farmers. Five months have passed since the Government responded to the Rock review. What progress have you made on delivering the report's recommendations?

Dr Thérèse Coffey: There are a number of things that we said that we would do that we have done, for example setting up the Farm Tenancy Forum, which is co-chaired by Julian Sayers. It has met three times and the next time is 11 December. It has set up some sub-groups, though, and one of those met, I believe, yesterday, looking at environmental land management.

Recognising the wide range of people involved and different stakeholders, we continue to make progress. I think that we had indicated that there would be a call for evidence on a particular recommendation to do with the tenant farming commissioner. I am hoping that that will go out next month in order to go into more detail with this wider forum on what the impact of that could be.

Q228 **Chair:** You have headed off my second question about the commission. They have one in Scotland already, which I think most people see as being a positive move. You seem to be following along that by appointing



a commission. When can we expect a commission to be appointed?

Dr Thérèse Coffey: We still need to go through this call for evidence. It is not something that the Government committed that they would do. We said that we would explore it further. I hope that we can, as I say, get that next stage through within the next month. Then we can always come back to the Committee on that.

Q229 **Chair:** Baroness Kate Rock is a good friend of this Committee. She has engaged with us extensively on this issue, but she was not invited to the forum, despite being given assurances that her expertise would be welcomed. Is that an omission that you might want to revisit?

Dr Thérèse Coffey: Baroness Rock was invited to the first meeting to lay out elements of the Rock review. I am very conscious that Baroness Rock is, of course, well informed on this, but had already undertaken the review. The opportunity now was to consider in more depth one of her recommendations and to mark progress against this. Baroness Rock is an established parliamentarian and can also use many other routes to check progress.

Q230 **Chair:** I wanted to ask a little bit about how some of the environmental schemes, or schemes such as solar farms, are impacting on some tenant farmers. You may have noticed the big application in my part of the world, in North Yorkshire, which was actually turned down by North Yorkshire Council by a big majority of councillors, where a tenant could have been evicted from a large proportion of his farm because of the legislation in terms of development of land. Normally we talk about bypasses and housing estates.

When you engage with the forum, will you put it on the agenda to look at some of these areas, such as tree planting and other environmental net gain stuff and all the rest of it, to ensure that tenants are secure in their tenancy? That is particularly in the case of some of the shorter-term farm business tenancies, where we could see tenants being moved out because of the attractiveness of some schemes, such as tree planting or solar farms.

Dr Thérèse Coffey: I have heard your concern and wider concerns. Ultimately, there is still a relationship between the tenants and the landlord. That will be recognised in a number of different ways. Some tenancy agreements are subject to—sorry, I cannot remember the specific name of the legislation off the top of my head, but I think that it is that farm that you have mentioned in particular that thought—

Chair: That is a three-generation. They are on the second generation.

Dr Thérèse Coffey: One thing that we have tried to encourage—certainly I believe that the forum is working on this—is getting tenants and landlords to work together on applications towards countryside Stewardship or SFI proposals. We would certainly take into account, in the planning of ELMS roll-out this year, a number of Baroness Rock's



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recommendations from the review and opening it up and making it easier for that to happen. I hear what you say about the tenancy risk.

On the broader point that you have made about solar, I know that you will have been delighted, quite rightly, that this had been turned down. Ultimately, unless they achieve a particular size, when it becomes an NSIP, it will be for local councils to decide whether the solar farms are right. There are views in the farming community that they see this as part of their diversification in turn, providing an element of security of income for a certain amount of time.

Overall, when I looked at this in some detail some time ago, the proportion of land that potentially could become solar under our wider solar plan was very small. It was like 1%. I am very conscious that local communities right around the country often get concerned when they see these applications go in. That is why there has been some other work done by Greg Smith MP. I think that they were still going through aspects of the NPPF in that regard.

Q231 Chair: There was another potential application in my constituency where the tenant was being offered more and better land as an offset and the tenant was very happy. If somebody is an owner-occupier and the land is not subject to a tenancy, or a farm business tenancy has run out, that is not really the issue. It is that tenants are being evicted from that land because of the way that the legislation on development, which was drafted before solar farms were even dreamt of, is being applied. Is that something that maybe could be revisited in terms of planning guidance?

Dr Thérèse Coffey: I will ask the farming Minister, Mark Spencer, to make sure that this is considered in the future forum. He can look at it as well.

Q232 Robbie Moore: Secretary of State, we are going to focus a little bit on water now. Water companies have proposed business plans that would see bills rise by approximately £156 a year, but this is while they are still being investigated for breaches of sewage for environmental performance-related challenges. Do you feel that it is an acceptable situation that water companies are looking to raise their bills for ratepayers?

Dr Thérèse Coffey: As a starting point, I should say that the situation on future price reviews is now in the hands of Ofwat. It is entirely independent from Government. We set out our strategic policy statements. Ofwat is under a legal obligation to consider consumer value. The broader point, I would suggest to you, is that water companies can only be paid what is deemed value for money as well, in that regard, on new investment into achieving the outcomes that they have been set.

There is a combination there of thinking through also what Parliament has said and how Government have responded to Parliament. I think about the storm overflow reduction plan, where we are anticipating now



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£60 billion of capital investment over time. There are different things. Ofwat puts its requirements and thoughts in, and the Environment Agency also does through the WINEP. The combination of those leads to what requires new investment for the future, rather than paying for things they should have dealt with and have already gone into customer bills to handle in the past. It is not about paying for the past. It is about paying for the future.

Q233 Robbie Moore: If we look at the past briefly, do you think that, from Ofwat for example, there has been too much focus on keeping bills low at the cost of the environment, particularly with dealing with storm overflows and the like?

Dr Thérèse Coffey: If we look back over the amounts of capital that have been expected to be invested, we are seeing a much larger amount that is going to be expected in the next five years. That is a combination of previous strategic policy statements done by Governments of both colours.

I remember the last one that I was involved in. It was actually Michael Gove who did it. He had a big particular focus on gearing and the fact that a lot of financial engineering was driving some of this, rather than certain outcomes, so that was a strategic policy statement made. There have been different things along the way. In particular, the most recent one has focused a hell of a lot more on the environment. In the past, things such as microplastics were the issue, thinking of how you deal with that.

At the same time of course, with the designation of bathing waters and the investment that has gone in, the proportion with “excellent” status has risen significantly in England. That shows the sorts of investments that have gone in. Water companies will have to do things such as put UV treatment into certain water treatment works in order to help with the bacteriological disinfection that needs to happen as it flows through to bathing waters. You will see different things, as Parliament has asked for, or indeed, people have applied for and got that status, and then water companies are expected to respond.

Q234 Robbie Moore: Picking up on the point that you have made about bathing waters and bathing water status, I represent Ilkley, which has the River Wharfe that flows through it. That is the first river system in the UK to be awarded bathing water status. Yorkshire Water has put a huge amount of investment into Ilkley to try to deal with some of the challenges to do with sewage run-off. One challenge that we face is that, over the period of time that the bathing water status is in place, it is unlikely that the quality of the River Wharfe is going to increase from being “poor”. Do you feel that the current guidance that sits with bathing waters is fit for purpose for rivers, or is DEFRA minded to review that?

Dr Thérèse Coffey: It is a separate approach that you take. Under the regulations, it is very simple. It is about numbers who swim regularly in a



particular place. That is it. There is no consideration of quality—none of that. In fact, you are not allowed to. The law is simply about numbers. Then you need to do work on trying to improve the status of those waters where people regularly bathe. I am not sure why there should be different levels of trying to make that improvement compared to what is happening along our coast. In my constituency, it so happens, Minister Pow designated one of those. It is an estuary, different to yours, but still needs work on making the same sorts of improvements.

Q235 Robbie Moore: The Government are giving regulators more power to impose unlimited fines, but we have heard from the likes of the Environment Agency that it simply does not have the resources to be able to monitor compliance in the first place to implement the fines that may come down the line. Does DEFRA have any aspirations to increase funding for the likes of the Environment Agency so that it can carry out that monitoring more efficiently?

Dr Thérèse Coffey: Funding for inspections should be coming from the charges made for the permits. Where funding comes from the Government, it is about how you then potentially turn that into taking organisations to court. Bear in mind that the largest ever criminal investigation is under way by the Environment Agency, in partnership with Ofwat, which does not have criminal powers but does have other powers to do that investigation. That investigation is still ongoing. As I say, it is the single largest ever criminal investigation undertaken.

My predecessor had given more funding, I think, to help some of that along. Of course, that is only thanks to the fact that we have been putting monitoring in or requiring water companies to put monitoring in, which will be 100% complete by the end of this year.

In terms of what has happened over the years, I am sure that people will talk about funding. At a particular point—I think that it was about 2018—charges were increased on the permits to manage the cost of the inspections. The Environment Agency has asked for that to happen again. I am still waiting for its final submission, or it may be making its way through the system, such that I anticipate that we will be doing some regulations, which will put up the fees for the next financial year to help fund that along.

Tamara Finkelstein: The Environment Agency is doing quite a lot with the water industry transformation programme to look at whether it has used the resources that it has. Part of that is developing greater specialisation in the workforce of doing some of the water regulation work. Another part is a very different approach to how we use data and to have data-driven analytics that help us see where there are risks and so on. There is quite a lot of work going on in how we use the resources that we have better.

Q236 Chair: You have drawn attention to the large amount of investment going in. We do not have to go far to see the super sewer that is being



built just outside this building. One barrier, in my opinion, to investment is the high level of gearing. For example, Thames Water has debts of £14.3 billion, which is around about 80% gearing, whereas Ofwat's target is a gearing ratio of under 60%. Do you think that the combination of high levels of borrowing combined with interest rates that are unprecedentedly high, certainly in the last decade, could be a real barrier? The water industry has got itself into quite a fix in this situation.

