



HOUSE OF LORDS

Environment and Climate Change Committee

Uncorrected oral evidence: The Office for Environmental Protection (one-off session)

Wednesday 14 February 2024

10 am

Watch the meeting

Members present: Baroness Sheehan (Chair); Baroness Bray of Coln, Lord Duncan of Springbank; Lord Frost; Lord Giddens; Lord Grantchester; Earl of Leicester; Lord Ravensdale; Earl Russell; Lord Trees; Duke of Wellington; Baroness Whitaker.

Evidence Session No. 1

Heard in Public

Questions 1 - 26

Witnesses

[I](#): Dame Glenys Stacey, Chair, Office for Environmental Protection; Natalie Prosser, CEO, Office for Environmental Protection.

Examination of witnesses

Dame Glenys Stacey and Natalie Prosser.

Q1 The Chair: Good morning, everyone, and welcome to this public session of the Lords Environment and Climate Change Committee. Today we will be taking evidence from the Office for Environmental Protection. This is a one-off session on the OEP's recent report entitled *Progress in Improving the Natural Environment in England 2022/2023*. Our witnesses are Dame Glenys Stacey, chair of the OEP, and Natalie Prosser, CEO of the OEP, and we are very grateful to them for taking the time to appear before the committee. I will ask them for a brief introduction before they speak for the first time.

Before we start, may I remind everyone that the session is webcast live and subsequently made available to view via the parliamentary website and that the transcript will be made public. Witnesses will have the chance to review that transcript and, if necessary and with the agreement of the clerks, make minor amendments.

Members are reminded that they should declare any relevant interests before speaking for the first time. Before asking the first question, I would like to make my own declaration of relevant interests, and in doing so refer to my broader interests as per the register of interests on the parliamentary website. My husband and I jointly own grazing land in south Oxfordshire, some of which is managed under Defra's Countryside Stewardship schemes, and I am a director of Peers for the Planet, which is not a remunerated position.

The first question for our two witnesses is as follows. The Government's 25-year environment plan and subsequent environmental improvement plan 2023 set out the aim to deliver significant improvement of the environment in England for the next generation. Are we on track to achieve this?

Dame Glenys Stacey: Thank you very much, Chair, and good morning everybody. Thank you so much for the invitation to Natalie and me to be here.

You have asked us to do a short introduction of ourselves. I was appointed chair designate of the OEP in January 2021 ahead of us becoming an interim body in the summer of that year and being established as a statutory body a year later. I have been doing the job since then and enjoy it very much. Natalie, do you want to do a quick introduction before I answer the question?

Natalie Prosser: Good morning, committee. I am the CEO of the OEP. I was appointed as the interim CEO back in 2021 and led the set-up of the OEP. I was appointed as the permanent CEO in 2022 and it has been my privilege to act as the CEO since then.

Dame Glenys Stacey: To answer your question, Chair, we reported, as you know, back in January, that the Government are largely on track to meet just four of the 40 environmental targets that we report on. Those

four relate to specific pollutants and wastewater. Some of those targets are quite far off the achievement dates, but we can say that they are largely on track at the moment.

However, overall trend data shows a mixed picture for goal 1, clean air, and for goal 8, reducing the risk of harm from hazardous chemicals. We were unable to make a trend assessment about goal 10, enhancing beauty, heritage and engagement with the natural environment, because of the lack of data, and we found the Government largely off track in the seven remaining goal areas, including the apex goal, thriving plants and wildlife. So, in short, it is not a happy picture.

The Chair: Thank you. Ms Prosser, would you like to add to that?

Natalie Prosser: Our chair has done a comprehensive review of the key messages. We have worked very hard as part of this report against the new EIP and the first report since the new statutory targets were put in place to give our best assessment of future progress, and you can see our assessment in our executive summary. We have done that very deliberately, because a lot of these targets are quite far away, although the 2030 target is remarkably proximate, and we wanted to give our best assessment of the likelihood of success now when there is good time to course-correct, if that is needed. That is all I would add.

Dame Glenys Stacey: If it is helpful, I can indicate that some things are moving in the right direction in each of the 10 goal areas. For example, water leakage in England is reducing and the number of illegal waste sites has reduced, although new ones are springing up all the time. The percentage of fish stocks that are sustainably harvested has increased over the last couple of decades, and fewer tree pests and diseases are becoming established than has been the case historically. So there are some little nuggets of things moving in the right direction, but it can all be a bit beguiling; one can be persuaded that things are moving. However, progress is outweighed by some deeply concerning trends.

We provide the details in our report, but I would point particularly to three areas of concern, while noting that these are areas that I would point to rather than the OEP as a whole. The first is soil health. We do not know the health of the nation's soils. We do not yet have a basket of measures to assess that, and I find that deeply concerning. We do not know whether the soil is being managed sustainably.

Second is human exposure to chemicals and pesticides where we have significant strategy and policy gaps. In many areas, we have the policy solutions, but we need them to be applied. Here, we are one step away from that; we do not have all the strategy and policy solutions we need for persistent organic pollutants, for example, which is a good example there.

Lastly, I would point to the Government's apex goal for nature. We particularly focus on that in our report because it is so significant; so much falls from it. As Natalie Prosser said, the target is so proximate

now; 2030 will be fast upon us. We look, for example, at the condition of sites of special scientific interest. They are pretty steady, but not where they need to be, and time is so short. That is where we need to see action. When we look at our data from the last state of nature report on species abundance, for example, the picture is static. There may be a bit of change from a very low base. We really have to see movement there, and SSSIs and ELMs are so significant to progress in those areas. I hope that is helpful.

The Chair: Excellent. Thank you.

Q2 **Lord Trees:** Thank you very much for coming and giving your time today. Following from that, does the environmental improvement plan have sufficiently clear and measurable goals to deliver on its targets?

Dame Glenys Stacey: In our view, the EIP has the right goal areas. The 10 goal areas were established in the last version of the plan and are still there in the refreshed version, and we do not argue with them. We find that in the main the statutory targets are sufficiently ambitious. We made our arguments about one or two—air quality, for example—but in the main the goals are fine.

The interim targets are not all as closely aligned to the long-term targets as we would wish, but we can live with that. Our real issue with the EIP is whether it is enough. It is hard to tell. There are long lists of actions, but are they at sufficient scale? Is the plan at the right scale?

Secondly, are things set to happen at the right speed? There, you need to know about the detailed obligations, delivery plans, commitments and resourcing to know what will happen when and, indeed, who will do what, and we do not have that; you, and indeed Parliament, do not have that level of transparency so that you can be reassured the Government will have the detailed plans and resources to meet their plans and will do so.

For us, the issue is whether the plan stacks up to be what we now need to deliver on the Government's plans and the statutory targets endorsed by Parliament. We do not argue with what the Government seek to achieve; we want to see how they are going to achieve it and whether they will do so in sufficient time. It is our job to shine a light on that so that you can take a view.

