

Environment, Food and Rural Affairs Committee

Oral evidence: Is Defra ready for Brexit?, HC 1669

Wednesday 28 November 2018

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Members present: Neil Parish (Chair); Alan Brown; John Grogan; Dr Caroline Johnson; Kerry McCarthy; Mrs Sheryll Murray; David Simpson; Angela Smith; Julian Sturdy.

Questions 1 – 118

Witnesses

I: Rt Hon Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs; Clare Moriarty, Permanent Secretary, Department for Environment, Food and Rural Affairs.

Examination of witnesses

Witnesses: Rt Hon Michael Gove MP and Clare Moriarty.

Q1 Chair: Good morning, Secretary of State. Good morning, Ms Moriarty. If it is okay with you, I do not think you really need to introduce yourselves. It is a great pleasure to have you here this morning.

My first question, Secretary of State, is regarding the Environment Bill. We were delighted to have been asked to do pre-legislative scrutiny of it. When is the full Environment Bill likely to be published?

Michael Gove: Part of it will be published before Christmas. As you know, we are obliged by statute to publish the part that relates to environmental principles and governance before Christmas. The rest of it we hope to publish in the first quarter of the new year.

Q2 Chair: The question to you really is this: naturally, we would like to scrutinise the whole Bill if we can. If we knew the timing of the third part of it, we could possibly start the inquiry into the first two parts and then carry on to the third, but we probably need to liaise quite closely with you. Would that be acceptable to you?

Michael Gove: Totally, yes. We want to be in a position where the Committee has all the time it needs and all the support from the Department that you would like in order to be able to provide appropriate pre-legislative scrutiny. Yes, absolutely.

Q3 Chair: In reality I suppose it may be best to start, perhaps, in early February and run on into March. Would that timing be right?

Michael Gove: Yes. If, for any reason, there is any slippage, of course we will let you know, but, yes, absolutely.

Q4 Chair: We are talking to the Environmental Audit Committee. We may well do a joint one, but we would probably like to lead on it, seeing as we are the lead Committee.

Michael Gove: Absolutely, yes.

Q5 Chair: I have a little grumble, really. It is really nice to be asked to do the pre-legislative scrutiny of the Environment Bill, but we were denied that on both the Agriculture Bill and the Fisheries Bill. Why? I suppose it is a straightforward answer.

Michael Gove: Again, it is just timing and capacity. One of the intentions was to make sure that the Agriculture Bill and the Fisheries Bill could be on the statute book before we leave the European Union on 29 March. In order to ensure they had appropriate time in the House both for the Second Reading and Committee, the Lords stages and so on, we needed to publish them at pace. One thing I would say is that I am personally very grateful for the work the Standing Committee has done



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on the Agriculture Bill. It has certainly been improved as a result of the scrutiny it has received. The Fisheries Bill has had its Second Reading and, as you know, passed unopposed. There have been a number of questions and amendments that have been put down, including from the official Opposition, which we will look at, to try to see whether we can accommodate those concerns. I absolutely take on board the fact that in an ideal world there would have been room for pre-legislative scrutiny.

With the Environment Bill, we recognise it will come before the House after we have left the European Union and therefore there is, I hope, a greater degree of time for the Committee to do its valuable work.

Q6 **Chair:** I see. You see the Bill itself not actually coming before the House before April or May-time? It will be in the new Queen's Speech, will it?

Michael Gove: Exactly, yes. That is the plan.

Q7 **Mrs Murray:** Very quickly, Secretary of State, you said that you thought the Fisheries Bill needed to be on the statute book before we leave the European Union. Surely, given the fact that fishermen are still going to be operating under the same system for a further 20 months, there was not that urgency there.

Michael Gove: We need to be ready for any scenario. There is a chance that we could leave the European Union without a deal, in which case we will need appropriate powers to ensure that we can manage our waters and our stocks appropriately.

Q8 **Mrs Murray:** You are obviously backing the deal that is on the table now. It is definitely the case that fishermen would have to operate in the same system, with the same share, for 20 months, with the potential of this being extended and even going into a backstop for evermore. Is that not correct?

Michael Gove: There is a lot of truth in that but it is not entirely correct. The first thing is that, yes, it is the case that if a deal is agreed and the withdrawal agreement passes, there will be a transition period. The transition period for fisheries is different from the transition period for other areas.

Q9 **Mrs Murray:** It goes to 31 December 2020.

Michael Gove: Yes, but the critical difference is that at the December Council in 2020 we will be representing ourselves as an independent coastal state, and the European Union has acknowledged that we will be negotiating independently.

Q10 **Mrs Murray:** The transition deal ends on 31 December 2020 at the moment. Fisheries is not any different.

Michael Gove: It is. The transition period does extend, but it is critically important that we will be negotiating for fishing opportunities in the



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calendar year 2021 at the December Council in 2020 as an independent coastal state.

Q11 **Mrs Murray:** The transition period ends on 31 December 2020.

Michael Gove: Yes, but there is a distinction, and it is a crucial one. It is one that was made clear at the time that we agreed a 21-month transition period, which is that we will negotiate at the December 2020 Fisheries Council as an independent coastal state.