Dr Thérèse Coffey: If we go back, the big increase in the gearing shifted back in, I think, 2006 or 2007. That was when Macquarie acquired Thames. It massively whacked up the gearing then. Particularly since the SPS—strategic policy statement—done in the middle of the decade before last, there was a clear direction to Ofwat to sort the gearing out on that.

We have seen more equity come in, including on Thames Water. Some of that happened when there was the transfer of ownership a few years ago. Those same owners have still brought in more equity. We have seen quite significant reductions. Ofwat is the economic regulator, but there is a management aspect to that. From my position, it still feels that Thames is too high, but I should recognise that equity has been put in and is being promised for the future.

So that has come down, but recent financial analysts have said that people should buy into the water companies, although they did not think that if Labour was going to get into power. There is a combination here about trying to make sure we still get that level of investment that Parliament and Government have asked for, and we will be getting, but we need to make sure that that can be delivered. Otherwise, we go back to the days prior to privatisation when there simply was not the amount of money put into fixing all the things that we want fixed.

Q237 **Chair:** We are in the queue behind schools and hospitals. Wales operates a different model, with a not-for-profit public interest company. Are things better there?

Dr Thérèse Coffey: They have more sewage discharges on average, in terms of the number of days, than we do in England. There are issues. We have just seen that the BBC has done some exposé journalism. I believe that Natural Resources Wales has not been doing a level of investigation. I am conscious that I am not responsible for that, although Welsh Water supplies customers in Herefordshire. That is why we will continue to work closely on aspects, particularly, that are within our control.

Q238 **Mrs Murray:** I would like to turn to flooding. Given that I have what some claim to be the most flooded town in the country—Looe—in my constituency, it is something that I keep a very close eye on. Can I also thank the Department for providing assistance to make sure that the flood prevention scheme that it wants eventually to deliver could progress, with help from the Environment Agency? Given the events this weekend, how prepared is England for flood events this winter? What are



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we doing in the short and long term to improve flood resilience against this ever-increasing threat?

Dr Thérèse Coffey: For people whose homes were flooded this weekend, I fully recognise that it is a very distressing time for them. Quite a lot of them will have to move out of their homes for some considerable time.

I visited a group of people who were last flooded in 2007. In that time, I think from 2015 to 2021, we spent £2.6 billion on flood investment—that was triggered by what happened in 2013—and had massively increased the step up. This session, from 2021 to 2027, we have allocated £5.2 billion to protect homes and businesses. We managed to achieve over 310,000 homes in the 2015 to 2021.

It will be little comfort to the people whose homes have been flooded, but the Environment Agency informed me this morning—and I think informed others at a parliamentary event—that, because of the flood defences we have installed, 42,000 homes is our latest estimate of what was protected. Meanwhile, unfortunately about 1,300 homes have been flooded in this session. I want to pay tribute to all the emergency responders, council officers and similar around the country who have been working very hard alongside the Environment Agency, and internal drainage boards as well.

One of the things that happened particularly with Storm Babet is that we are very good, with the Met Office and the Environment Agency flood forecasting, at predicting weather normally, because most of our rain tends to come in from the west. We have that pretty much down to a fine art. This was rain coming from the other way and we do not have quite as much experience on that. Therefore, our accuracy of predicting where such heavy rain would fall was not to the same degree as it would have been. The Environment Agency had moved assets from parts of the country more towards Yorkshire, the north-east and that way, but I am conscious that there were still some places that felt that they could have done with some more pumps.

At the end of this week, we have the spring tides. It does not feel right, because we are in autumn, but we have tides coming in. I have already met the chief exec of the Environment Agency twice. After that, we will do a rapid review to understand what could have been done better. The Environment Agency tends to do that anyway, but one thing that came up yesterday when I visited residents in Retford is the worry about insurance and different things like that. It is our Government that introduced Flood Re, so every household in a house—I am conscious that it is slightly different for flats—should be able to get affordable insurance. That is one thing that I am very proud that we undertook.

We spoke last time I was in office in DEFRA about your particular project. I was due to be meeting the chief exec of the Environment Agency on Monday—yesterday—to go through this second phase of the £5.2 billion



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spending. Understandably, we have had to postpone that. I want to make sure that we get on with the projects around the country.

Q239 **Mrs Murray:** You said that 310 properties had been protected to date.

Dr Thérèse Coffey: It was 310,000 in the last batch.

Q240 **Mrs Murray:** Sorry, 310,000. Does that mean that you are on course to meet the promised 336,000 by 2027?

Dr Thérèse Coffey: That was in the last session of 2015 to 2021. I know that we are working with the NAO on this at the moment. There is a combination of factors, including inflation, but also some of our partners in dealing with this. There is a concern that we may not be hitting that target. That is one reason why I am having an in-depth session to try to go through that in a lot more detail on where we are and what we can do to help achieve the outcome that we intended.

Q241 **Mrs Murray:** Can I turn to coastal flooding and coastal erosion for a minute? I think that it was around 2020 that the Committee made a visit to Norfolk to have a look at sand that was being imported to protect the coastline. The local council, I think, had taken the decision to sacrifice some parts of the coast and protect other parts of the coast, because that is the way that they thought it was best to manage it. Does DEFRA work closely with the local councils on these sorts of projects?

Dr Thérèse Coffey: I represent a coastal constituency, so I am reasonably aware of this and the impact that coastal erosion can have. It tends to be very sudden, which is even more distressing. Every coastal authority is responsible for producing a shoreline management plan. That is where they tend to split up their coast and hold the line, manage realignment or have no active intervention. It is for each area, because it is very local, to decide what to do and what they can manage. We also provide some funding to help support that.

We looked at trying to do some innovation projects a few years ago. I think that the one you are talking about is the sand tractor quite near Bacton on the north Norfolk coast. I don't know the outcomes of how successful that is elsewhere. If you don't mind, I will ask the Environment Agency to write to you on that. I know that they tried a shingle tractor. I do not believe that that worked. I know that the Environment Agency is still looking at these sorts of dynamics.

Pretty much every council is going through a process at the moment of reviewing their shoreline management plan. As I say, there has been some funding going towards that. To be open, it was about a decade ago. We said that it is not going to be possible to hold the line in every part of the country. We were honest with the public about that and enhanced the strength of what the local authority could do, but also the role of regional flood and coastal committees, which we have around the country. We still want to try to support where we can. That is why there are still aspects of allocations of funding around the country, too.



Q242 **Mrs Murray:** Sticking to coastal protection, a lot of the Environment Agency's flood defence assets in high-consequence systems were at the required condition, but it looks as though it is 94.5% of them and the proportion aimed for was 98%. Is there any reason why we are not at 98%? Is it perhaps the high cost of inflation so they cannot maintain as many at a time?

Dr Thérèse Coffey: There is a wide variety of assets. I am sure that at some point Tamara might want to come in on aspects of this. The asset can range from something like the Thames Barrier, which is manned 24/7 and has regular maintenance and regular exercises and similar, to something that can literally be a mesh screen over an outlet in a stream or a river.

We expect the Environment Agency to make sure that they are all functional, but I can understand the situation where they may not go and check how that screen is doing until they anticipate that there could be a storm. I am very keen to make sure that all the assets are well maintained. My understanding is pretty much that they are functional, but there are definitely some issues where something has not quite worked and that needs remediating as quickly as possible.

Tamara Finkelstein: The ambition is to have that at 98%, but it is not, as you say. That does not mean that they are in a state where they will fail. Action is taken to ensure that there are workarounds to ensure that they are in a state where they will not fail, but it is around what the regularity is in which they have actually had active visits and so on in order to do that maintenance. We are continually working with the agency to get that at a higher level.

Dr Thérèse Coffey: To be clear about this, there will be situations where assets are working but there could still be flooding, because they have not been designed for that level. It could be that they are designed to manage a 5-metre surge, not a 5.3-metre surge. That is one element to consider. Even then, people might say, "They have failed". They were not designed to that level. That is part of the reason why we continue to think about climate mitigation and adaptation as part of work that DEFRA leads across Government and that we published recently in our plan.

Q243 **Mrs Murray:** Could I now turn to the Canal & River Trust? It is looking increasingly unlikely that the Canal & River Trust will be able to make up for lost Government funding. What steps will the Government take to ensure that its infrastructure and waterways are maintained if that situation arises?

Dr Thérèse Coffey: We had a discussion with the Canal & River Trust—I think it must have been last year. The original intent in 2012, in the memorandum of understanding—again, I am sure that Tamara will come in with more detail—was that it should be seeking to find more of its own funding. It became, in effect, a charity. We delinked it from Government accounts fairly recently, recognising the fact that we did not control the



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CRT. It was given a substantial amount of assets, which have acquired in value. Quite often, it is not just the lock gears and similar things to that. There will be other elements along the way, which have previously come to Ministers, for example, for permission to be able to sell and different elements such as that.

I agreed that we should keep the money going into CRT from 2027 onwards. In effect, it was trying to take a 5% reduction in its costs, a bit like all the rest of Government have been asked to do. It was not being asked to do any more than the rest of Government, despite the fact that it was no longer part of Government. We have had a discussion about potentially doing an endowment, but those discussions are still happening. My expectation is that the CRT will be able to function. I am concerned that it is trying to say that it is stopping work already and the change in grant is not until 2027. As I say, the value of its assets has increased significantly too.

Q244 **Mrs Murray:** By the suggestion of an endowment or that sort of thing, you are providing them with assistance.