Q3 **Lord Trees:** Okay. Thank you. My next question follows on from that and is about what is currently going well. You have given us some indication of that in relation to four goals. I am also interested to know what is not going so well, and I am concerned about one aspect in particular. The apex goal is thriving plants and animals, and I have a considerable interest in biosecurity, which is your goal 9. Enhancing biosecurity is critical to thriving plants and wildlife. We have seen incursions of pests, invasive species and pathogens over the last 30 or 40 years that are devastating and could completely corrupt our attempt to establish better biodiversity and thriving plants and animals. Could you say a bit about what is going well, but in particular what is not going so well and how

progress might be speeded up?

Dame Glenys Stacey: You mention invasive species, which is a very good example of where the right policies are there but are not being implemented. In seeking to know why, we understand that the reason is a lack of dedicated resource to deliver on it. It is not an unusual picture, but we can highlight that if the existing policy was applied, you would be in a much better position than you are now. You and I know that the longer you leave it, the more expensive it will be to deal with it. So it makes economic sense to get on top of it now, and in our report we press for the policies on invasive species to be implemented.

More broadly across thriving plants and wildlife, we estimate that the Government are largely off track when it comes to trying to meet their 2030 targets for species, stopping species decline, and their 2042 target for reversing species decline. Those targets depend on two things. One is coverage of SSSIs—I think it is 8% of land at the moment—and, of course, the condition of those SSSIs.

We are in a very poor state when it comes to understanding the condition and getting work done to improve it, because there is a large-scale problem with the condition. Many SSSIs are part and parcel of the wider agricultural land, and trying to get those up to standard is not a quick fix. You are talking about undergrazing, overgrazing, wrong grazing, burning or whatever. There are very specific issues per site that need to be dealt with. Work on SSSIs needs to happen at pace and at scale.

We are also largely dependent on ELMS—environmental land management schemes—where the Government have ambitious aims for the extent of take-up, and for the take-up of the higher-order schemes. At the moment, we see take-up of the lower-order schemes, but we want to see the roll-out and take-up of the higher-order schemes. We also want to see and measure the extent to which the Government are right in assuming that delivery of the schemes in the way they envisage will meet their target aspirations. We have a piece of work just starting now to lift that stone and look at ELMS in sufficient detail to help the Government in assessing whether they are likely to meet their aims.

Q4 **Lord Frost:** Could I mention one interest, although it is perhaps not directly relevant to this session, which is that I am a trustee of the Global Warming Policy Foundation?

I have a couple of questions about how the OEP reaches its judgments. You make some very stark judgments; there is a lot of red in this report. First, I am curious to know a bit about your internal processes. How do you manage the information? How do you reach those judgments? Do you have arrangements for internal challenges? In other words, how robust are your internal processes, and what level of assurance are you providing here?

Dame Glenys Stacey: That is a most welcome question. I will turn to my chief executive for the detail, if I may.

Natalie Prosser: It is a very good question indeed. OEP is a very young organisation and we have invested very hard in developing a very rigorous approach, but of course we are still evolving. This year, for example, as part of our commitment to transparency, we published our methodological statement, which lays out in substantial detail the exact approach that we took to allow it to be publicly scrutinised.

Because of the OEP's governance arrangements, our reports are very much the reports of our board, and our board takes a significant amount of interest in the detail and is closely involved in decision-making. Proposals for our approach and our emerging findings are reviewed in detail by our board on a number of occasions as part of its process. We seek the best-quality information that we can, and you can see that we refer in our methodological statement to our data sources. We rely as much as possible on verified government data as part of our assessments. In this case, we drew on the Government's annual progress report, which uses data published and verified by Defra. We also use information from a system called the outcome indicator framework, which again is a government-owned and approved dataset.

As part of our work, we have discovered that those datasets and monitoring information are necessarily incomplete and that leaves gaps in our assessment and the Government's assessment. You will see in our report a range of recommendations for filling those gaps. When we identify gaps, we see broader data to try our best endeavours to fill them and give our best view. This year, we voluntarily subjected ourselves to the UK Statistics Authority's Code of Practice for Statistics—the first year we have done that—to validate our approach.

We also conduct an open call for evidence seeking input from a range of stakeholders and see good-quality submissions. The NFU and a number of NGO representative groups, for example, put forward their views. Those views are not the same as verified government data and do not carry the same weight, but they help us to get a more rounded view. This is our second substantive report, and we will continue to look to improve what we do. In this financial year, we have established a college of experts, which will bring in a suite of individuals with specific technical knowledge that we can use—for example, as critical peer reviews.

On top of all that, we make sure that we verify anything in our report that relates to any public authority. We engage in ongoing dialogue with all involved public authorities, including Defra, to seek their specific feedback and test our findings.

In our view, our approach is vigorous and is completely transparent to all interested parties, but we will continue always to test and challenge ourselves as we progress.

Dame Glenys Stacey: You will understand that we do all those things to make sure we have a set of data and management information that is as reliable and as full as we can have, but there is still a large element of judgment required. For example, we have said that the Government are

largely on track when it comes to reducing hydrofluorocarbon consumption by 85% by 2036. There is a large amount of judgment involved in looking at what evidence we have, the trajectory and what we know of established strategy and policy. Our board is very aware of that and very keen to test and challenge those judgments, and it signs off on every recommendation we make.

Q5 Lord Frost: How many staff do you have looking at each of these target areas, and are you confident that you have the necessary skills? In your annual report from last year you noted that there had been difficulties in recruiting people with the right scientific and technical skills. That makes one wonder how robust some of the judgments are.

Dame Glenys Stacey: I will ask Natalie to give you the detail, but just to give you an overview, when we reported last year we did not have a full team. The team responsible for this report is the insights team, and when we did it last year that team was not a full team. That team is now fully staffed, and we have some very good people. Andy Gill from the team is here behind me. We are confident about the team.

A bigger issue for us is whether that team is big enough. Could it do a bigger, fuller, better job if it was bigger? Of course it could, but managing the application of our limited resource across our very wide remit is a constant challenge. Natalie might want to give the figures.

Natalie Prosser: We have approximately 15 members of staff at various levels of seniority in our insights team, which is the team that is predominantly focused on this report. We also commission external analysis as part of our operating model to procure specific support on different technical areas.

As Dame Glenys has said, we would always like to have more resources. The more resourcing we have, the more we can do. However, I do believe that the team does an excellent job. It has excellent credentials, and we actively seek external insights from the broader Defra group and from across government to supplement our internal resources. As I said, we have just recruited about 50 members to our college of experts who will, over time, provide additional critical challenge and insight.

Dame Glenys Stacey: The 15 members of staff in the insight team also have other responsibilities. They do not spend all day, every day of the year, doing this report, unfortunately. They do a wide range of other things for us.

We know there is still plenty of room for improvement here. One thing that we want to improve upon is the degree to which we can reliably look forward. The business of building the trajectories for the various strands of the environment plan is so important, and we want to build our capacity and capability beyond what we have now, but that is very dependent upon our being resourced to do so.

Lord Frost: I am certainly not arguing that the right way forward is having more people to reach more judgments. My concern is whether the

very stark and robust judgments are consistent with the number of people you have to make them, which is one and a-half per goal.

Dame Glenys Stacey: I do have confidence in the judgments we make. They are not always straightforward, but we think about them carefully. We are looking at a wide range of evidence and, indeed, we are working to a voluntary code from the Office for National Statistics to make sure that the way we do things is the best way.