Mrs Murray: In the same way as we did, and it took 10 years, from 1972, to agree a share as well, so there is a potential that it could go on for evermore. I do not want to press this any further, Chair. It is absolutely clear. Thank you very much.

Q12 **Chair:** Secretary of State, do you actually see an improvement after 2020 and into 2021 for fishing capacity and catch for our British fishermen in that year? Do you see that there could well be a gain?

Michael Gove: Yes, absolutely. Sheryll is absolutely right: in the calendar year 2020, fishing opportunities will be set at the December summit in 2019 and we will still therefore be governed by the rules of the CFP.

Q13 **Mrs Murray:** We will not have a say, then, will we? We will just have to take it. We will sit around the table but we will not actually be able to participate in negotiations.

Michael Gove: For that year, we will be consulted. We will not be a member of the European Union.

Q14 **Mrs Murray:** We will not be able to negotiate.

Michael Gove: We will be consulted, but the critical thing is that the European Union will know that in the years afterwards we will be an independent coastal state, so there is a clear incentive for them to co-operate in that year, because the following year we will be negotiating as an independent coastal state and in the years after that we will be an independent coastal state, like Norway or Iceland, and therefore able to determine access to our waters and determine the shares of total allowable catches, of quota, that we extend to other countries.

There is a critical additional factor as well. Sheryll mentions the backstop. In the event that the backstop comes into force, other countries will not have any access to UK waters other than that which we decide. One of the reasons President Macron said what he said on Sunday was because he was irritated. I cannot know how irritated he was, but he was certainly irritated because he recognised that the backstop would mean no access to British waters for French boats.

Q15 **Mrs Murray:** That is unless we give in, which we did in 1983, so there is history.



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Michael Gove: That is absolutely right. We can all deal in hypotheticals and counterfactuals. For the benefit of the Committee, I am simply laying out the facts.

Mrs Murray: History teaches us lessons, Secretary of State.

Q16 **Chair:** What we need, Secretary of State, as you well know, is a really good, tough negotiation when the time comes. If they want to be difficult with us as we leave the Common Fisheries Policy, we possibly could be difficult when they would like access to our waters. That is really the sort of reassurance that we want from you today.

Michael Gove: That is exactly what I intend to provide.

Chair: Thank you very much. I think I led the witness then.

Q17 **Kerry McCarthy:** Can I ask about statutory instruments? You have to do 138 before the end of March.

Michael Gove: There are 93 that are DEFRA-specific and then some for Northern Ireland as well.

Q18 **Kerry McCarthy:** Right. I think that is 138 in total. I do not know what the most up-to-date figures are, but the figures I have as of 7 November show that DEFRA has laid six "EU exit" and five "business as usual" SIs. Is there a more recent figure than that?

Michael Gove: Yes. So far, of the 93 specific SIs that DEFRA is responsible for directly, 34 had been laid in draft by 23 November. A further 10 should be laid by the end of this month. A further 40 are going to be laid in December and by the end of January. That means that in February and March there will be just nine left to lay. Of the total SI stock of 93 in DEFRA's ambit, 64 are fully drafted.

Q19 **Kerry McCarthy:** When you separate out the Northern Ireland ones, is that because the administration in Northern Ireland is working on them? I mean the civil service.

Michael Gove: Yes, we are working with them on those areas.

Q20 **Kerry McCarthy:** How many people do you have working on SIs?

Michael Gove: There are people who are specifically working on SIs. There is a director, Emily Miles, who was the director of strategy in the Department, who leads a team that specifically works on the processing of statutory instruments, but they rely on support from the legal staff in the Department, who will work sometimes on SIs and sometimes on other legal tasks, and the policy individuals.

Kerry McCarthy: There are lots of other legal tasks.

Michael Gove: There certainly are. When it comes to detailed policy questions like seed potatoes, for example, which is a significant one, it will be the case that the team who are responsible for policy expertise in



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that area, who can also be called on by the trade team for negotiations, will provide support there.

I might ask Clare to say a little bit about some of the reconstruction work that has been done within the Department to facilitate that, because it is the case that our SI programme was at red in the “red/amber/green” rating scheme that we use across the civil service. It is now amber/green. That is because of the leadership that Clare, Tamara Finkelstein, the director in charge of EU exit, and Emily Miles, the director with specific responsibility for this programme, have shown.

Clare Moriarty: As the Secretary of State says, as part of a broader programme of making sure we are focusing on being as prepared as we possibly can be for an exit without a deal, we have put in place a number of measures. One of them was specifically around the SIs programme, because we could see we were going off track. We now have what we call a statutory instruments control room. We have a physical room in the building that is completely lined with all of our management information on statutory instruments. We have a dedicated team of people who sit there all day, every day, tracking this and making sure we have a really good understanding of exactly what is needed both in terms of our own drafting and the complicated legal checks that need to be done. Most of our SIs also have a reach over into the work of the devolved Administrations, so they have to be agreed with the devolved Administrations and some of them with other Departments. It has become a very concentrated effort.