Dr Thérèse Coffey: We are still committed to doing that grant. One proposal was about whether we should roll that up into one lump sum. That decision has not been agreed or not, but that is the sort of consideration.

Q245 **Mrs Murray:** Is there any help that you have given it to secure alternative funding privately?

Dr Thérèse Coffey: There is an element that it has been an independent organisation for over a decade now. I am conscious that it has relied on Government funding, but part of the memorandum was to reduce that.

Tamara Finkelstein: It was a careful and lengthy negotiation with the Canal & River Trust. It was always the intention that that support would come down and a big asset base was provided, which was to be used to continue without Government funding. That was the way in which it is defined on our books, and that was always the intention and where we have got to as a result of that negotiation. We are continuing to have some further conversations there if there are things that can be helpful, but this is the outcome of the negotiation that we had.

Q246 **Mrs Murray:** Finally on this, what analysis, if any, have you conducted to determine the trust's ability to leverage private finance to maintain its operation beyond 2027? Obviously, it would be ongoing, but have you made an assessment at all as to whether it will be able to raise those finances?

Tamara Finkelstein: A lot of the work with them through the negotiation was about exchanges of figures and analysis. Then it was a negotiation and this is the outcome of that negotiation.

Q247 **Chair:** On the Canal & River Trust, it is not just a case of keeping the



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canals open. It is the third largest owner of listed buildings after the Church of England and the National Trust. It has 3,000 bridges, which obviously impact roads, rail and other things. Has a full assessment been made of the ability of these important buildings to be protected, but also these other transport connections to be maintained if they cannot meet their obligations financially?

Dr Thérèse Coffey: The whole range of issues were discussed as part of that negotiation.

Q248 **Chair:** We talked about protection for properties. It is always frustrating that they never go and film a property that is dry because of the new flood defence scheme. They always go and film a flooded property, for obvious reasons. The NFU was making the point that, if the Government are serious about food security, there should be more action from the Government on protecting agricultural land, particularly as farmers are struggling to get potatoes out of the ground and winter crop sowing has been pretty much halted in large parts of eastern England and certainly in Scotland, where they have major problems. Is that something that the Department is likely to respond to in a positive way?

Dr Thérèse Coffey: Historically, taxpayers' money has been made available principally on homes rather than on business. There has been some work, and of course we have also sorted out some defences a few years ago when there was significant flooding. There is that interplay that happens also with the internal drainage boards. I know that where I was yesterday, or in part of where I was, in South Yorkshire, they were working together on how this could be managed. As it stands, I will have a look at it, but I anticipate that the reason why we were given the substantial amount of capital money was really to focus on homes.

Q249 **Steven Bonnar:** The Office for Environmental Protection has stated that the Government are not on track to meet any of their environmental targets, which is quite a damning statement. The Government have also failed to implement much of their resource and waste strategy, including the flagship collection and packaging reforms that were promised, as well as the ban on some plastic waste exports. How much of a priority is the environment for this Government?

Dr Thérèse Coffey: It is a very high priority. I am conscious that we have been through some challenging times, particularly during covid. I am also conscious of some of the impacts of inflation. The priority of every Government Department is to achieve the Prime Minister's five priorities. There was concern raised from industry about what the impact of aspects of the EPR will do. It is important that responsible Government listen, just like we do in many other areas about how to achieve the outcomes that we are looking for.

Just this weekend, for England anyway, we finally published our proposals on simpler recycling. It is actually great for households. It is good for councils and business. It is important that we put some



consideration into how we deliver these outcomes. There is a wide variety of elements. We are still working on some other aspects of EPR, DRS and so on, in order to achieve some of those outcomes, thinking of resources and waste.

Tamara Finkelstein: Alongside simple recycling, we also published plans around carriers, brokers and dealers, so that controls better those who can deal with waste and removes the more criminal element and other issues, so you have suitable people doing so. Also, there is our digital waste tracking, which will mean that you can actually track and see where waste is and goes. That will help as well with your point about waste exports, so you can track it and get a digital system up and running. There are quite a lot of things in that package.

Dr Thérèse Coffey: Thinking about the waste exports, building on what you said, Tamara, we also have to go through a process with WTO. There are quite a number of different activities that you have to go through to deliver some of these outcomes.

Q250 **Steven Bonnar:** There have been some unilateral roll-backs on environmental pledges from the Government. That has knocked confidence in industry and the potential for investments. You said that it was a high priority of the Government. There have been reports of low staff pay, staff shortages and poor morale within the Department. These are all impacting and making it difficult to enforce environmental protections and implement our policies. What reassurances can you give us, and of course the wider economy, about the delivery of net zero on your watch, Secretary, especially when we know that the likes of the Environment Agency building itself was recently raided by bailiffs regarding issues with its leases? How can we trust you when you show the environment, right down to the very building itself, such blatant disregard?

Dr Thérèse Coffey: I do not accept the premise of what you have suggested. You can try to find another Government in the world that are doing what we are achieving as a Government on nature and net zero. In terms of some of the changes the Prime Minister announced, we have already made more progress on our carbon budgets, which has allowed us to consider how quickly we move to some of the other elements—for example, the replacement of rural heating in the future. It is a just transition. It is something that the SNP talks about a lot on net zero, having a just transition. It is exactly what we have delivered or will be delivering by delaying some of these changes and making it easier for people in the countryside in particular to move towards less reliance on fossil fuel heating.

In terms of other elements, clearly, as I say, we have already exceeded aspects of our carbon budget so far. We will continue to work on that. I believe that we will make further progress. I understand that the OEP's job is to challenge us on behalf of people in this country, as well as Parliament of course, on our activities. I believe that, through the



publication early this year of the environmental improvement plan, we legislated for the targets.

These things are only just coming into place. That is why, through a variety of funding, whether through ELMS or things such as nature for climate, we are using nature-based solutions as a way to not only achieve net zero but also to improve our biodiversity. At the same time, we signed the global biodiversity framework on behalf of the United Kingdom. Frankly, it was thanks to the UK that we kept in such ambition for the world. We were the second country in the world to give money towards the global biodiversity framework fund. Germany has followed suit, so now we can start to help people around the world through this fund. We do that already through our Darwin and Darwin Plus as well.

I am actually very proud of our achievements. Of course, there is a lot more that we would like to do. If I think back, since 2010 we have created or restored habitat the size of Dorset. That is no mean feat. Part of the transition under the agricultural spending is about how we can have not only food security, but food sustainability. That is an important transition, which we are still working through.

Q251 Chair: On DRS—deposit return schemes—many concerns have been raised about the difficulty of having a separate system in Scotland to the one in England and the other devolved nations, not only for industry, but for individuals who may live on or near the border. Are discussions ongoing with the devolved Administrations, where we have an Administration—I know that Northern Ireland does not at the moment—to try to come up with something that will enable a scheme to work for the whole of the UK?

Dr Thérèse Coffey: Yes, there are discussions. There are one or two particular sticking points, but we are still trying to work through those with, in particular, Wales and Scotland. Northern Ireland does not have its Administration in post, so we are dealing with officials there.

Q252 Robbie Moore: Sticking with the same theme of environment and picking up on nutrient neutrality, it is our understanding, and my understanding, that the Government are committed to primary legislation repealing regulations that prevent nutrient pollution from house building. This week, we have seen some reports that suggest that that may not be the case. It was just to get from you what the Government's plan is for nutrient neutrality laws in the long term.

Dr Thérèse Coffey: The Committee will be aware that the housing Department—Michael Gove—tabled amendments in that regard. We supported that, having agreed across Government a package of extra funding to try to accelerate some of this and more than compensate for what would have been a very small amount of additional nutrients being added into those watercourses.



Overall, one thing that Natural England came up with at the time was a series of how it wanted to work on more district-level thoughts. It had already started getting under way nutrient mitigation schemes and we are actively encouraging Natural England to focus on delivering that. My understanding is that what will be in the King's Speech will be announced on 7 November.

Tamara Finkelstein: Natural England is getting on with those nutrient mitigation schemes and there is also money for local authorities to do that as well, creating a bit of a market for those sorts of schemes.

Q253 **Robbie Moore:** My understanding is that part of this process would result in local planning authorities having to disregard scientific evidence that has surrounded some of the measures that would mitigate negative implications from a development. Is it envisaged that this will still be the case when we are trying to bring out the removal of nutrient neutrality, specifically when it is relating to developments?

Dr Thérèse Coffey: The Lords rejected that amendment. The way that the passage of the Bill was, that was the only opportunity to bring in that amendment. I am not going to speculate on future primary legislation plans, but we want to try to speed up and accelerate what we already had in place. That is all I can really say to you.

Chair: Normally at this stage of the proceedings, I say that we are not making enough progress, but we are actually doing very well indeed, so thank you, Secretary of State, for your concise answers.

Dr Thérèse Coffey: I am conscious that we might be voting.

Chair: I have also received a message that we might be voting, so it is just as well that we are making progress.

Q254 **Ian Byrne:** The "State of Nature" report released last year paints quite a quite alarming picture of biodiversity decline in the UK. It states that 16% of species are at risk of extinction. How confident are you that the Government's commitments to not just halt the decline of nature in our country but reverse it, which was in the EIP released in 2023, will be achieved?

Dr Thérèse Coffey: The "State of Nature" report came out and was put together by a number of NGOs, and it is important reading. In this last year, we have set legally binding targets for biodiversity on the back of the Environment Act, which set the primary target and some interim targets along the way as well. One thing that we have been seeking to do is to use a variety of funding, whether that is things like the landscape recovery scheme, or whether it is about nature recovery projects. We have launched 10 or 11 of those in the last year and it covers 250,000 hectares.