No matter how many people we have, there will be judgments to be made. We are doing the best we can to make fair and reliable judgments, to assist the Government and Parliament in making sure that you have a good enough understanding, early enough, of the way things are heading. There is still a chance to move these trajectories, and I will be the first person to be applauding if, next year, I can say that more than four of the environmental targets that we are tracking look as though they are on track.

Q6 **The Chair:** Are you having to resort to informed judgments because there is a lack of baseline data?

Dame Glenys Stacey: In our report, we have a table showing areas where we do not have the data. A good example is goal 10 on access to and enjoyment of countryside and heritage. The data just is not collected. Even when we have the data, however, there will always be a judgment, because we are talking about the likelihood of achieving targets that in some cases are for 2040 and beyond. Also, some of these targets are relatively new; we are tracking a good number of targets this year that did not exist when we last reported. So there is no way of getting round the job—and it is our job—to make fair and reliable judgments.

Over time, as we get nearer to the target dates for achievement we will have a longer record in terms of the datasets and clearer historical trends, we hope, assuming that the data continues to build. You will then, perhaps, be able to put more certainty on what we are saying, but I stand by what we say at the moment about their being the best judgments that we can make.

Natalie Prosser: The Environment Act creates a statutory regime, but we are just one part of it. The Government have an obligation to produce their annual progress report, and that will be due this summer. We understand that the Government are investing more time and resource into that progress report, because inevitably they need to understand where they are, and the more robust that government assessment is, the more utility we can bring to our scrutiny of it. That is an important thing to note.

In our report, we have identified a range of areas where there are gaps in the data or the monitoring, and we make eight specific recommendations. The two go hand in glove, of course; without the monitoring, you do not have the data. That is quite understandable in many respects. We have

new targets and a new EIP 2023, so gaps are to be expected and understood.

We would hope that in light of our report, which the Government are due to respond to in due course, they will make meaningful investment to fill the monitoring and data gaps. That would allow our analysis and the Government's assessment of their own progress to be that much richer. All the details are in our report, should you wish to have a look.

- Q7 **Lord Grantchester:** I will make my declaration later, but I want to follow up on Lord Frost's question about robustness, expertise and challenge. Could you say a bit about your relationships with English Nature, the Environment Agency and other organisations, and say how those relationships are collaborative in some ways, or whether there is a bit of separation, a Chinese wall, between you? How does that all knit together to help make your report more comprehensive?

Dame Glenys Stacey: You have already described the relationships well. They are the sorts of relationships that regulators sometimes enjoy with those they regulate, but of course we are not a regulator; we are overseeing regulators. You are absolutely right that, on the one hand, we have established good working relationships with the Environment Agency and Natural England, for example, where we are seeking data and information, looking for validation, and seeing where we have a common understanding working all the time at various working levels, and I would say that those relationships work very well.

Because we also have an oversight role, there are times when we call those other bodies to account, such as in response to a complaint that we may have had where there is a suggestion that one or other may have broken environment law or where we take a complaint further—for example, to investigation stage. Indeed, we are investigating the Environment Agency, Ofwat and the Secretary of State for the Environment at the moment concerning their oversight of combined sewage overflows. The relationships work at a number of levels.

The chief executive and the chair of each of these bodies meet periodically one to one and two to two to make sure that we are keeping up with common strands of work and can identify common or individual concerns. I would say that the relationships are well established, given how young we are.

- Q8 **Baroness Bray of Coln:** Bearing in mind what you have said, which gives a pretty negative picture—it is not entirely negative, but I think you are finding quite a few problems on the way—to what extent do you think that has to do with policy, or is it really about delivery?

Dame Glenys Stacey: I think this the first time that a body such as ours has been able to shine a light like this on the true state of affairs across the ambit of the environment, so it is not surprising that we are finding a rather mixed picture. We find that in not all but in a good number of areas the strategy and policy are already there. We do not need to reinvent the wheel. The solutions are already understood, particularly in

relation to thriving plants and wildlife and the Government's apex and other fast-approaching goals. Issues are generally about implementation, and that might be for want of clarity about what is to be done, by whom and by when, or the priority to be afforded to a goal, or the resources required.

Baroness Bray of Coln: So it is about delivery.

Dame Glenys Stacey: It is, and we are pressing for much more transparency for you, for Parliament and indeed for us as to those delivery pathways, as they are called, to make sure that we have enough and that things will happen quickly enough and at sufficient scale and in a joined-up and comprehensive way.

Baroness Bray of Coln: Do you think that has to do with funding? Is that what is lacking?

Dame Glenys Stacey: It is interesting. There are some indications to us all that funding is becoming an issue for some of the bodies charged with delivery. We can see, for example, that local authorities are struggling. We reported at the back end of last year on how environmental impact assessments and other environmental assessments are happening, and it is very clear that there is a significant shortage of skills and resource there to make those things work well for planning authorities. The same resource would be relied on for biodiversity net gain monitoring or for developing local nature plans, so we can see a resource constraint there. Also, we are bound to question the overall level of enforcement activity that happens with various aspects of environmental laws.

Baroness Bray of Coln: That also requires the resources.

Dame Glenys Stacey: Yes, so again you question the resourcing issues that lie behind that and/or the relative prioritisation that is afforded to monitoring and oversight and enforcement. There will be a resourcing dimension, but there is also a question of clarity about what is required by who and when and transparency. This is not all to be delivered by government, is it? We all have a part to play.

Baroness Bray of Coln: I was going to say that the Government cannot be entirely responsible for that.

Dame Glenys Stacey: There is a job to communicate to us all how to make the best-informed choices and understand what would make the most difference, and there is a long way to go there. Resourcing is a dimension of this, and I would be foolish to deny it.

Baroness Bray of Coln: It is a problem across the board. You are competing with a lot of others.

Dame Glenys Stacey: We are. It is not a protected budget in the way that some others are, but there are statutory targets now. These are of statute; they are not simply a wish list or vacant ambition. Parliament

has agreed, and that ought to have a resource dimension to it, otherwise it is of little point.

Baroness Bray of Coln: You need more clarity about process and that sort of thing.

Dame Glenys Stacey: We need more clarity about what is to be done, by who, when, to what extent and the priority to be afforded to it. It is not clear to us at the moment, so I doubt that it is clear to Parliament or others.

Q9 **Baroness Bray of Coln:** We have a general election coming up at some stage. That will presumably pose challenges or quite some disruption to some of the work that you are talking about. Are you preparing for that?

Dame Glenys Stacey: Yes.

Baroness Bray of Coln: Can I ask how you are preparing for it?

Dame Glenys Stacey: Our ambition here is that whatever the flavour of the future Government, they adopt the environmental improvement plan that was so recently refreshed. The goals are right, the level of ambition is right, and the statutory targets as a suite are sufficiently ambitious overall. The first thing we wish for, argue for and try to influence is that whichever Government are there, they adopt that plan in their targets and, secondly, that they adopt the recommendations we make in this report for clear governance arrangements and delivery arrangements. That will give the Government half a chance of getting to where Parliament has said they should be. We are making that argument to every parliamentarian we meet and in Northern Ireland where we have a remit also.

Baroness Bray of Coln: Across the board.

Dame Glenys Stacey: Yes.