What we have seen as a result of that is that we have a programme in which, as the Secretary of State says, we know exactly what needs to be delivered on which day. Things are tracked to the hour to make sure we lay them at the proper time. There is a dashboard that the Secretary of State, Ministers and the top team review on a weekly basis.

Michael Gove: On top of that, I should say that, notwithstanding any differences over overall policy, the support from the devolved Administrations, from Wales, Scotland and Northern Ireland, has been superb, including the support from their Ministers. Whatever other criticisms may be made, the Welsh and Scottish Ministers and their Administrations have worked pragmatically and speedily to facilitate the advance of these statutory instruments as well.

Q21 **Kerry McCarthy:** Since the National Audit Office warned that DEFRA was at high risk of not being able to deliver a fully functioning statute book, it sounds like you have, to an extent, at least got to grips with this; you have gone into a different gear in terms of trying to make that happen.

Michael Gove: Yes, that is fair.

Q22 **Kerry McCarthy:** Is there not a danger of a parliamentary logjam? You will be competing against other Departments, which presumably will have quite a high number of SIs to get through. How will that work? There is



only a limited number of Committees and MPs to sit on them and so on.

Michael Gove: Absolutely, and we have been working with business managers to ensure that the pace and flow of our and other Departments' statutory instruments are consistent with the capacity of Parliament to scrutinise them. So far, while the business managers recognise that this is a challenge, they believe that DEFRA is doing its bit, in accordance with their expectations, to allow them to ensure that all of them receive appropriate scrutiny.

Q23 **Kerry McCarthy:** You say "appropriate scrutiny", but we know that, if they do come before Committees, quite often they are before MPs who do not really have the slightest idea what they are about. They are very technical. We have seen a list of some of them today. Because you have had to draft so many SIs, there is a concern that the quality could perhaps suffer and there will not be the proper scrutiny because MPs will be churning through them. What reassurance can you give us that these are actually going to do the job and that they will be properly drafted and so on?

Michael Gove: I do take that point. It is a very fair challenge. One of the things we found is that initially there were one or two examples of SIs being poorly drafted, but the increased pressure, focus and spotlight on the team has meant that the overall process for these SIs, including "business as usual" SIs as well, has improved. I do not know what the right analogy is, but because the SI team have in effect had to prepare for a cup final, they have raised their game in every regard. The whole process has been made more efficient. Whatever else happens in the future, we have learnt how to make sure that policy decisions are taken in a way that allows Ministers to review things and to respond at pace. We have also ensured that the very best minds, legal and policy, are engaged.

I hope you would think, Clare, that was a fair assessment of the way in which people have worked incredibly hard to raise their game.

Clare Moriarty: Yes, absolutely. We have a continuous review of the process. Where we have spotted quality issues, we have looked at how we can fix them. We have recently brought in some paralegals to provide an extra pair of eyes over the wording. Often it is very tiny things that can cause a problem. We have the right people looking at things in the right order. In terms of how parliamentary scrutiny can be most effective, the thing we can most usefully do as the Department is make sure we meet the timetable that has been prepared, because the business managers have an overall view of what each Department is bringing forward. The thing that would really create a problem is if people missed deadlines and we end up with a lot more SIs being produced at the end of the process, which is why we are so focused on making sure we deliver things on the day we have said we are going to.



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Michael Gove: The Permanent Secretary may kick me if I say too much, but one thing is that, consistent with the rules that govern how Government operate and the confidentiality of advice, we are always happy to have members of this Committee come into the Department. If any members of the Committee wanted to come in, with respect to any of the areas we are touching on today, to seek a little bit of reassurance and briefing from officials, of course that invitation is open.

Q24 **Chair:** Can I just press you on that one? What would be nice is if you were able to highlight changes for us. If it is just transferring European legislation across into British law, that is fine, but if there are going to be any changes—either any weakening or strengthening of regulation—it would be nice if you would flag that up for us.

Michael Gove: Yes, absolutely.

Q25 **Chair:** We have naturally suspicious minds, and we think you may be slipping things in under the radar. I know, Julian, we have got one where we have gone from a negative SI to an affirmative one and we have a statutory instrument Committee to look at ammonium nitrate. If you were able to flag that up, there would be less suspicion, if I could be so bold. I am sure you are as innocent as the day is long, but we are naturally interested to know whether anything is being slipped in.

Michael Gove: Yes, and indeed it may well be that well meaning members of the team try to slip something in and I might occasionally have my attention diverted elsewhere. Even if I am innocent, I might be inadvertently complicit.

Chair: I knew you would have an answer to that one, Secretary of State.

Q26 **Angela Smith:** Good morning. There have been numerous press reports of DEFRA poaching staff from arm's-length bodies for EU exit-related work. What has prompted this recent and very urgent redeployment of staff? Is there a genuine staff crisis?

Michael Gove: I would not say there is a staff crisis, but there is a recognition across the DEFRA family that, if we do leave without a deal, to safeguard the environment and also to discharge our responsibilities towards food producers and all those with whom we interact, we need to have the best people in place.