We know that the key thing to get the species abundance back in a good place is really about habitat—so creating, restoring and protecting it. It is



one reason why we have tried to work very hard on the countryside code and getting people to respect and be careful with nature, but also thinking through some of the other work that we have done through Countryside Stewardship and SFI, thinking of things such as hedgerows management and what we are doing in that. Recognising that 70% of our land is farmed land, we are on that transition where there will be rewards for environmental outcomes, or at least activity that should generate that.

There will be more to come next year, as we introduce Countryside Stewardship Plus. The primary objective of that is to connect the work that is being done by individual farmers. That may not be at the scale that would get a landscape recovery grant, but is where we can create, under what is called the Lawton principles, these superhighways of activity. By bringing that together, that should have a multiplier effect. We are trying different elements in that regard.

It may be about the species survival fund as well. I am sure that you have a long list of aspects, but we did really well on butterflies. There are some other species where we are not doing so well. That is why we have also tried to see what we can do, thinking of avian influenza.

Q255 Ian Byrne: On everything you have outlined there, are we confident that there is enough data collection taking place to ensure that we are ahead of the curve with understanding the potential—

Dr Thérèse Coffey: I think that the authors of the report said that we have the most data in the world, and yet they still want more. I understand that. We are very proactive in trying to monitor and measure this. As I say, I want to focus on getting the core habitat creation, restoration and protection as being the primary way that we can try to help restore nature.

Tamara Finkelstein: It is perhaps worth adding that we are investing a lot in our natural capital ecosystem assessment, which is creating a kind of baseline that is world-leading in what we are trying to do. We are investing a lot in that in terms of collecting and having the information and data that we need.

Q256 Ian Byrne: That is good to hear. This sort of segues into another question. Talking about the habitat, do you support the concept of the marine national parks?

Dr Thérèse Coffey: In this country, the national park authorities have ownership of planning more than anything else. I do not think that the way that some MPs have campaigned for marine national parks is going to be right way to secure that. I can think of one particular area that wanted to do both land and sea. We have the MMO. We have a significant marine protected area blue belt around the country and we are in the process of creating the byelaws for the highly protected marine areas. We are also looking for more sites as it stands. I do not think that it is the



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right approach to head towards the marine national park because I do not believe that it would produce better outcomes.

Q257 **Ian Byrne:** You have just touched on highly protected marine areas. Have you assessed the response in particular from the fishing industry to the designation of the three marine areas in July?

Dr Thérèse Coffey: It was important to consider the local impact. This is a process that has been in place for some time. We listened and that is why we did not go ahead in Lindisfarne. Up in Allonby, we were able, I think, to make some minor changes that accommodated the majority of fishermen there and allowed access. In particular, up in Cumbria there was this issue about how people with disability would not be able to access fishing that they currently enjoyed, so we made some changes there.

Q258 **Ian Byrne:** Is that on the back of the responses that you received?

Dr Thérèse Coffey: Exactly, yes. That is why sometimes it can take a long time, I appreciate—the consultation—but it is a really important part that, instead of just imposing solutions, particularly affecting local communities, we listen. We might put forward proposals that have good intentions of achieving environmental outcomes, but a lot of this needs some support along the way.

Q259 **Ian Byrne:** To follow up on that, how is work progressing on management and enforcement plans for the HPMAs? When are these likely to be published?

Dr Thérèse Coffey: Off the top of my head, I think that the MMO is working through the byelaws now, but I cannot remember the date of when it is publishing them, so I will come back to the Committee with that.

Q260 **Ian Byrne:** I will move on to food security now. Today, the JRF is reporting that destitution, which includes hunger, has increased; around 3.8 million people have experienced destitution in 2022. That figure has doubled in the last five years and increased by 61% alone since 2019. This includes 1 million children. I am really interested in what support the Government are providing to lower-income families to ensure the food security that is desperately lacking at the moment is brought around.

Dr Thérèse Coffey: Clearly, the Joseph Rowntree Foundation uses a particular approach, but I am conscious, as are the Government, of the challenges that families and children are facing. It is good news that food inflation is coming down, but it was still 12.1% on the latest indicator. It is good that it has come down from its peak, six months earlier, of 19.1%. There are some factors that I think we will continue to see decrease in that.

In the meantime, one thing that another Department—the Department for Work and Pensions—has been able to do is to distribute additional



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cost of living payments over this financial year. The average had been about £900 to families on means-tested benefits. We have a payment that had already gone through of £301 in this financial year and a second payment is due to be made between the end of the month and next month. Finally, a third payment will be made in spring 2024.

I am conscious that there will be other ways that different parts of Government will want to try to help people to raise their incomes and similar, but our focus continues to be trying to drive down the factors that are creating inflation. That is where broader policy is on energy and similar.

Q261 **Ian Byrne:** The chief executive, Paul Kissack, bemoaned the lack of political leadership for the mission of righting what we are actually seeing. From a leadership perspective in DEFRA, you touched on the fact that you took over a year ago, and you said that you have shown leadership by delaying reports until you were happy with them, which is absolutely spot on. What leadership can you show within DEFRA? What levers do you have to pull to tackle what we are seeing out there? You touched on the DWP.

Dr Thérèse Coffey: One thing that we have done in the past is that we have worked, for example, with a variety of community partnerships in order to help them with capital grants, to help with their needs on food supply redistribution. In the hierarchy of dealing with that, that is still critical.

Q262 **Ian Byrne:** Is that with the likes of FareShare?

Dr Thérèse Coffey: There has been some work in the past, but there are more organisations than FareShare. We have done aspects of that. I know that FareShare is keen to get more financial support. Overall, I think that it is the case now that every supermarket is partnered with organisations either nationally or locally on making sure that excess food is not wasted and put in the bin but is redistributed. That is really important. A significant amount of capital was put in at the time to help establish those relationships and some of the equipment that those organisations wanted, rather than perhaps revenue funding, but in the interim, a large element of our focus is on thinking about food price inflation. That is why we are in regular discussion with supermarkets, and indeed, we continue to have that discussion with them.

We should bear in mind that the average proportion of income spent on food in this country is among the lowest in the world. It is certainly lower than the majority in terms of the food basket in Europe, but I am conscious that there are still families struggling.

Q263 **Ian Byrne:** There are millions of families struggling; that is undoubtedly so. If we touch on a follow-up question, the Agriculture Act 2020 sets out household food security and deals with the issue of affordability and access to food. The food Minister, when he came before us, said that the



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ability of consumers to afford food is a different discussion from food security. I would consider that the ability to afford the food that we produce is surely at the heart of food security, so I am interested in what your definition is.

Dr Thérèse Coffey: In terms of aspects of the report, which is required under the Agriculture Act, we touch on aspects of affordability, but the primary purpose of the Agriculture Act was about food production. We need to work together on both, and that is why we continue to have those regular discussions with industry.

Q264 **Ian Byrne:** The food security report was due on 28 September. Are we any nearer to seeing that? Do we have any promises that we are going to get that?

Dr Thérèse Coffey: My understanding is that we agreed an extension, and it is this Friday. You will certainly get it by then.

Q265 **Ian Byrne:** In oral evidence, the food Minister was not against producing an annual food security report, but in March, you rejected the idea. We heard from the Joseph Rowntree Foundation, and there are so many other NGOs and other organisations that are highlighting the scale of what we are facing as a country around hunger. Given the dramatically changed circumstances that we have outlined, would you reconsider your position in the light of the fact that we need the data to ensure the solutions we offer are actually equal to the scale of the problem?

Dr Thérèse Coffey: The requirement of the Agriculture Act was to publish at least every three years. I cannot remember if it was every three years or at least every three years. We will certainly keep to that legal commitment.

My preference would be to focus on the issues. It takes a considerable amount of civil service time and officials' time to generate these reports, and, as I say, I would rather focus on the activities, but we will be responding to your recommendations by the end of this week.

Q266 **Ian Byrne:** Can I touch on potentially one of the recommendations that you are going to respond to, which is the invitation from the United Nations special rapporteur on the right to food to undertake a report, which obviously would alleviate some of the pressures on the civil service that you have outlined, and how a right to food and legislation could work? That utilisation of the United Nations would be real leadership.

Dr Thérèse Coffey: Aspects of the UN have their strengths. We proactively work through the Foreign Office, principally through the FAO. That is why the UK is hosting a global food security summit next month, and DEFRA will be involved in that, but that will be bringing people from around the world. Mr Byrne, I appreciate that you want to get an answer from a report that has not been completed. I will come back to you.

Q267 **Mrs Murray:** This is just a quick one to seek clarification. The farming Minister said that the ability of consumers to afford food is "a different



discussion to food security". Food security is the ability of the UK to produce its own food whereas, of course, in terms of affording food, you could go to a supermarket and buy things that were imported. Am I correct in my understanding?

Dr Thérèse Coffey: The food security report stems from the Agriculture Act, so the primary focus will be on food production and whether we have sufficient in this country, but I am conscious that the report did include aspects of food security of individuals. DWP certainly runs this annual survey.

Q268 **Mrs Murray:** That would not be this Committee; it would be DWP.

Dr Thérèse Coffey: I do not want to pass the buck, because I am very conscious that, when I was at DWP, it was very important that DEFRA leads on the relationship on food with retailers and the like.

Q269 **Ian Byrne:** We are the only Department with food in its name, so I would agree. It has a huge part to play.

Dr Thérèse Coffey: Then again, we are not the responsible Department for the Food Standards Agency due to the legislation passed at the time, but there we go. Those are the joys of the machinery of Government.