Q10 **Lord Ravensdale:** I should first declare my interests. I am a director of Peers for the Planet and a project director and engineer working for a company called AtkinsRealis, an engineering consultancy firm. We do some environmental services work that I am not directly involved in.

I want to expand on the response to Baroness Bray about resourcing. We have already talked about resourcing of the OEP itself, but are the relevant bodies, such as the Environment Agency, Defra and so on, sufficiently resourced to deliver on the goals of the environmental improvement plan, in your view?

Dame Glenys Stacey: That is a difficult question for the OEP to answer. We know that about 25,000 individuals—this figure may not be right, but it will be broadly right—are employed in the Defra group. You then ask yourself how they are deployed in which of the arm's-length bodies and whether that configuration is right or wrong, whether they work well together, whether they are all cohering around delivering the environmental improvement plan, and whether they are resourced

sufficiently. Some of those questions are very difficult for us to answer in our position.

One can always ask for more resource for each of these bodies, and we can see pinch points—I have mentioned some of them already—in enforcement, for example. Also, there is the work that must now be done in Natural England to bring SSSIs up to standard quickly enough. That is an urgent need. One can always argue for more resources to be dedicated to the right things, but I am simply not in a position, and the OEP is not in a position, to say whether those resources are adequate overall. I know that we are all feeling the pinch across the public sector, and they will be too, but I do not know that we are in a good enough position to say. May I suggest that you ask that question of the chair and chief executive of the relative bodies? They should have a good case to put.

- Q11 **Lord Ravensdale:** Yes, understood. As a follow-up to that and to expand a bit on the OEP's resourcing, an area that has attracted a bit of commentary is the OEP's enforcement powers. Do you believe that those enforcement powers are sufficient? Are you sufficiently resourced to deliver them?

Dame Glenys Stacey: Thank you. I think that is your floor, Natalie.

Natalie Prosser: There is an awful lot of commentary about the OEP's enforcement powers, and they have been made in a fairly stately manner. We have no objection to that. We can make them work effectively, because we use these powers essentially to seek resolution of problems. That sometimes takes time, particularly with the level of complexity that we are dealing with. To give a bit of a flavour, we can receive complaints from the public and we can initiate investigations on our own intelligence, and we have done both of those things. We will not take a case forward to investigation unless we suspect that the potential breach of law is serious, which is quite right and proper. That is no impediment.

We have discovered that most of the time these issues are incredibly complicated. If they were amenable to quick fixes, they generally would have been fixed quite quickly. The procedures we have provide a good space for us to have constructive dialogue with public authorities with a view to seeking resolution. Ultimately, our powers lead us to taking public authorities to court. We do not think that is a good way of resolving issues in the vast majority of cases.

I think that our powers are adequate. They are predicated on public authorities' willingness to engage and co-operate with us in an open and constructive way. That is important. The legislation creates those obligations, but it comes down to having that degree of openness and that can be challenging at times when organisations are feeling particularly vulnerable, but it is the best way of achieving resolution that is acceptable to all parties.

On resourcing, it is still early days. In the last two years we have had about 1,000 contacts from members of the public, and we have to work very closely because it is an incredibly complicated business for members of the public to identify a public authority that might have broken the law. They bring all sorts of concerns to us that would never lead to an investigation. I suspect that that number may well increase over time, which will create pressures for us. The other angle, of course, is that the issues are so complex that we need some very specialist staff to get under the skin of it. We have quite a number of legally qualified staff on our books for that reason, because the law is very complicated in these areas.

If we had more resourcing we would potentially do more, but we would always do it with the focus of achieving resolution and having good dialogue, because we think that is the best way to progress resolution. Where things are clear-cut—we had a case in Northern Ireland very recently where we brought a concern about lawfulness to the attention of the Government, and that was resolved relatively quickly without any resource to legal proceedings—it shows that that system can work. Other cases we have are ongoing, but again we will strive to resolve them through negotiation where that is possible.

Q12 Lord Duncan of Springbank: I took part in the debate, as did many fellow Peers, about the funding of the OEP. The concern then was that there was a risk with independence and toothlessness, if I can be frank.

Moving from European intervention and infraction proceedings, and a threat of infraction proceedings, and the substantial resources that the European Union was able to devote to these issues, you have set out that there is a handful of people working for you covering all the areas of environmental protection across England. It does not sound like you have adequate resources to do justice to that. The consensual approach that you are adopting seems to be the only one you have, because the ability to move more quickly with the threat of legal action, which might bring about quicker resolution, does not seem to be in your possession. The risk you face now is that the colours on the little chart you gave us at the beginning will continue to deteriorate. We will see much more red as we go forward, and to some degree you will be complicit in that.

Dame Glenys Stacey: That is a very sobering reminder of our own responsibilities, and thank you for participating in the debate about our funding at the time, which we followed very closely, although the OEP was not quite established yet.

You will remember that there were all sorts of figures bandied about and various commitments made, one being that we would be at least 100 staff, which we are not. We have done a careful piece of work to look at the resources we need to be a credible organisation, which is just a bit above the bare legal minimum. We have put in a bid for that to Defra and to Daera in Northern Ireland. We require about 20 more staff, to put it crudely, and we have a very good case for it. It is a drop in the ocean compared to many other bids in Defra, let alone beyond it. I will continue

to press for that. It is my responsibility, as you kindly point out, that we need to see this. The one thing I must do is get this organisation sufficiently and not excessively resourced; I emphasise that we are not gold-plating anything.

Secondly, even if we had more resource, you can make a legitimate critique that if Government are complying with environmental law but are not sufficiently ambitious in what they are doing to achieve what they set out to achieve, we cannot make them do that. We do not have that, and it would be a strange constitutional model if we could. Put colloquially, we can bring the horse to water but we cannot make it drink. That is why we look to Parliament. Our job is in large part to shine a light for you to see, as if in a mirror, how things are.

We are quick to react where there is any risk to the current protection of the environment, as we did on the nutrient neutrality changes proposed late last year. Where there is a clear breach of the law, we will act on what we think is a breach, such as sewage overflows, but we are constrained by statutory provisions in making Government do what we wish them to do.

I do not see much hope, but I very much appreciate your continued support for a modicum of extra resourcing for our body so we can do a yet better job, including developing the foresight that is so important to keep this on the straight.

Q13 The Duke of Wellington: I should declare my interests in agricultural land as detailed in the register. I am abroad and I apologise for that. I did not bring with me a copy of your report and I hope my notes are accurate, but I seem to remember that in talking about the aquatic environment you say, "The current state of the water environment is not satisfactory" and the pace of change has now "stalled". Have you been able to analyse why the pace of change has stalled? Have you given any consideration to the way the water companies are regulated? They are monopolies and they must be regulated. Is the current structure of regulation, divided as it is between Ofwat and the Environment Agency, the best way to regulate the water companies to protect the aquatic environment?

Dame Glenys Stacey: I am very pleased that you are able to join us even from abroad and also that you read our report. Thank you very much for that.

There are two or three things in your question. One of them relates to the organisational arrangements of the Defra group, one of them relates to the way regulation works, which Natalie may wish to deal with, but I will deal with your first point about why things are stalling in marine. The experts in marine, who we are able to speak with and take advice from, tell us that marine has always been the poor sister across the environment. It has always been left to last. Secondly, the data gaps are horrendous. There are issues with inshore and offshore waters, but there are gaps in knowledge about what is happening in those areas. Getting

sufficient data and information to know what is happening is a challenging task.