We have had friendly and constructive conversations with agencies like the Environment Agency and Natural England, which of course will have specific responsibilities in the event of no deal, in order to ensure we can have their staff working on some of these projects. It is also the case that the Treasury has given us additional resource so we have been able to recruit people. Some are people who have come from other Government Departments, because they are interested in and engaged by the work we are doing; others are people who have been hired from outside the civil service, who again see an opportunity to join a Department with an important body of work, of which they wish to be a part.



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Angela Smith: On the assumption of the Secretary of State being either innocent or inadvertently complicit—

Chair: I do not think he said that, actually.

Q27 **Angela Smith:** Is it possible that perhaps the Department was prevented, as the NAO report suggested, from getting on with the job of preparing for no deal, leaving it with no option other than to effectively poach staff, 75 staff in fact, from the Environment Agency? Was it effectively prevented by DExEU from getting on with the job of preparing for no deal?

Michael Gove: I may be wrong here, but in the NAO criticism of DExEU, the NAO argued that some central Government DExEU proposals might have, in their view—and it is an arguable case—inhibited us from making some communications with some business outside. I can get into that, but your question is quite properly about staff. There has been nothing that has come from the centre that has inhibited us in increasing our roster of staff in the way we would have wanted. We had negotiations in March with the Treasury in order to ensure we had the cash necessary. Additional staff have subsequently been provided. Again, I will defer to Clare on this question and then come back, Angela.

Clare Moriarty: Would it be helpful if I just explained a little bit about what we have done?

Q28 **Angela Smith:** I am sorry, Clare. I do apologise. You have not even started yet, but the context is the Environment Agency being given 24 hours to name 75 staff to be redeployed to work on a no-deal scenario.

Clare Moriarty: Let me try to explain. As the Secretary of State said, we have a significant allocation of funding for the current financial year to recruit additional people. We have been recruiting them, and that is a process that is going on.

What we did in the late summer was to review where we were with our no-deal planning, which had all been proceeding. We concluded that, in order to be really prepared for the potential outcome of a no-deal exit, we needed to move faster to increase our delivery confidence, and we needed to do that in a way that did not just pile more pressure on people to the point where they fell over. We went through a process of looking at what more we needed to do and asking each of our projects what resource they might need that they did not have already. We also looked at what we would need in terms of making sure we are prepared for the things that are not within our control and how we could really step up our business readiness and engagement with businesses and the public. That led us to conclude that we needed to find some additional people, for a limited period. This is not an area where we are saying that we need people to move forever, but we decided that for a three-month period we were going to put additional effort into this. We have done a major reprioritisation exercise within the Department, with the agreement of Ministers. We have put some things on hold and some things we have



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altered the pace of the work we are doing, in order to be able to put the right people where they should be.

We also talked to our arm's-length bodies to see where they could help us. In terms of the way in which messages get translated through organisations, there certainly was no direct request from the Department that said, "Please find us 75 people within 24 hours." We had useful discussions with the agency and NDPB chief executives to say, "Are there people who, for a limited period, could come and help with this?"

- Q29 **Angela Smith:** Clare, you are suggesting that this was a very smooth process that was well thought through, on the basis of a recognition that more needed to be done. That I can understand and accept, but I would like to know, therefore, where the leaked memo came from. It was headed, "Urgent action: immediate attention" and said, "We are gearing up our contingency planning for EU exit and have been asked by Defra as a matter of urgency to provide staff". Are you saying, therefore, that the Environment Agency did not act quickly enough on the basis of the discussions they had had with your Department?

Clare Moriarty: No, I am not.

- Q30 **Angela Smith:** This was clearly urgent. It says they have 24 hours to name 75 staff.

Clare Moriarty: This was a piece of work that we did with a lot of urgency, because we recognised that sometimes you start things in Government and they take three or four weeks to come to fruition. We knew that we needed to do something quickly, because if we lost three or four weeks that would be important time in terms of making the work happen. We were doing the work with urgency.

There was no point that I can recollect at which we said to the Environment Agency, "You must tell us within 24 hours," but, as I say, given the way in which messages get transmitted within organisations, it is not uncommon for a message that starts off saying, "This is something we need to do at pace," translating into somebody then turning that into a more specific timeline when it becomes a message sent out to operational teams.

- Q31 **Angela Smith:** I have to say, Chair, I am not persuaded that this was anything other than a knee-jerk reaction to a growing problem. Anyway, let me ask Michael what impact central staff recruitment has had on the ability of DEFRA's arm's-length bodies to act independently as critical friends.

Michael Gove: DEFRA's arm's-length bodies act superbly in their independent role as critical friends.

Angela Smith: No, I asked what impact central staff recruitment—in other words, the taking away of staff from arm's-length bodies to work



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on no-deal exit within DEFRA—has had on their ability. You must have seen a measurement of the impact.

Michael Gove: There has been no discernible impact.

Q32 **Angela Smith:** There has been no discernible impact? You are happy to be held to that in, say, six months' time?

Michael Gove: Absolutely, yes. Were it to be the case that there were to be an impact in a particular area, I would be happy to share with the Committee where that impact had been and what action we had taken to mitigate it.

Q33 **Angela Smith:** You are clearly monitoring very carefully whether or not this will impact on the discharge of their statutory duties?