On that broader point, it is not about trying to act as silos within Government. We have to try to work together, but the main focus of the Agriculture Act was on food production.

Q270 **Chair:** Could I ask if you have an update on the potato supply situation at the moment? Scotland has had some pretty rough weather. In a big seed potato and ware-producing area, there is anywhere between 10% and 15% of the crops still in the ground. Following the dry weather last year, all crops ran out, so this year's crops have to fill another six weeks compared to a normal year. Is it something that you have been alerted to?

Dr Thérèse Coffey: I understand that another Member of Parliament raised this concern at DEFRA Oral Questions last week, thinking of Scotland. It has not been brought to my attention that we are worried about potato production in England. The UK can only produce that at a certain time of the year. I know that in my part of the world in Suffolk, we have quite a long season, but the issues are where we import some products in from, and that is particularly Egypt. So far, it is all okay.

Q271 **Derek Thomas:** Just over a month ago, your Department opened applications for SFI for 2023. How is that going? Can you give us an idea about the number of applications and the response?

Dr Thérèse Coffey: I am going to try to find the precise numbers that I have had. I know we have had about 14,000 expressions of interest.

Tamara Finkelstein: 15,000, yes.



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Dr Thérèse Coffey: It is up to 15,000. It sounds as though Tamara has the numbers to hand, but we made our first payments last week, which was good news. I think we paid out 39 farmers who had started their agreement, and we brought forward the first payment and accelerated payment, in a way, from the usual quarterly process, in order to make sure that more farmers got some money in their hand. Forgive me—I have the numbers to hand; I will just have a quick look for them.

Tamara Finkelstein: At the moment, 1,216 is where we are on applications for SFI 2023, and 577 agreements. The expressions of interest, which we opened right at the end of August, is giving us quite a lot of confidence as we build up. We have some very positive results from people's experience of the process. Two thirds of people have been very positive about the process, and 43% have done the application in an hour, so it is looking positive, but obviously we need to build that up.

Dr Thérèse Coffey: I have the figures. As of yesterday, 1,216 applications have been submitted; 577 agreements have been offered; 330 have been accepted; and 52 have started. There are a couple of things where people are still with commons. We will need to work through them hand by hand, but we opened up entirely, so you do not have to express any interest anymore to just apply for the SFI.

On the wider element about Countryside Stewardship, we are seeing increasing numbers on mid-tier and higher tier, so we are on good track with our applications in that regard.

Q272 **Derek Thomas:** Just to confirm, I had a meeting on Saturday with some farmers, and they gave me the same feedback that you just gave, Tamara, so thank you very much for that, and thank you for all the work your staff are doing to get that going.

For those who may not qualify for the various schemes that you have now, what can we do to support those farmers?

Dr Thérèse Coffey: At the moment, there are certain schemes that are only open to people who have been getting BPS. That will change from next year, so we open that up. There are quite a lot of pig farmers, for example, who are not eligible for BPS or have not been getting it. I want to make sure they can access it, because our overall outcomes are a combination of food security but also the environmental improvement, so there is no reason why pig farmers are not contributing. They certainly do in my part of the world.

What I have asked for from the RPA is a greater level of detail of understanding people who are on those schemes almost area by area, trying to see what the switch is of what people are doing to that. Although we have opened up the number of options, it still may not be right for a farmer to take that on, but we continue to try to be agile on this. The RPA has been phoning people who have started and then stopped. Of course, farmers are busy people, but I was very pleased that,



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when we extended the Countryside Stewardship application window, we got another 1,500 applications. I think that is about right. We got 1,500 more by extending the window.

Q273 Derek Thomas: Can I pick up on that? I can use an example locally in west Cornwall. Obviously, we want as many farmers and landowners to engage in this as possible for the greater good, both to produce food and to enhance and protect the environment. As you will know, Secretary of State, we had an SSSI designated. That includes significant numbers of acres of what we would call clean, productive land. The reason given at the hearing was that there was a risk of pollution.

As a result of that, there has been negative and good news. The negative was that some farmers have just walked away, even those who had high-level stewardship funds. They just do not want to engage any more because of the way that progressed. I would be interested to hear from you what you can do with Natural England to get them to partner with farmers better than they have done. You will be aware of other examples.

Also, on the flipside of that, we have had 3,500 hectares included in a proposal for a landscape recovery, so there has been some good and negative based on that experience. What are the reasons why farmers are not choosing to engage, even if they have been part of schemes or had basic payments in the past?

Dr Thérèse Coffey: That is part of the feedback we want to get from farmers. Farmers sell to farmers, and we have been doing the roadshows with the RPA and DEFRA around the country. If anyone on the Committee has not had that in their constituency, we would be happy to supply. I appreciate, Mr Byrne, that that might not be entirely appropriate; you have many other benefits in your constituency.

This is starting to gather the interest, and SFI has a completely open window now. There is no barrier to that. We want to try to listen, and there are some more activities that will come into the programme next year, which I hope even more farmers will see the opportunity to take up.

More broadly, to your points about Natural England, there has been a lot of feedback, and I would say there is a lot of upset. It is something I believe the chair and chief executive of Natural England are aware of and want to try to address, but you will also be aware that we asked David Fursdon to undertake a review of Dartmoor, and that will bring up some wider issues. We expect to get that review before the end of the year.

Q274 Derek Thomas: With the Rural Payments Agency, are you confident that they have the capacity to respond to this level of demand? Are they in sync what you are trying to do?

Dr Thérèse Coffey: I definitely do. As more of the systems got automated, one of the things that a lot of farmers have come up against is that some of their land mapping is not quite in line, and that has taken a bit more time for some people. It will be the decision of farmers



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whether they want to continue to have this sort of contract. I appreciate that BPS was a different set-up, but, for example, on SFI applications, people can get a grant of up to £1,000 to help with the whole management of it, so we are trying to see other ways that we can get people into it.

We have just opened up a fund of £2.5 million to facilitate Countryside Stewardship applications, and I am particularly looking for clusters to come together to try to help on that.

Tamara Finkelstein: On the RPA, I feel confident that they have the capacity to work effectively on this. There is also quite an innovative way in which we are working between the Department and the agency, with a very joined-up programme to deliver this. It has enabled us to be quite agile in the way that we are using people, including for RPA, moving people into call centre roles or advisory roles where they need to, depending on what is emerging in terms of issues for the moment. We have developed quite agile ways in which to use the resources that we have, so I feel quite confident about that.

Q275 **Derek Thomas:** DEFRA and lots of MPs, particularly on our side of the House, fought hard to protect the £2.4 billion that would go from single farm payment through to ELMS and other ELM schemes. As single farm payments reduce, if that transition means that not all of that money is spent, particularly in this year 2023-24, where does that money go? Is there money that has not been allocated right across the board to add up to that same amount? Is there a danger of it being lost?

Dr Thérèse Coffey: Mr Thomas, the money will not get lost, but it is an average over the five years. As we anticipated this change, one of the reasons why I somewhat delayed SFI 2023 was to make sure more options were available so people could apply, because I was concerned that it was teetering too much the other way. We anticipate that there will be more take-up in the next two or three years, so it will balance out. The gap this year was about £170 million, and that is out of a budget of £2.5 billion, so it is within a reasonable limit there, but it is not lost. It has not gone back to the Treasury so we cannot get it back. We will see more being spent in the future.

Q276 **Derek Thomas:** That is encouraging. That money then gets credited to a future financial year.

Dr Thérèse Coffey: Yes. In effect, it rolls over.

Tamara Finkelstein: It would roll over, but you may well see the uptick in 2024-25.

Derek Thomas: That is most unusual for Treasury. That is excellent.

Q277 **Chair:** Secretary of State, you mentioned feedback. Could I just give very positive feedback about Janet Hughes, who is a miracle worker?

Dr Thérèse Coffey: She will be thrilled.



Chair: She is really selling the scheme.

Dr Hudson: Can I second that?

Q278 **Chair:** Yes. There have been some suggestions that, if these schemes are not attractive, maybe to very small farmers who have another source of income or even to big farmers in the east of the country where their land is very productive, where they do not have those bits like I have on my farm, where I can put it into a stewardship scheme where the amount of production is less—if farmers do that and opt out of schemes altogether, they will also not need to do the cross-compliance, such as leaving the two metres around every field, the frequency of hedge-cutting and all those things.

There have been some suggestions that, if that happens, you might move to make some of these cross-compliance obligations then statutory obligations. Is that something that you are looking at?

Dr Thérèse Coffey: We have not gone into that level of consideration, with the exception so far that we have done it on hedgerows, because pretty much everybody was managing hedgerows properly, so we have set out our regulations. The consultation is under way. I know everybody asks why we consult on everything. It is an aspect of making sure we get the detail right, but there are also aspects, when you include sanctions, that under primary legislation you have to consult.

I have not had further discussions about putting in place statutory obligations in that regard. I do not know if you have come across anything. The only one I am aware of is hedgerows.

Q279 **Chair:** There is no evidence that it is happening on any great scale, but it could be that, if the price of grain stays good, some farmers might decide, "I will just forget about the schemes and produce as much food as I possibly can", which could have some environmental implications.

Dr Thérèse Coffey: You are right in theory. My impression is that farmers are not rushing to do any of that. I would rather they sign up to the schemes rather than get rewarded for something.

Q280 **Dr Hudson:** Secretary of State and Permanent Secretary, I am going to move on to the government agency, the Animal and Plant Health Agency, but first of all, Secretary of State, can I echo your thanks to the staff at the Environment Agency at this particularly challenging time with the floods? The staff at the Environment Agency, the people in local authorities, our emergency services and people in volunteer emergency response groups are responding to floods at this time, and no doubt we will have more as the season progresses.