Thirdly, it is somehow easier to settle for part solutions, as I would call them—a number of marine protected areas but not enough. There were very recent announcements to do some protective work in those areas, but not enough. It is not so much completely stalled as just behind the curve when compared to terrestrial environments, and the interventions that are now so desperately needed are never done on the scale that is needed, in our view.

Natalie can turn to the regulatory provisions, and then I will come back to the organisational arrangements for oversight of water.

Natalie Prosser: I am sure you will be aware that we have an ongoing investigation into the regulation of water companies and, in particular, the permitting of combined sewage overflows. I cannot talk about the intricacies of where that is. It is a live investigation and we have a pretty important decision point on that case fairly imminently. I can say that one reason why we launched the investigation in the first place is because there was a real lack of clarity about exactly who was responsible for what with the regulation of water companies. That has evolved over time and is a consequence of some very complex legislation, including some very complex and not incredibly clear European legislation.

We think that we understand now the respective roles and responsibilities of the various bodies and we are in dialogue with them about that. We certainly hope that as an outcome of this piece of work we can make clear to everybody who is responsible for what. There is, without a doubt, a clear interdependency between the roles of the Environment Agency and Ofwat. It is our view that that has created some material issues in the regulation of water companies. The very fact of us looking at the issue has prompted dialogue and discussion about the respective responsibilities in those agencies, which is incredibly welcome. I am optimistic that the outcome of the work that we are doing looking at this specific issue will drive improvements in how that is managed.

For completeness, the role that water companies play in inland water pollution is at most half the picture. We have another substantial piece of work looking at the water framework directive regulations. That will be published in the next couple of months and looks specifically at how those directives and rules are being used on the ground. This will be an incredibly important component of the Government's ambitions for inland water, because it is the main regulatory vehicle for securing clean water and the main delivery vehicle, in many ways, for the Government achieving some of their clean water goals. That work is imminent.

We are very hopeful that those two pieces of work—one looking at water companies and one looking at the regulation of clean water in the round—coming together will help bring an awful lot of clarity about how

things are and, therefore, how they can be improved in the future. I will pass back to Dame Stacey on configuration.

Dame Glenys Stacey: Thank you. On water pollution generally, we would like to do a piece of work this year on agricultural diffuse pollution. It is on our list of things we wish to do. Whether we can do that in a timely way to inform the regulatory frameworks and provisions and actions depends on whether we are sufficiently resourced. It is as simple as that. As things stand, I doubt we will be able to do that piece of work. This is the sort of thing that 20 people could make a real difference to.

Talking about the wider configuration, the regulatory oversight bodies, the configuration that we have is inevitably historical. It is from before we left the European Union. You can make a case for change, such as putting the EIP centre stage, and for a clear focus on our statutory targets and delivering the Government's wider ambitions for the environment. Of course a case can be made for that, including for water. Incidentally, when we look at the oversight of water, we must not ignore the fact that a large responsibility of the Environment Agency is for flood defence—big infrastructure projects, flood protection, flood response. Water in itself is a pretty big topic. Of course you have to put boundaries somewhere around organisations, so there cannot be 30,000 people who operate, effectively.

Reconfiguration here would be a large-scale programme of work and would take a number of years. It would put a good number of jobs properly at legal risk, even though in reality they would not necessarily go. It would take such a long time when the 2030 nature targets are so pressing, and we must see progress on those targets over the next year or two or else the prospect of meeting them virtually vanishes. Our argument is that it is a matter for government and Parliament to decide on such big matters, but we simply want the focus on that plan, on the delivery of those targets and on the responsibilities and funding to be very clear indeed. Let us get on with it.

Q14 **The Duke of Wellington:** You said, Dame Glenys, in answer to my first question, that your report was referring to the marine environment. Is it your view that the river aquatic environment is still improving and that there has been no stalling there; the stalling is solely in the marine environment? Secondly, do you agree that dividing regulation between two entities is less than ideal?

Dame Glenys Stacey: Let me deal with the second question first and I will ask Natalie to tell you where the evidence stands on rivers and the Government's targets for those. I am a regulator born and bred. I like regulation; it makes me happy. So let us declare that now. I know that regulation can be the answer if it is intelligent. Regulation is not simply a set of rules. It involves a whole spectrum, including plain incentivisation. Regulation can make people change their behaviours and it is a very helpful tool. Personally, and this is not an OEP view, I like regulators to be very clearly regulators and not have 68 other responsibilities as well. Let us focus on regulating. It is a complex matter and you need

hindsight, clear sight and foresight to get it right and to have that clear focus. I am very aware that the Environment Agency is a regulator, but it also has these other big infrastructure responsibilities.

Having said that, as I said before, organisations can be too big, and it is particularly difficult when you have an organisation with offices all across the country. Keeping control and making sure that they know what people are doing, what the cadres are and that head office actually matters can be an enormous challenge. I know; I have done it. Things can get too big, and the spectrum of things covered by water is very big. You can make a case for one regulator. I would not argue against that or for it. I am arguing for action.

It is not my business to say how it should be configured. I can understand as a regulator that there are various choices here about configuration. You may not wish to start from here, given the problems that we now have across the spectrum of water, let alone the wider environment, but we do start from here. You need to be very careful about what you are in for if you reconfigure. That is not to argue against it or to say that you cannot put a case against it. It is just being very clear about the nature of the choice you make.

Q15 The Earl of Leicester: I declare my interests as a landowner and farmer, and we also run a national nature reserve up in north Norfolk. I am a member of a plethora of conservation charities.

This is just an observation from what you said, Dame Glenys, about commissioning academic work on water diffuse pollution, which sounds to me quite an expensive exercise. Why reinvent the wheel when it has already been done? I point here in the direction of a number of universities that have done work on this, particularly a 10-year plan at UEA. That is all I want to say.

Dame Glenys Stacey: Thank you very much for alerting me to that. I have probably misspoken here. I was not suggesting that we want to commission research on it. I said that the OEP wants to do a piece of work looking at whether agricultural diffuse pollution is sufficiently well regulated and overseen and, I suppose, to unpick the notion of diffuse pollution. We will do that piece of work as effectively as we can, including drawing on known resource. Work done in universities has become an increasingly important source for us.

Q16 Lord Giddens: Thank you for your clear and forceful responses so far. I will ask you a couple of brief questions that you might think you have answered in part. There was a gap in time between the reporting window and the publication of the progress report. What could be done to close this gap? Secondly, the Government, as we know, are very late in responding to the report. What impact has that had? I think it must have been pretty fundamental. Thirdly, if you have time, do you monitor best practice around the world on these issues? These are fundamental issues, but they are basically pretty new in history and we are in an experimental process in responding to them, as you know all too well. It would be nice

to know whether you can pick out something that is a bit of a model.

Dame Glenys Stacey: On the timing of our report, of course we are following a statutory timetable agreed by Parliament and we always will, so we are within our timescales there. Secondly, although the reporting period runs to the end of March 2023, we are using the most recent datasets that we can. Some of them do not end naturally at the end of March 2023, so we do not regard it as an absolute cut-off point. Indeed, we mention specific important developments since March 2023.