Michael Gove: Yes. Every week we have representatives of the principal NDPBs, Natural England and the Environment Agency, at a meeting that is designed to ensure that the delivery of their core functions and their capacity to act in accordance with their statutory obligations is not impaired and there is an update on the work they do. Of course you would be very welcome to talk to individuals within those organisations and come back to me if you feel we have missed any aspect in which this preparatory work for a no-deal scenario has had an adverse impact on their capacity to deliver the functions that you mention.

Q34 **Angela Smith:** Of course, one individual who we have spoken to in this Committee is Andrew Sells, the outgoing chair of Natural England. No doubt you saw the evidence he gave last week. This was a broader piece of evidence, not just related to Brexit. He spoke very frankly about the impact on staff morale, and on the organisation generally, of staff and funding cuts in terms of Natural England's effectiveness. He also spoke about its loss of independence. Do you share Andrew Sells' views and concerns about the lack of independence of Natural England?

Michael Gove: No, I do not.

Q35 **Angela Smith:** Why not?

Michael Gove: Because I believe that Natural England has the capacity to provide, and has provided, robust and independent advice on those areas for which it is responsible.

Q36 **Angela Smith:** Its advisory capacity has been stripped away.

Michael Gove: No, the particular concern that Andrew had was that some of the corporate-services functions that both the Environment Agency and Natural England had were being merged. This was a completely separate exercise from anything to do with the EU exit.

Angela Smith: Yes, I have already said that.

Michael Gove: No, quite.



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Q37 **Chair:** Secretary of State, they have no independent press system now, so Natural England has to go back through DEFRA. He feels as though he is being quietened, so to speak.

Michael Gove: I do not think anyone can prevent Andrew from commanding media attention when he wishes to for anything he says.

Chair: Yes, quite. But if Natural England does not have a press officer, it is more difficult, is it not?

Q38 **Angela Smith:** It is not about Andrew. Andrew does not issue the press releases. Natural England issues the press releases and they are no longer able to do so. They are now under the watch of DEFRA.

Michael Gove: Should Andrew or anyone in Natural England wish to make clear their views on any matter, there is no inhibition on them doing so. I have found myself that, while DEFRA's press office is brilliant and they do a fantastic job, I have certainly been capable of generating media coverage without necessarily troubling the wonderful team there.

Chair: Secretary of State, in fairness, that is not the question. The question is about the fact they no longer have the independence of issuing their own press releases. DEFRA's press office might be absolutely marvellous. That is not the question.

Angela Smith: It is not the point.

Q39 **Chair:** The question is this: if you were chair of Natural England and you could not issue a press release without putting it back through DEFRA, would you not feel as though you were being inhibited?

Michael Gove: No, I would speak out without fear or favour in that role. Again, I will ask Clare to explain a little bit about this work, which is not an attempt to fetter Natural England. It is simply an attempt to be careful stewards of public money by making sure that we do not have duplication in corporate services.

Angela Smith: By compromising its independence.

Michael Gove: There is absolutely no evidence for that, but I will hand over to Clare.

Clare Moriarty: As the Secretary of State says, this is not about compromising their independence. They are absolutely able to issue press releases and they have press officers. In order to provide the best possible service to the arm's-length bodies and to do it in an efficient way so that we can protect funding for our frontline services and to provide good career development opportunities for people working in corporate services, we have brought together the people who provide corporate services across a number of our arm's-length bodies. They are all employed by the core Department, because you have to be employed by someone. Particularly to give people career opportunities, it does make sense for them to be employed together. Individual members of the team are assigned to and work to the individual organisations and they



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operate absolutely for the chief executives and the boards of those organisations. It is a relatively common model in the private sector. It is a group model.

Chair: Clare, if DEFRA was told, "You no longer issue press releases. They have to go out through the Treasury," you would like that, would you? This is the same principle. Natural England has to go back through its parent body, if you like, before it can issue a press release. That has to be curtailing their independence. It really has. We are all politicians. You are not, but we are politicians; we like to be able to get our views out. I cannot see how it is not curtailing.

Q40 **Angela Smith:** This is the point. This is not the private sector. This is Government. It is not the private sector. We are talking about an arm's-length, non-governmental public body. It is a different thing altogether.

Michael Gove: It is the case that Natural England does have a press office. It is the case that Natural England does issue press releases. One of its most recent press releases on the flying success of the Bats and Churches project I can share with the Committee. I did not see, sign off, interfere or in any way see that press release before it was released. I am delighted by the success of the Bats and Churches project, and indeed I have talked about this issue with Andrew in the past. If you have a press office and you can issue press releases, and if those press releases do not cross my desk, that seems to me to be independence.

Q41 **Angela Smith:** If Natural England wanted to issue a press release saying that it was no longer happy to issue licences for badger-culling, and it did that independently, what would you think about that, Secretary of State?

Michael Gove: We would need to review our whole approach towards the badger cull.

Q42 **Angela Smith:** Do you hold to that?

Michael Gove: The critical thing is that, when it comes to badger-culling, we have had a superb report from Professor Sir Charles Godfray.

Angela Smith: I am talking about the concept, not the absolute issue. You would be happy, if Natural England, in its independence, issued a press release saying that. I am holding you to what you have just said.