Further to that, can I put on record our thanks to the APHA for all that they do to keep our country safe in terms of biosecurity and monitoring animal and plant health? They are coming into another challenging season that I am going to be asking about, regarding avian influenza.



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One of our major reports that we published this year was on rural mental health, and key findings were that rural communities' acute shock events such as flooding and animal disease outbreaks have a massive impact on local communities that last for years, if not decades, so I just wanted to put that on record. Thank you for all that you are doing. There is obviously more that we can do, but there are a lot of people involved.

With that in mind, in terms of avian influenza, when we had an emergency session on avian influenza, we had the chief vet, Christine Middlemiss, before us, and one of the issues with vaccination is that at the moment there is no particularly suitable vaccine that is appropriate for this particular strain, but some countries are working on that. We are working on that as well, but some countries have started using the vaccination. We currently do not, in a broad sense. Could you give us an update on the Government's thinking on the avian influenza vaccination and vaccine programme, please?

Dr Thérèse Coffey: Can I just add briefly to what you have just said? When people see their livelihoods threatened, the anxiety increases. We are very conscious of that, and that is what we try to work through in a number of ways. I wanted to thank you for your report on mental wellbeing.

On the floods, I want to echo briefly not only our thanks; I would also give a reminder to people. It is not just about these flood events. I do not think it is in your constituency, Mr Byrne, but there was a couple that drove into floodwater near St Anthony of Padua on Queens Drive. I am afraid that the major source of mortality when it comes to flooding is still people driving into floodwater. I want to encourage people to avoid it, because they are not only potentially writing off their car; it can be fatal.

Coming back to avian influenza, the taskforce first met in February this year. It has met 15 times. I am anticipating the initial report of the taskforce next month. From the information I have been provided with so far, we believe it is unlikely that vaccines will offer full protection. We still expect some transmitters, but overall we think it is unviable to have a vaccine in place for this high-risk season. In effect, the season starts at the beginning of this month. We have not had any confirmed outbreaks so far, by the way, certainly in protected elements. There has been one wild bird finding this week.

We know that France tried something. There have been trials elsewhere. One of the impacts that happened to France when they were doing it with ducks is that the USA immediately suspended all imports, so we have to think about how we can manage that, recognising some of our trade exports. But biosecurity is still going to be the principal way of managing this in the short term while the taskforce considers some things, and we will need to go through it after that.

Q281 **Dr Hudson:** You have anticipated my next line of questioning in terms of the trade implications, but are you anticipating then, in the coming year



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or so, that the UK Government would move down the pathway, if the vaccine becomes available, to move forward with that, but cognisant, as you have said, Secretary of State, of the potential trade implications? Are you workshopping what your approach would be?

Dr Thérèse Coffey: Dare I say it, but it is a bit like us not having hormone-treated meat coming into our country. I can understand why other countries may express concern about aspects of vaccination in that regard. We have commissioned some research into industry costs. There is a joint action map being developed between industry and Government, working through some of those core groups that we have. I understand the anxiety that people have, but we need to strongly consider the reputation of our poultry around the world.

Q282 **Dr Hudson:** You mentioned, Secretary of State, that France is undertaking a vaccination programme in ducks. Do the Government have a position on importing duck products from France that are vaccinated?

Dr Thérèse Coffey: I am anticipating a sub will come any time soon, but I do not know the implications of the trade agreement that we have through our agreement that we signed with the European Union.

Q283 **Dr Hudson:** I assume that there would be dialogue between the chief vets in France and the UK, and that there will be a hotline there.

Dr Thérèse Coffey: I completely expect that. We are aware of the checks during an emergency situation last year, but just once, and there are some trials happening in some other European countries. We are still making progress, but we have to consider this carefully.

Tamara Finkelstein: It is worth adding a bit more on the flu map consortium. As you say, APHA is a pretty amazing set of people, including incredible scientists and vets, and the research that is being done on this consortium looks beyond vaccination at a wide range of ways in which we need to understand more about this and how we combat it. It has been getting some quite helpful results, and we just have to have further investment in that research and development. That consortium and scientific work is going to be important in the future of how we tackle avian influenza.

Q284 **Dr Hudson:** You mentioned the APHA. We had them before us just a few weeks ago. There are potential biosecurity risks with avian influenza, but then also if you had, hypothetically, a concurrent infectious disease outbreak such as African swine fever. Are you comfortable and confident that APHA has the staffing and the resourcing to be able to cope with— heaven forbid—two potentially huge situations like that?

Dr Thérèse Coffey: I think that we do. Of course, these people are in high demand and we have a lot of dedicated staff, but I know that Tamara particularly focuses on aspects of this.



Tamara Finkelstein: Yes. I should say that we are continually exercising to see what things we need to put in place to be assured of that. We did some internal exercising recently, and there were definitely actions that we need to take to feel confident that we are able to operate effectively, including how we draw on contracts to get people that we might need at short notice, and how we operate effectively across the DEFRA group to move people in an agile way. There were definitely some actions out of that that would be important for increasing our confidence in being able to do that, but we have invested more. We have 161 more posts to be more effective at dealing with avian influenza, together with other things, but we are continually testing and improving our contingency arrangements.

Q285 **Dr Hudson:** I know I probably sound like a broken record on this, but, Permanent Secretary, as a Committee, we were very impressed when we went to the Weybridge facilities. Can you reassure us that you are still making the case to Treasury for that refurbishment and redevelopment plan that is so pivotal to the country's biosecurity?

Dr Thérèse Coffey: Yes.

Tamara Finkelstein: Believe me, I am a more broken record on this than you. It is completely crucial. We have money for this spending review period to do some of the starting work, and also work on how we do this as efficiently and effectively as possible. We will put together the business case, as I think you know, for next summer, and we are very committed on this. It is essential.

Q286 **Dr Hudson:** Thank you. That is very reassuring to hear. We were very impressed on our visit as well that the plans are in place with the people there, as if that change is coming, so full steam ahead, please.

I want to move on to the border target operating model. I know that we have now received an update on that this month. Can you give us a very brief update on where we are with that in terms of the timeline and when that is going to come into play?

Dr Thérèse Coffey: It basically all kicks off early next year. That is the plan.

Q287 **Dr Hudson:** Have the delays coming forward been because of inflation costs or stakeholder readiness? Can you give us background as to why we have been delayed a little bit with this process?

Dr Thérèse Coffey: It is, at most, a three-month delay. Some of this is just about sorting out aspects of cross-Government approach on certain matters. One of the reasons we have made sure we are absolutely proceeding is because of our concerns about things like African swine fever. We have people in place. We will finalise the BCP—border control post—utilisation pretty soon. We are just locking down some aspects like that.



Q288 **Dr Hudson:** We asked you about the impossible inflationary pressures and the impact on food prices from introducing this model. This model coming in is very much something that is to be welcomed, in my view, in terms of protecting our biosecurity, but what is your assessment of the potential inflationary pressures on food prices, if they exist at all?

Dr Thérèse Coffey: We had estimated that it was something like 0.2% over three years, so we thought it was very low, and worthwhile because of the potential impact on decimating an industry. On some of the consultation that we put out there about fees and similar, I have asked officials to look at it. We saw some of the feedback, and we are investigating some of that bit again, so we should get on and publish our response to that pretty soon.

Q289 **Dr Hudson:** When we had the APHA in a couple of weeks ago, we talked about the border control posts, certainly in Kent and the Sevington site, in terms of the answer that that is going to be fully operational next October. Are there contingency plans? Is Bastion Point still under review? Can you give us an answer on that?

Dr Thérèse Coffey: We are close to finalising that. I had better not say because it has not been completely locked down across Government.

Dr Hudson: What about in terms of the date?

Q290 **Dr Thérèse Coffey:** We are just finalising the date it will be done. I appreciate that that is frustrating for the Committee, but I cannot announce something that is not completely finalised.

Chair: We have a Division in the Commons, so I will suspend for 15 minutes.

Sitting suspended for a Division in the House.

On resuming—

Q291 **Dr Hudson:** Carrying on with biosecurity, the model states that this month DEFRA will announce exemptions for a small amounts of animal products intended for personal use, imported into Great Britain either in passengers' luggage or in post and parcels. There is some alarm about this side of things. Can you outline the rationale for this change? What assessment have you made of the potential biosecurity risks with this?

Dr Thérèse Coffey: This is intended to cover things like the ham sandwich or the croque monsieur that is not being consumed.

Q292 **Dr Hudson:** If we have these loopholes where people can bring in food products, potentially meat products, for their own personal use, we know that some of the outbreaks in the past have been related to food material coming in. I know that, in the border target model document, it talks about additional checks for personal imports of pork products. We are an island state, and if you contrast arrangements when you fly into, say, Australia, they are very strict on personal food that can be brought in. It has to be put in bins and declared, and you just cannot bring it in.



If we have a significant worry about things like African swine fever, is there some rationale for just saying that we are an island state and we need to be very careful about this? Is there a need at all to bring in those products for your own personal use when they could present a potential risk to the country's biosecurity?

Dr Thérèse Coffey: When we were part of the European Union, people could bring whatever they liked in. We have a good balance on the risk-based approach that we are taking, and it is designed, as I say, to not criminalise people who are bringing back a little bit of food that they may not have consumed or a particular cheese they like. It is about trying not to be heavy-handed, of course.

It will be open to our border forces in terms of aspects of checks—that sort of risk-based physical check—that they can put in place and whether it is considered medium and high-risk goods. I do not anticipate that the majority of people are seeking to smuggle that in, but we know that some people are, and that is why we take the approach that we are. People go to Carrefour in Coquelles—there are other supermarkets available—to pick up a bit of food on the way back to the UK.