Lord Giddens: Do you use AI in creating those datasets?

Dame Glenys Stacey: No, we do not use AI.

Lord Giddens: There are interesting things going on around the world integrating that with just planning that might be worth monitoring.

Dame Glenys Stacey: Perhaps we could have a conversation about that.

Lord Giddens: You are dealing with an awful lot of data.

Dame Glenys Stacey: Okay, let us have a look. We can perhaps talk about that outside of this meeting. That would be good.

Our report is purposely future-looking. Half of it is about trying to predict where we are going. It is not that we just stop at March and say that is it. We are trying to be as helpful as possible to Parliament by building, as reliably as we can, trajectories to look forward.

Lastly, although I press my team to do this report earlier, its quite legitimate response is, "We have the resource we have and we have all these things to do, we're doing what we can when we can, and it will be done in the time it needs to be done in". It sounds a bit bleating, but if I had more people I could perhaps bring it forward a bit but not very much, given the amount of work that needs to go in to assess and evaluate all the data analysis that is required.

Lord Giddens: The area we are covering is already being rapidly transformed anyway in advances and so forth.

Dame Glenys Stacey: Some of these environmental trends do not move that quickly year on year. Some of them take quite a time anyway, and we are reporting sometimes that not much has changed, but in a sense that is bringing it up to date at least. Natalie, do you want to deal with the point about best practice or a wider perspective and where we are looking?

Natalie Prosser: We do not monitor it systematically, but when we do specific works we look at international practice where it is useful. For example, in the work we did on biodiversity net gain we looked specifically at the rollout in New Zealand, as it has recently rolled out a similar scheme, to see what learning we could gain from that. We absolutely will where we can.

Q17 **The Earl of Leicester:** My earlier question has been half-asked by Lord Frost. It is about how the OEP gathers its evidence and how it can measure and verify the Government's and indeed the country's progress against the goals. Perhaps if I use an example, last week we were lucky. We had five of your team come up to North Norfolk. Andy is in the background. I can see him.

Dame Glenys Stacey: Thank you for that. Yes.

The Earl of Leicester: Two were solicitors, which makes at least four solicitors in your team, led by Professor Robbie McDonald, who says that he still does 20% of his work for Exeter University. Encouragingly, five of your team came up to Norfolk. They met the Norfolk Rivers Trust and our team managing the national nature reserve, and they had the bonus of sitting in on a farmers' cluster group, which they found useful. It was great to see what was happening on the ground, but with a team of 15 it is probably quite difficult to get into that detail.

Dame Glenys Stacey: I have some general remarks before I pass to Natalie. Getting the balance right between getting out and staying in is tricky. I am rather meanspirited and I question anyone not applying themselves to the immediate task, but of course I understand the need to know what is going on. Often oversight bodies go wrong—I know this from experience—if they do not keep their ear to the ground. Indeed, after visits like the one to Norfolk last week, team members bring nuggets back and freely provide information across the organisation. It does pay off.

You question whether five should have gone. I do not know whether that is the right question or the right number. In these early days, we need to know enough. Over time, oversight bodies gain knowledge and experience and know more than some of the people they oversee. We are not in that position yet. We are on a curve. I must keep quiet when any number of things happen to make sure that our knowledge expands. I am not unhappy about that.

You mentioned Robbie McDonald being 80% with us and 20% with Exeter University. That was the only way we could entice him. I would change that tomorrow if I could. Let us hope that I can. For the moment, he spends Friday pursuing his academic career, and of course he is well respected and regarded. He brings a lot to us. That is the position. He does an outstanding job for us in the four days that he is with us. Forgive me. I have missed the third element of your question.

The Earl of Leicester: Was there one? I was saying I was impressed by the team that came up. It was great that they were able to speak to farmers for half an hour after the meeting ended.

Dame Glenys Stacey: Thank you. It was, yes.

Natalie Prosser: I am keen for our people to be out in the field—

Dame Glenys Stacey: I know.

Natalie Prosser: —because otherwise they become theoretical rather than practical.

The Earl of Leicester: Absolutely. Going and seeing is so important.

Q18 **Earl Russell:** Thank you very much for your report and your evidence to us today. A number of areas in your report, both targets and goals, could not be assessed at all due to a lack of evidence. I wanted to explore that with you and give you an opportunity to talk about that. Which datasets do you not have? Why do you not have the evidence? What is the block to getting the evidence? Going forward, what action is being taken to make sure that you have this evidence to hand and that these areas can be assessed? To look at the report and not see it on the one hand is a bit shocking, because it is key and there are no answers to it.

Dame Glenys Stacey: It is shocking but it is not surprising. It is the first time a body like us has asked where the data is for every goal. It is significant that someone is doing that.

Earl Russell: I am not apportioning blame.

Dame Glenys Stacey: In a way, it is not blame. It is helpful to know where you are starting from.

Natalie Prosser: The two main thematic issues with data are about timeliness. For example, the species abundance index is not published yet so data lag is a real issue. We sometimes use quite old datasets.

The other issue is data availability. I spoke already about a number of recommendations we have made about gaps in monitoring where we have been specific. For example, for the species abundance index, we need wider up-to-date data on species abundance. We need clarity on the degree of participation and agri-environmental schemes and far more marine data. They are a few examples. The report has a lot more.

On blockers, the Government's current monitoring regime is incomplete. That is not surprising. We have identified a number of areas. We are reliant on government data in large part for our assessment. Gaps in the government system flow through to us. We have not been able to make an assessment in some areas partly because those targets are new and have not been filled yet. Sometimes it is timeliness or availability. The ability to access information is a perennial challenge for us. We can and do access good publicly available information. Our insights and the quality of our judgments would be better informed if we had access to non-published information. That would be incredibly helpful. It would make our reporting better informed and our recommendations more targeted.

I might reflect on the Government's ambitions. They are incredibly ambitious and difficult to achieve. We completely recognise that. But sometimes we are concerned about perfect being the enemy of the good. We would rather see a partial or incomplete picture or work in progress. That would give us greater insight. Our experience is that there is a

reluctance sometimes to show that work in progress. We think we can be far more effective if we can see that and do our job to support the Government to achieve extremely ambitious targets. That is an executive summary of where we are.

Earl Russell: I know the two threads are change at pace and openness and transparency. Part of this sits with the Government to enact what you ask for. Thank you.

Q19 **Lord Duncan of Springbank:** Three points, if I may. The first, again, is that independence and impact depends on resource. When fellow Peers said that there was a risk that this organisation would not be able to achieve what its predecessor body in the EU had achieved, we seemed to be on the same page. That is probably true.

I want to talk about briefly how you interact with the Scottish and Welsh organisations. When this was initially discussed, it was hoped that there would be one body for the whole United Kingdom. Given some of the issues you have touched upon such as pests, marine issues, fisheries and so forth, there must be quite a bit of interaction, presumably, on this.

How, then, does it work? How do you engage with and how do you reach collective decisions? Do you have any role at all in engagement with the parliaments of those nations? I am curious. I do not know the answer. I must declare an interest. I am the chairman of the Confederation of Forest Industries, which I should put on the record.