Michael Gove: If it were grounded in science, reason and evidence, I would look forward to reading it.

Mrs Murray: Very quickly, can you explain to me why perhaps DEFRA did not consider sending all their press releases to Natural England, keeping their department and letting them issue the DEFRA press releases? It seems to me that that is exactly what you are saying you are happy with.

Q43 **Chair:** In reality, Secretary of State, not all press releases are going to cross your desk, are they? We know that. However, they will pass



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through DEFRA. The question we need an answer for is this: do Natural England have the independence to put out that press release without, as it goes through the Department, either being watered down or being changed? That naturally would be the suspicion, and Andrew Sells certainly alluded to that, if he did not actually say it.

Michael Gove: Again, one can read between the lines of Andrew's evidence to the Committee, but, no, there has been no evidence that I am aware of at all of anything of that kind.

Q44 **Chair:** Clare, are you aware of any evidence?

Clare Moriarty: There has been no evidence I am aware of, no.

Q45 **Mrs Murray:** DEFRA has no editorial rights?

Michael Gove: Absolutely not, no. If that has been going on, again, I would be happy for it to be brought to my attention. I would stress, again, the independence of Natural England.

Q46 **Chair:** You are quite happy to have a look at that, are you?

Michael Gove: I am very happy to. I am sure that whoever is chosen as the next chair of Natural England, to succeed Andrew and take on his good work, will be someone of sturdy independence.

Q47 **Angela Smith:** To finish, I will make one further point and then ask a brief question about morale. Natural England lacks a human resources director. Andrew Sells described that as the equivalent of a Metropolitan police officer being forced to take a case of bullying to the Home Office. How can that be justified?

Clare Moriarty: Natural England does not lack a human resources director. It has a human resources director. The human resources director is part of the broader corporate-services team, but there is an HR director for Natural England who works through the board. In exactly the same way, the legal director for DEFRA is not employed by DEFRA and the commercial director for DEFRA is not employed by DEFRA, because we have these sorts of arrangement that go across Government. The legal director is absolutely critical to the Secretary of State. It does not matter, in practice, that the employer of the legal director is the Government Legal Service, in exactly the same way. The important thing is that the people who are fulfilling the roles understand what it means to serve the interests of the body they are working for.

Q48 **Angela Smith:** I do not accept that analogy. The equivalent is DEFRA civil servants being employed within the civil service by central Government. It is a different scenario altogether.

Michael Gove: I am not sure about that. The Permanent Secretary's point was very well made about the Government Legal Service. It is the case that lawyers who work in DEFRA are DEFRA civil servants, but it is the Government Legal Service that recruits them and they have a separate track. They are civil servants working in and for DEFRA; they



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are bound by all the same responsibilities and they keep to the very best civil service ethics. The fact they are employed by the Government Legal Service does not mean they are somehow any less independent or effective on behalf of DEFRA Ministers and civil servants.

Q49 Angela Smith: The two of you are trying to confuse the issue by using the analogy of civil servants within DEFRA and civil servants generally within Government as opposed to an independent arm's-length body having a direct relationship in terms of human resources and the issuing of press releases within DEFRA. It is a completely different case altogether.

Michael Gove: I do take your point, but there are differences and there are analogies. There is something else as well, which I think is fair. Of course Natural England has a critical responsibility to be an independent provider of advice not just to DEFRA, but overall on the state of the natural world and our natural capital.

It is also the case that there are certain functions it has discharged, for example, oversight of Countryside Stewardship payments. If it is the case that those Countryside Stewardship payments are not landing in the bank accounts of the people who have worked very hard to improve the environment, who are farmers, land managers and landowners, this Committee would quite properly ask me, "Why is it that farmers are losing out?" Again, in the conversations that we have with Natural England, I totally respect their independence, but it is also the case that there are responsibilities that they take very seriously that I, on your behalf and on behalf of the country's farmers, work collaboratively with them to improve.

Angela Smith: "Collaboratively" is the word. Secretary of State, we asked Natural England directly about the issue related to Countryside Stewardship schemes. Can I just ask Ms Moriarty a final question? The Department has more than doubled in size since March 2017. Of course, we have seen staff taken from arm's-length bodies into the central Department. Has the impact on staff morale been measured? Certainly, what we heard last week from Natural England was that there has been a significant impact on staff morale in relation to the cuts and the movements that have been a consequence of Brexit planning.

Clare Moriarty: We monitor staff morale in a variety of different ways. The most comprehensive way is the annual People Survey, which is carried out across the civil service. The results of that are shortly to be released. I will not give you numbers, but, generally speaking, morale is holding up reasonably well. I am personally constantly concerned about wellbeing and the resilience of our people and the amount of work they have to do at great pace. It is the thing that is probably most frequently on my mind and very frequently discussed with our senior team, with our directors and deputy directors.



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It is a constantly monitored risk. We are seeing some signs of people being under quite a lot of stress, which we are seeking to deal with. We have put in place better access to counselling and ways of making sure that people can be physically healthy, with a lot of opportunities to discuss. It is on my watch list, but, equally, there are very exciting things going on in DEFRA at the moment. People have come to join us from a variety of different places.