Q293 **Dr Hudson:** You mentioned that, when we were in the European Union, there was that free movement and people could bring things, but now we are not in the European Union, there is this opportunity to have a Brexit dividend, if you like, of tightening up our island's biosecurity. Is that something that officials could do without inconveniencing people moving into this country and coming in and out? Do you not feel that the public would get it: that you perhaps do not need to bring that sandwich in with you, potentially, if there is a risk?

Dr Thérèse Coffey: I do not think they would get it at all.

Tamara Finkelstein: We are trying to strike the right balance. Already, we have put in checks to try to combat the risk of African swine fever and white vans with pork products and that sort of thing, so it will strike that balance to ensure that we are avoiding those risks. That is why we are seeking to strike the balance.

Dr Thérèse Coffey: The point is that there are some checks. Also, trading standards get involved. That is why there have been seizures of material and similar. I do not think people would be very thrilled about, if they were still eating their croque monsieur, making sure that they had to finish it before they came in to get on the Eurotunnel or whatever it was.

Q294 **Dr Hudson:** In terms of the risk, potentially it might be more than the croque monsieur or the sandwich. It could potentially be up to two kilograms of meat, could it not?

Dr Thérèse Coffey: This is why the risk-based approach is there. As I say, there have been successful interventions. I am particularly thinking of things sold out of vans and similar. Trading standards have done good



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jobs as well. We are striking the right balance, and of course these matters, as usual, will be under review.

Q295 **Dr Hudson:** I am reassured to hear, Secretary of State, that it will be kept under review. Are there specific pathogens that you are looking at when you are doing these risk assessments? Is it things like African swine fever or foot-and-mouth disease? Do you have officials and scientists looking at that and a risk-based approach? Are there other diseases that you have on your radar?

Dr Thérèse Coffey: ASF is the principal one, and then when it comes to plants, it is *Xylella fastidiosa*. There are many other pathogens that are problematic, but some of them, of course, just fly in.

Q296 **Chair:** Having been on a freight ferry over the summer, I know that some of those lorry drivers have whole hampers of food that they bring for the week while they are in England, so personal use could be quite a substantial amount of food to sustain a lorry driver for the week. Certainly, in terms of risk of infection, one gram of pork would be enough to start off an epidemic. I seem to remember that the last foot-and-mouth epidemic was linked to catering from an airline, possibly. It is a difficult one.

Dr Thérèse Coffey: We know that the major outbreak of the original foot-and-mouth was swill.

Q297 **Rosie Duffield:** Last week, we had a big session about the XL bully question, and we took evidence that raised serious concerns about the preparedness of the rescue, veterinary and enforcement services for the proposed XL bully ban that the Prime Minister recently announced. We also heard evidence from the RSPCA and others. They said that they had left the coalition of partners that were consulting with DEFRA because, frankly, they felt that their evidence about XL bullies was not being taken seriously or listened to. Are you working to get them back around the table? Large organisations such as the RSPCA, Dogs Trust and others are pretty essential to advising DEFRA and getting the message out there to the public, are they not?

Dr Thérèse Coffey: The decision has been made. Of course, it will depend on Parliament passing a vote about adding it to schedule 1 of the list. The position was made very clear to the organisations. It was not the case that we were inviting them in to discuss whether this would go ahead. That decision will be made by Parliament. The Government are going to add them to the schedule.

We wanted and were keen to have a discussion about aspects of definitions and some other aspects of that. They were at some meetings, but—you are right—they have chosen not to continue. I believe we are in a good place. We have agreed a definition. Of course, we have also involved local authorities and the police in particular, along with our own internal officials. We are pretty close to being able to proceed with the



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legislation and the guidance that would go alongside that in terms of practical implementation.

Q298 Rosie Duffield: I know it is probably very sensitive. It seemed to us that the definition was really difficult to land on. I have contacts who I speak to in the RSPCA. They say it is almost impossible, yet none of those organisations is taking on any more rescues that they think may be XL bullies. As it is a type and not a breed, the specifics are really difficult to pin down, are they not? What happens if XL bullies or dogs that are deemed to be XL bullies are now effectively strays? That is pretty scary.

Dr Thérèse Coffey: This announcement came out last month. I am conscious that a lot of owners see them as genuinely valued pets. That is why the process we will put in place will allow people to keep their pets. We want to make sure owners do things like muzzling and putting their dogs on leads in public. That is going to be the principal impact of the legislation. You will not be able to sell or breed these elements.

For the dog welfare organisations, they simply oppose the Dangerous Dogs Act, but that decision is not what was under discussion.

There has been a significant increase in fatalities. Of course, it is not only XL bully-type dogs—I am aware of that—but the proportion of XL bullies has been significant. In terms of the wider remit of the Dangerous Dogs Act and its subsequent amendments, the Act does not just apply to the four types—it is soon to be five, if Parliament agrees—currently listed. There are other measures in it to tackle dogs that are dangerously out of control.

I am conscious that not everybody agrees with it. A lot of people have signed a petition to Parliament. I am sure it will get debated at some point. Parliament will determine, through legislation, whether this goes on to the list of banned dog types.

Q299 Rosie Duffield: Will DEFRA consider the evidence we have found? I think I am right in saying that three out of four of the witnesses said that the number of attacks attributed to XL bullies was not as high as the public are led to believe. It was more complicated than that. Yes, they were talking about muzzling and things like that, but their evidence was really quite interesting for us. We will be compiling a report. Will DEFRA be able to take all of that into account?

Dr Thérèse Coffey: We are proceeding with the legislation. It will be laid before Parliament. It will be for individual Members of Parliament to decide whether they agree with adding the XL bully type to the list. I believe we have a good definition.

Q300 Rosie Duffield: Will you be looking at the Dangerous Dogs Act as a whole? I declare an interest as the chair of APDAWG, the all-party parliamentary dog advisory welfare group, which is about to have a giant meeting. Most of the stakeholders I deal with have been saying that the Dangerous Dogs Act is not fit for purpose, and it is 30 years old.



Dr Thérèse Coffey: I am not intending to review the Act. In DEFRA, we have a taskforce working on responsible dog ownership. I am anticipating that it will report to the Department by the end of the year. I had thought it was going to be a bit earlier, but I have been told that it is likely to be December.

Q301 **Rosie Duffield:** I just have one last question on this. The data currently being gathered does not record dog attacks on other animals, nor does it record the breed involved in attacks on humans and fatalities. Will you commit to improving the data gathered on dangerous dogs to enable better evidence-based policy making? The source of data was something we had a slight clash on during the panel last week.

Dr Thérèse Coffey: It is the first time that has been suggested to me. I am not going to rush to give you an answer, but my instinct would be that we do not need to keep gathering more and more data. There is already a significant amount of data out there.

Q302 **Rosie Duffield:** Where does that come from at the moment?

Dr Thérèse Coffey: It will start to add burdens to aspects of other Departments and other organisations. I do not want to give a knee-jerk reaction, but my instinct would be that we have enough information already. I do not know that we need to gather more and more data, particularly when it comes to this issue.

Chair: We were certainly given some data from police forces about the number of dogs in custody, so to speak, and the proportion of those that were XL bullies or other breeds of that type. It was very significant. They have a large number of these dogs in comparison to the percentage of dogs out in the country.

Q303 **Mrs Murray:** I have a follow-up relating to that. Secretary of State, are these statistics kept by the Home Office or by DEFRA? Does the Home Office communicate them to you?

Dr Thérèse Coffey: It is a combination. The MOJ is also involved. They register the number of offences, in effect, that have been committed, but I do not know at what scale they have that data. The reality is we do not know how many XL bullies there are in the country. We have estimates. Even within the bully types, there will be XL bullies and pocket bullies. There is a variety. What has been assessed so far is that, in particular, the XL bully is the type that is more likely to be involved in these attacks.

Q304 **Chair:** One of the big veterinary practices, one of the conglomerates, estimated that there are about 50,000.

Dr Thérèse Coffey: The latest I have heard is that Blue Cross thinks there are 15,000. We think there are about 10,000. It is challenging to judge. I had really hoped that we could get this sorted more quickly. We are very close to that. We just need to make sure that a few other things,



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including aspects of compensation, are in place and ready to rock and roll.

Q305 **Chair:** This Committee has been very supportive of the announcement that the Government have made. To be fair, it was fairly unanimous and cross-party given the horrendous evidence we have seen—both the statistics and some of the video clips we have seen of these dogs.

Before we go back to Steven, I just want to raise a particularly Scottish issue and talk a bit about the UK's agrifood trade strategy. There has always been a debate between those who want more free trade and those who want to be protectionists. Indeed, our farming business started four years after the repeal of the corn laws in 1846, when it was a similarly contentious issue.

There are some who consider that the Department for Business and Trade has been so keen to sign deals that it may want to sell farmers down the river—I have heard that said. In fact, George Eustice said that the UK-Australia agreement was not actually a very good deal for the UK and it gave "far too much" away.

Certainly, we have looked at some of the detail in terms of carcase equivalence and some of the prime cuts coming in. Is DEFRA involved in these negotiations? Do you fight the corner of farmers? There could be issues that really will affect some of our key producers.

Dr Thérèse Coffey: Yes, we are and we do. I am conscious that the Prime Minister in particular has set out very strong principles on how he wants to handle trade. I am not going to go into detail with the Committee on internal Government discussions, partly because a lot of them are still live negotiations with other countries.