Dame Glenys Stacey: If I can deal with the Parliaments of the other nations, perhaps Natalie can deal specifically with the Scottish and Welsh relationships.

The other parliament we will engage most directly with now is in Northern Ireland now that we have an Assembly. Indeed, before the Assembly fell, I appeared before a Select Committee there. We wish to see new Ministers as soon as possible now and get those relationships established again. In the meantime, we have had to of course rely on our civil service colleagues there.

We have not had any direct engagement, as far as I am aware, with the Scottish or Welsh parliamentarians. We are, of course, willing to do that, but as our remit does not cover those jurisdictions it is not surprising that we have not had specific dealings. We are always happy to respond to parliamentarians should we get the call.

Natalie, do you want to speak about our relationships with our counterparts?

Natalie Prosser: I will slightly put the record straight in that we were called to give evidence before the Senedd about the creation of their own OEP equivalent. We have excellent working relationships with ESS and the interim assessor in Wales. We meet at a senior level and official regularly. Procedures are in place to share intelligence. We give each other advance notice of our various respective work. Inevitably, our work is country-specific with only some limited synergies, but we have

had a couple of those areas, particularly concerning nature. When the opportunity arises for us to work with two, three or four countries, we will do that when it is right. We have good, open and constructive relationships with our colleagues.

I want to comment on independence and impact. We do not pretend to be a replacement commission. We do not fill that same role. We are not supranational. But we have learned the lesson that we can move at pace when we need to. An example has been our work in Northern Ireland on the operational protocol when we threatened legal proceedings and, because we could, we achieved resolution of the issue. We took quick action on the late setting of the statutory targets and, again, negotiated an outcome far more quickly than we could have resolved through legal proceedings.

The fact that we can take public authorities to court brings them to the table. It is critical. Without that, we would not be able to have the dialogue. But no, we cannot infract the Government. It is not our job to do that. We have demonstrated our independence in doing that and a commitment to seeing our matters through. We have a live one at the moment, which will be a good test for us.

Q20 Lord Duncan of Springbank: Picking up on the question of protocol in the direct engagement with the devolved Administrations, clearly if an issue affects the marine area, how would you collectively engage to such an extent that you could act in concert? Is there a procedure? Do you have a protocol? Is one yet to be drafted?

Natalie Prosser: We have an MOU with Environmental Standards Scotland. We have yet to encounter an issue to deal with that would fall within a non-devolved environmental issue that requires us essentially to step into another country's jurisdiction. We would rely in the first instance on our MOUs with our colleagues to have that conversation, but there may be a first time for crossing that.

Dame Glenys Stacey: The issue is a bit different in Wales, because the counterpart body does not yet exist. An interim assessor has a handful of staff doing a much more limited job. Her remit does not extend anywhere near to ours. It is proposed now, I believe, to develop something similar. That will be welcome.

Q21 Lord Grantchester: I will start by declaring my interest as a farmer. I was previously in receipt of funds from the EU schemes, the BPS and so on, and at present under stewardship schemes on the farm. My question is all about communication. I have observed the general rule that organisations are never guilty of overcommunication.

Dame Glenys Stacey: There is no such thing.

Lord Grantchester: Often the message heard is completely different from the message thought to be expressed. Are the Government's environmental ambitions sufficiently communicated to the public and the stakeholders? But elements of that go into what the plan is, what is to be

done and so on.

Following on from that, is there a good awareness of the environmental improvement plan among landowners, businesses and the public, in tandem with SFI and aspects the farming is looking at to replace the lack of EU funds? Is it clear how landowners and other stakeholders would engage with the plan?

Thirdly, what are the OEP's roles and responsibilities in carrying out public and stakeholder engagement?

Lastly, the communication of biodiversity net gain is now prominent in a far wider area than the countryside community and people have to be aware of what that means. How do you look at communication for all those aspects?

Dame Glenys Stacey: Thank you. There is a lot in your question. We will deal with it as quickly as we can. I will give Natalie the last two bits on stakeholder engagement and biodiversity net gain.

Dealing with the earlier issues, most people in this country could not state the Government's environmental ambitions. There is not a nice, easy vision statement like there is in certain areas of endeavour. That is a gap. We know, as I said earlier, that the environment is a top priority issue for the public. The census data last year showed that it is in the top four. It is not that they are unaware there is an issue. They just cannot crystallise what we try to do here as a nation. That is an opportunity missed.

Also, the public does not have information about being able to make green choices or making considered choices. If you want to do your best for the environment, what should you do? Should you buy a water butt or replace your stove? It is not clear to people. That is another opportunity missed, particularly in relation to the challenges of air pollution and climate change. There is an opportunity to communicate better there, but it is enormously difficult.

An area where it is particularly difficult, I envisage, is in relation to communicating with the farming community. It is so diverse. When I was chief executive of animal health, the one communication tool was *Farmer's Weekly*. Things have no doubt moved on, but it is difficult to communicate in simple terms some of the complexity of ELMS. That is a real challenge predominantly for Defra.

As far as our communication is concerned, I will let Natalie deal with what we do specifically, but it is a challenge for us. We are a bit of a niche product. If you are an environmentalist, you know about us, but the wider public probably does not. One question we ask ourselves is how widely we need to get ourselves known. We certainly take a lot of care to make sure that if you look up how to make an environmental complaint, you will get to us. Our website has a lot about how to do that through us.

An open question for us more broadly is how well known we need to be. We face Parliament. We want to be known to you, for sure. Natalie, do you want to speak about our stakeholder engagement and communications and also our biodiversity net gain?

Natalie Prosser: Dame Glenys has summed up the key challenge and so for brevity I will endorse my chair's position there.

Biodiversity net gain is interesting. It is a component, as I am sure you well know, of a whole range of activity including local nature recovery strategies and catchment-based solutions. It is incredibly difficult for members of the public to understand what that means. Frankly, it is difficult for those who are engaged in BNG directly to know exactly what it means.

The communication challenge there is largely one for Defra. We did a piece of work on BNG, as I am sure you will all know, and we highlighted a number of barriers to successful implementation, skills and resourcing being one of those. Our direct role is to promote it. We are interested, of course, in how it works and whether it delivers on the Government's ambitions for it. I am sure we will come back to that as part of our assessments in the future.

Dame Glenys Stacey: We make a real effort to communicate with the relevant staff in local authorities. When we get a chance to talk to an environmental group that is predominantly made up of local authority employees, we are there talking about whatever we must talk about. We can do more there. We have a lot to gain by talking with those staff in local authorities who have an environmental agenda that matters.

Lord Grantchester: I am sure the budget is quite limited in your own activities, but there can be a megaphone effect in how you work with other organisations. You can probably expand the message, especially around issues of public concern like river overflows. There are avenues and ways to expand the horizons.

Dame Glenys Stacey: Yes, I agree. You want the megaphone, yes.

Q22 **Baroness Whitaker:** I should declare that I am in receipt of an Industry and Parliament Trust fellowship on wave energy, am vice-chair of the all-party group on green energy and a member of Peers for the Planet, and I live in a national park.