Chair: Clare, could you keep your answers a little bit tighter? We are running out of time. Can we leave it there, Angela?

Q50 **Angela Smith:** I would just ask whether it is red, green or amber in terms of your risks list.

Clare Moriarty: I would say it is amber/red.

Q51 **Mrs Murray:** This is to the Secretary of State. The Permanent Secretary shared with the Public Accounts Committee that she was being kept up at night by the huge degree of risk facing some of DEFRA's critical projects. Regarding DEFRA's EU exit preparations, what is keeping you up at night?

Michael Gove: I work into the night; I am not kept up at night. There are lots of projects that we need to do. Preparing for EU exit is, on the one hand, exciting, because there are opportunities in agriculture, fisheries and the environment that we have discussed in this Committee before but which I will not revisit now, which are potentially transformative. If we do leave without a deal, there are things that DEFRA can do and is doing to mitigate the impact, and there are things that the Government can do—and there are opportunities without a deal—but the critical question, the thing that worries me most, is what the impact would be on, in particular, food exporters in the event of no deal.

Q52 **Mrs Murray:** I will tell you what is keeping me up at night, very briefly, before I hand over to David. We discussed fisheries earlier on. However, I received some photographs this morning from vessels in Plymouth that have their decks covered in sea bass, for which they have no quota, and they have to throw it back. I just needed you to be aware of that, Secretary of State, because if they have to continue, until 31 December 2020, with a landing obligation coming into force in January, a lot of those vessels will be tied up. Please do not think that what you are doing and the extension of the transition period is not going to affect the very industry you are trying to save, because it will. You just needed to be aware of that.

I am very angry. Sea bass is a high-value fish. Basically, those vessels are effectively throwing away almost £10,000 back into the sea now, because they do not have any quota. Mr Macron's fishing fleet is allowed to catch it and take it back to France free of charge and land it. The UK Exchequer is being denied income. When it keeps you up at night about food processors, please remember that we are allowing other member states to come in and take a UK natural resource back free of charge at



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the moment. Just remember that. I am going to hand over to David.

Chair: Do you want to reply?

Michael Gove: It is a very powerful point. One of the reasons why in the Fisheries Bill there are new provisions to deal with that is because you are absolutely right, Sheryll, that the allocation of sea bass and the allocation of a number of stocks in the English Channel is inequitable. That will change when we are an independent coastal state.

Q53 **Mrs Murray:** What guarantees can you give me today that it will definitely change? When is it going to change?

Michael Gove: What we plan is to ensure that we negotiate as an independent coastal state at the December 2020 Council.

Q54 **Mrs Murray:** Why do we need to negotiate? Is it not a UK resource?

Michael Gove: It is, but under UNCLOS we have to. All coastal states have to negotiate.

Q55 **Mrs Murray:** No, UNCLOS says we have to share the surplus that our fleet cannot catch; it does not say we have to negotiate.

Michael Gove: It does say that we have to co-operate with other countries on the management of shared stocks as well.

Q56 **Mrs Murray:** On sustainability, yes; no one would question that. In terms of the share of the natural resource, article 62 actually very clearly says that we only have to allow other nations access to the surplus that our fleet cannot catch.

Michael Gove: One of the things we will do is negotiate hard in defence of our interests.

Q57 **Mrs Murray:** We do not need to negotiate, Secretary of State. According to UNCLOS, the sharing out of UK resources does not have to be negotiated with other nations. We just have to share the surplus with them. Why can you not admit that?

Michael Gove: As you will appreciate, Sheryll, we do negotiate and we will want to negotiate, for example, with countries like Norway and Iceland, and indeed jurisdictions like the Faroe Islands, for access to their waters as well.

Mrs Murray: They are not in the EU.

Michael Gove: Exactly.

Q58 **Mrs Murray:** What you are saying to me, then, is that the surplus could be shared with Norway or Iceland for reciprocal access and we will not see my fishermen in the south-west having to throw away sea bass while we see the French taking it home and landing it quite happily and quite legally under the CFP. Can you guarantee that it will end? Can you tell me the date when it will?



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Michael Gove: December 2020 is when we will be negotiating as an independent coastal state. The one other thing I would say is that the point you make about the landing obligation is a very powerful one. It is one that has been made to me directly by fishermen themselves. I completely understand the frustrations. That is why in the Fisheries Bill there is an approach that would, while ensuring we managed our stocks in a sustainable fashion, make sure we did not penalise people who were in the position you describe. There is only one other thing I would say. At the moment, there are UK fishermen, including in the south-west, fishing in French waters.

Q59 **Mrs Murray:** They would not need to if they had enough quota in UK waters to compensate for that.

Michael Gove: That is a very fair point, but one of the things the French are exercised by is the way in which, as you know, in the Baie de Seine scallop fishing was taken on by UK boats entirely legally. We defended them in doing so. I do take your point that once we are in control of our own waters we can then decide who comes in and on what terms. We will be able to decide. I or whoever is Secretary of State will be accountable to you and to Parliament for the decisions that we make.