One of the most significant increases in access was in CPTPP. We have remained resolute with the Prime Minister's leadership on issues like SPS. Other countries, I am pleased to see, are starting to improve some of their standards so that we can start to consider imports from areas where it has been blocked. Likewise, the other way around, it took us a long time to be able to export some of our products abroad. I am hoping to make further progress with China on reopening aspects of our trade that they have currently blocked.

We do work collectively as a Government. I am conscious of what farmers have said. We do have discussions on this with the NFU as well. We have seen an increase in exports since prior to covid. That is good news. I am very keen that we take full advantage. These trade deals are supposed to be two-way, not just one-way. Many farmers will know that there are parts of our animals for which they will get a better price abroad than they do in this country.

Q306 **Chair:** You could not even market some parts of animals in this country.



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Dr Thérèse Coffey: Yes, indeed. We are still a long way away from persuading the US to take haggis, but I would love it if they did because it is very tasty.

If I take China, for example, in the 12 months to August this year we have seen an increase of about 19% to 20% of our exports, but we are still down on things like pork. That is the sort of thing we want to rectify.

I have also asked the Department to make sure our agrifood attachés—we have increased their number; it is going up to 16—have sales KPIs. This matters to me. While a lot of their focus is understandably on sorting out barriers and different elements like that, we need to go and fly the flag. That is why, subject to permission being granted to be away during Government business, I am hoping to be leading a group to the Chinese food show in Shanghai and having some discussions there. We want to go and support our exporters around the world.

Q307 **Chair:** Certainly, our biggest food and drink export is Scotch whisky. India is our biggest market for that. Of course, that is made from malting barley. It is an agricultural product, even though the barley makes a small proportion of that particular product.

Dr Thérèse Coffey: We are still progressing the trade deal in that regard.

Q308 **Steven Bonnar:** Just on the point about haggis, America's decades-long ban on haggis is about to come to an end next year after our biggest producer announced plans for a product to hit US shelves by this time next year. I am sure your American friends will be looking forward to that.

Let me turn to the proposal by the Scottish Government for a Scottish rural visa scheme. It has been dismissed out of hand so far by the Government. In our view, Secretary of State, ending freedom of movement has been a catastrophe for our economy. Labour shortages have been reported in every single sector, specifically and especially in food production. Due to the lack of seasonal workers to pick produce, we have left over £60 million of fresh food rotting in the fields last year alone.

In terms of eligibility for seasonal workers departing the UK, a lot more of them are departing earlier than required. The pilot of a visa scheme was agreed by all the parties in Holyrood: Conservative, Labour, the SNP, Liberals and the Greens. That was over a year ago. I was wondering what recent conversations you have had with the Home Secretary or indeed the Scottish Government. Will you consider an independent review of labour shortages in the food supply chain?

Dr Thérèse Coffey: You will be aware that immigration is a reserved matter. I appreciate you have different views on that. However, we have secured 45,000 seasonal agriculture worker visas with a potential for an extension, and also for next year. I do not have the latest number to



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hand, but my understanding is that we are nowhere near the 45,000 visas being used. We are a considerable way off. I know a lot of people will be wanting to have poultry in particular in the next couple of months ahead of Christmas.

In terms of a labour and workforce review, John Shropshire has done his review. I am expecting us to respond before the end of the year. Some of the recommendations that he came up with were about visas. That is why we are in discussion with the Home Office as it stands. I do not have any further news today.

Q309 Steven Bonnar: Thank you for that update, Secretary of State. Iain Brown, who is the chair of the NFU Scotland's Horticulture Working Group, said recently, "We need a long-term assurance from the UK Government that we will have good access to seasonal labour, and an understanding that a lack of workers will reduce the amount of home produced fruit and veg on our shelves, which in turn will undermine the Government's own commitments to food security".

What assessment have you made on increasing visa lengths and, in particular, reducing costs and removing barriers? These are some of the barriers that are preventing people coming in and stopping us having the high uptake to which you have referred. What assessment have you made of reducing costs and removing barriers to people returning yearly, as they did before Brexit?

Dr Thérèse Coffey: Nearly 5 million people have EU settlement status. They can come and go as they wish. There are some people in that interim element. However, we should recognise the fact that a lot of people have chosen not to come back and a lot of behaviour has changed post covid. That option is still open to nearly 5 million people.

In terms of the visas, as part of the Prime Minister's UK Farm to Fork summit, we set out that we would have the same number of visas next year to give businesses that assurance. I am conscious that people would like a longer-term assurance, but we are still going through some of the back and forth about the recommendations of the Shropshire review. Again, I hope we will be able to publish a response on that before the end of the year.

Q310 Steven Bonnar: Thank you for that. You said it was a matter of immigration that is for the Home Office, and then you said later that you were in discussions with the Home Office. Will you be advocating for a Scottish rural visa to help—

Dr Thérèse Coffey: No, I do not want to give you a false impression, Mr Bonnar. I believe it is a firmly reserved matter. I am conscious that the number of visas available has not been used. There is still opportunity for people, in my understanding, to apply. It is not my intention to follow up on a Scottish rural visa specifically.



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Chair: Derek wanted to come in. It will not be long before the daffodils emerge in Cornwall, will it?

Q311 **Derek Thomas:** I would not worry so much about the workers. We are very happy with the way DEFRA has addressed that. It has been really helpful for both long planning but also getting them in at the right time.

I am more interested in what the Secretary of State and DEFRA have to say about milk prices. In the last 18 months, we have seen milk prices get to a place that is much more realistic about the cost of production, not ignoring the issue of energy and the other prices that they had to address. However, it is now coming back quite quickly. I am getting dairy farmers both leaving the industry altogether and getting quite concerned about the drop. It is about 33p, I was hearing on Saturday.

In the past, DEFRA has been quite engaged in the discussions around dairy prices and what the right price is for a pint of milk. We are not seeing the same kind of price reduction on supermarket shelves. Secretary of State, I do not know whether you have had time to look at what is going on in the dairy sector or whether you are concerned about where we might be in trying to produce milk and the other products.

Dr Thérèse Coffey: Yes, you are right. The price of a pint of milk in a supermarket is still about 90p or £1.30 for two pints. You are right to indicate that farmers are suggesting that the amount they are being paid per litre is starting to fall. There is still a greater than 100% production-supply ratio in the milk sector. We are still seeing people staying in the sector.

One of the things we are doing—I expect we will lay the legislation when we are back, after the King's Speech—is the dairy contract regulations. That should give some fairness in the supply chain in that regard. In terms of milk price inflation, it has only dropped by 0.5%, which is as indicated. I hope the regulations will allow people to get certainty in the contract, which they may not currently enjoy.

Q312 **Derek Thomas:** If we do see a sudden shift in the production of milk and people leaving the market, how dramatic does that have to be before the Department takes action?

Dr Thérèse Coffey: There are certain thresholds in the Agriculture Act. The trigger for an intervention in the market is pretty high. I do not have a specific map at the moment in regards to milk. My main focus is really on trying to get on with those regulations.

Q313 **Chair:** I take a personal interest in this next question as one of a dwindling number of remaining oilseed rape growers. The Government very sensibly banned neonicotinoids because of the adverse effect they have on bees when bees are exposed to these chemicals. The science on that is clear. In the case of sugar beet, the work at Rothamsted informs the Departments as to whether the levels of the peach-potato aphid, which is the vector for virus diseases, is at such a level that this seed



dressing can be used. This year is one of those years.

Do you have any information about whether there has been any effect on bees during this growing season? Sugar beet is a biannual crop and does not actually flower, which means bees are unlikely to feed on it.

Dr Thérèse Coffey: You will be aware of the process. Minister Spencer took the decision, on the basis of various advice, on what thresholds were set, including advice from the Rothamsted institute, which allowed the exemption to be granted for the insecticide.

In terms of broader oilseed rape coverage, my understanding is that there was a super-abundance last year or the year before, but we are within the average yields over five years. I know you might have concerns about whether people are planting it.

Q314 **Chair:** The point I am trying to make is that, if it can be demonstrated that using a seed dressing on a crop that is not flowering does not affect bees because bees are not exposed, more work could be done to see whether there is an argument for using these seed dressings on oilseed rape. It does not flower until the following spring and the seed dressing runs out of steam after about four weeks.

At the moment, lots of people in north Yorkshire have basically knocked out their oilseed rape. My next-door neighbour had about 200 acres of oilseed rape. They have knocked it out. We sprayed ours with synthetic pyrethroid five times. I hate using insecticides, but we sprayed five times and we almost lost the battle against the cabbage stem flea beetle.

I just wondered whether we need to do more research on whether bees are actually exposed to these chemicals if they are used as a seed dressing. In sugar beet, thousands of acres of sugar beet have been treated in this way. It could possibly also be used for oilseed rape, which would mean we did not have to import our oilseed rape from elsewhere in the world, where they use these chemicals.

Dr Thérèse Coffey: I am conscious that they may well use it elsewhere. That is what I was trying to put across, perhaps clumsily. In our understanding, the yield this year is within the five-year average. We do not anticipate that there will be such a problem as people might be concerned about.

Let me take it away. It is unlikely that we will start to reopen the neonicotinoid debate and make it freely available, but let me take it away. In our usual way, as there are a couple of questions, we can write back to you.

Chair: We would welcome more research, perhaps from countries where they still use these extensively.

Mrs Murray: Just to add weight to your question, it is not just in the north of England. It has been raised with me in the past by my farmers in the south-west as well.



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Chair: Thank you very much indeed, Secretary of State, for engaging so positively with the Committee. We have certainly enjoyed your evidence and come away better informed in most areas. Also, thank you to the Permanent Secretary, who has only occasionally had to chip in to help. Thank you very much.