My question is about departmental co-ordination. A lot of government departments affect the environment, let alone all the arm's-length bodies, the inspectorates and the local authority planning functions. From a previous incarnation, I recall that the Cabinet Office was responsible for departmental co-ordination. What is the machinery now? Is there a Cabinet committee? Are the departments sufficiently joined up and co-ordinated in delivering the goals of the environmental improvement plan across policy areas, including their own actions in ownership of premises and so on? How effectively is the environmental principles statement implemented across the Government?

Dame Glenys Stacey: The EPPS came into force on 1 November. I will ask Natalie to deal with that, and I will deal with your first question.

One of our five key recommendations in this report, as in last year's report, is that the Government improve the overall governance of the environment, in particular when it is focused on how the EIP and the statutory goals are to be achieved. You asked what the mechanisms are. It is a good question, because I am not sure that there is enough transparency to be clear. We know that there is a Defra delivery board, but also a cross-government environmental board has senior officials meeting under the chairmanship of a senior official from Defra. Despite our requests, we have not had the terms of reference for that group. We do not understand, frankly, why they are not in the public domain or why there is a difficulty in presenting to us, the oversight body, the terms of reference of the one group that we can see has some responsibility, we assume, for pulling these things together.

I find it to be a rather weak net. As far as we know, we do not have Secretaries of State together, for example, in some sort of governance mechanism to be accountable. A lot more could be done. We do not prescribe a solution here, but, as far as we can see, the current arrangements have some deficiencies. The EPPS is a critical tool. If it is applied well, it has such potential to get these things done. Natalie might want to talk a bit about our plans for looking at that.

Natalie Prosser: EPPS is potentially such an important vehicle. We at the OEP are interested in how the EPPS is implemented in practice, and we will ask government departments how they use it. The degree to which we can assess its utility will flow from the degree of transparency and candour that those government departments are willing to afford us. They need to show us how they factor the EPPS into how decisions are made in real time. Yes, we would look at them after the fact, generally.

It is difficult to know at the moment whether they will be prepared to be candid with us about that. I hope they are, because we can assess meaningfully and promptly how well it is working, so that if it is not working as well as it should it can be improved. I cannot say at the moment whether we will have access to that information to do that work. We will certainly ask the questions.

Baroness Whitaker: You have done what you can, but your answer is disturbing. We might want to take that to the Government.

Dame Glenys Stacey: Thank you very much. It bothers me, too.

Q23 **Lord Grantchester:** Can I tempt you a bit to go further on the role of the regulator and how government policies could be more helpful towards you when it comes to what you have to pick up to regulate? I am using the example of the 30by30 challenge, which the Government signed up to quite recently, as you know, yet do not seem to have appreciated what it means, how they will go about it, or how to map out that work or what approach to have. You may monitor that progress. Are you involved in

any of those formulations? They could be useful. Then it goes forward comprehensively to allow you to do your role better.

Dame Glenys Stacey: It is not our role to set policy. We must not step over a careful line there, no matter how enthusiastic we might be that we think we know the solutions. We are careful with our people that we do not step over that line with the best intentions.

Of course, the Government can choose to consult us and ask us for specific advice. We would always be willing to play our full part there. Indeed, we can give advice of our own volition if the Government intend to change the law, and we have done that on a number of occasions to good effect. We need to be careful about what we are responsible for and what the Government are responsible for. If the Government and Defra could be more transparent with Parliament, with wider government and with us about its emerging plans, it could help us to do our job well and would significantly increase the prospects of success here. We are not looking for perfect plans with all the Is dotted and Ts crossed, but we want to know in each of these goal areas what the Government's embryonic or emerging thinking or planning is. We struggle with that. The more transparency for us and for Parliament, the better for all.

Q24 **Lord Trees:** Thank you very much. We have talked a lot about targets. Following on from that, it is not your job to set targets, clearly, but I do wonder. Achieving targets has two elements: one, the resources put into them; and, two, the level at which they are set. One gets increasingly concerned about 30by30 and trendy slogans.

Is there any feedback mechanism from you, who evaluate progress against targets all the time without influencing policy directly, that would enable you to feed back that this target is either too high or too low and to bear that in mind?

Dame Glenys Stacey: Certainly we advised the Government on the proposed targets here not that long ago, about a year ago, and we looked at each of the targets. Our view was that they were suitably ambitious and that the timescales were about right.

We took a different view from the Government on the targets on air quality. We pressed for an earlier date, not 2040 but 2030. Unlike many other environmentalists, we did not wish to see more stretch in the nature of the challenge but only in the time taken to achieve it. In one or two areas, we challenged ambition, but we looked carefully at the others and thought they were, given the issues we face, suitably but not excessively ambitious.

Of course, if we get to the point where the Government's best endeavours show they are not achievable, we will be the first to say so. At the moment, we try to get the Government's best endeavours. We are at that stage.

Q25 **The Chair:** Thank you. I will ask a question that the committee has expressed an interest in. We have a letter to the Secretary of State for

Defra on cross-compliance, which ended at the end of last year. You have talked a lot about the importance of the use of land, especially the 70% of farmland, and its management and importance in contributing to a lot of the targets that we have talked about today.

Can you say a bit about that element to bring the issue to life for us? The Government have been aware of this for some time and yet now we have a gap in regulations, which may or may not be filled in six months. Can you say a few words about that and how maybe things could have been done better?

Dame Glenys Stacey: Absolutely. I took a good look at cross-compliance when I reviewed farm regulation for the Government a few years ago. It is not the cleanest regulatory mechanism. It is rather unusual to check for one thing and penalise for another. But the only thing worse than cross-compliance is not having cross-compliance and not having something to sit in its place.

We have had a fair amount of helpful debate about the gaps that will now appear in the regulatory requirements as cross-compliance is going this year. We know those gaps exist, for example, in relation to hedgerows. The Government consulted there last year but nothing much has happened. We can identify the regulatory gaps and we can see ways that they can be filled.

But for me, the issue is not simply about the regulatory gaps. It is how we will know that the regulatory provisions and the requirements are adhered to. I am not sure that we understand well enough how comprehensively compliance will be checked and what actions will be taken if we find individual or large-scale non-compliance. I am not sure whether I am ill-informed here or whether this is still to be developed. I am concerned that we are now in this position in relation to the rollout of ELMS and the withdrawal of cross-compliance provisions and, indeed, a substantial reduction in payments this year. I do not understand yet how compliance will be monitored.

Q26 The Duke of Wellington: Thank you. Dame Glenys, you said a minute ago that you thought government targets were sufficiently ambitious in most cases. Can I question you on one particular target? I understand that the Government's target is to reduce water leakage by 50% by 2050. That does not seem to me to be ambitious.

Dame Glenys Stacey: I am not able to respond to that well enough, I am afraid. Unless Andy Gill has something to tell me now, I might need to come back to you on it. Certainly we thought it sufficiently ambitious at the time. It is in the context, of course, of the Government's wider ambitions for water usage. Can I perhaps come back to the committee on that one?

The Duke of Wellington: Thank you.

The Chair: We would be grateful, Dame Glenys, if you could put it in writing to the committee.

Dame Glenys Stacey: Thank you for the question.

The Chair: Okay. We are out of time now. I will say a big thank you to our two witnesses for taking the time to come before the committee and for answering our questions with such openness and clarity. We have a far better insight into the challenges that you face.