Q60 **Mrs Murray:** You can guarantee that other member states will not continue to take five times as much by value from UK waters? That is what is happening at the moment. You mentioned UK vessels fishing in other member states' exclusive economic areas. The other member states take five times by value more than UK vessels take from other member states' waters.

Michael Gove: Yes.

Mrs Murray: That is not a fair and balanced approach, as far as I am concerned.

Q61 **Chair:** It is a hugely emotional issue, Secretary of State. I am sure you are aware of that.

Michael Gove: Absolutely, yes.

Chair: It is the waste of the fish that are discarded as well.

Michael Gove: I understand all too well. I hesitate to mention it again, because every member of the Committee knows it, but my own family ran a fish-processing business.

Chair: There is a matter of trust with the fishing industry.

Mrs Murray: They cannot trust you. They do not trust you, Secretary of State.

Chair: They had a really bad deal when we went into the Common Market and they are worried they are going to get a very bad deal when we come out. I can understand why they feel like that.

Q62 **Mrs Murray:** They really do not trust you to deliver.



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Michael Gove: Sheryll, there may be individuals who do not and there may be individuals who have concerns. One thing I would say is that since the acknowledgement of the extension of the transition period, we have resisted every effort by the EU to alter the withdrawal agreement and the political declaration in ways that would have improved their access to our waters. The Scottish Fishermen's Federation has been perfectly clear that, as an independent coastal state, we of course have to maintain our position in order to make sure we can take advantage of the slew of opportunities available.

I would say that people can fear what may happen in the future; what they need to look at is the resolute way in which I and others have argued that we should have control over our waters. As I mentioned earlier, one of the reasons Macron said what he did last Sunday is that he recognised that in the event of a backstop we will have control of our waters. When we leave we will be an independent coastal state.

Q63 Mrs Murray: I would just like to get it on record that I spoke to Bertie Armstrong from the Scottish Fishermen's Federation two days ago. He is not saying exactly what you are portraying him to have said. Yes, he is pleased that we will act as an independent coastal state, but he is not happy with the share or the transition period.

Chair: Sheryll, we must leave it there. Please give a quick answer, Secretary of State.

Michael Gove: Bertie's position is clear and on record, and so is mine.

Mrs Murray: One and a half out of three is what he has given you.

Michael Gove: I explained at the time that I was not happy that it was a sub-optimal position with the transition agreement, but we can re-litigate that question. The question now is about how we defend things in the future.

Q64 David Simpson: First of all, I would like to put on record to the Secretary of State my disgust at how Northern Ireland has been treated in all of these negotiations. I believe we have been made the sacrificial lamb for the European Union, to placate them and the Irish Republic. We are disgusted at how these negotiations have gone. I am bitterly disappointed, on top of that, that the Prime Minister and the Secretary of State for Northern Ireland assured me that no British Prime Minister would impose a red line in the Irish Sea and divergence of any description for Northern Ireland. What has happened is disgraceful. We will have to wait and see what happens on the vote in the House of Commons, if it goes through, but I am bitterly disappointed.

I want to just touch on the fisheries side of things. The protocol for fisheries in Northern Ireland is 6.2. By the way, no one wants it, but it is there. It is supposed to provide Northern Ireland's seafood industry, which is unique in the UK, free access to the EU market. However, it suggests that this will be subject to controls: controls or quotas in respect



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of the quantity of seafood sold from Northern Ireland into the Republic of Ireland, restrictions on the transport of seafood into Northern Ireland from GB and possible caps on the size of the Northern Ireland fishing fleet. We are advised that these are designed to provide safeguards for the European Union industry. Will the Secretary of State provide a commitment today that any such controls will be future-proofed so that Northern Ireland's seafood industry will be able to seize the opportunities provided whenever we leave the European Union, if we do?

Michael Gove: Yes.

David Simpson: That is simple enough, but the proof will be in the pudding, when we see it.

Michael Gove: Absolutely, yes. That is a very fair point.

Q65 **Chair:** Okay. You are on record. Just before we leave this question, going back to the original question, it was in the press that you were particularly worried about a no-deal Brexit and you were—I should not say you were keen—prepared to sign up to the deal because of chemicals needed to purify water in this country. Was this just a story in the press or was it true?

Michael Gove: There is an issue. I do not want to take anything away from the wonderful newspaper in which the story appeared, but there was an element of Chinese whispers. It is the case that the water industry is reliant on chemicals that are imported from the EU in order to ensure we have pure and safe drinking water, but it is also the case that the overwhelming majority of those chemicals come into ports that are not in the narrow strait: they come in through Immingham rather than through Dover, though some come through Dover. It is the case that, prudently, we have talked to the water companies, and I will be talking to the regulator to make sure those chemicals can be sourced. It is one of those issues where, if we leave without a deal we have to take appropriate steps to mitigate. We are taking those steps. It should be the case—in fact, it will be the case—that our water will be completely safe to drink.

Q66 **Dr Johnson:** I was going to ask you about chemicals and chemical regulation. In particular, I want to ask you about the report in the *Mail on Sunday* last Sunday, which some might have described as part of Project Fear. This is the idea that if we have a no-deal Brexit at the end of March, Whitehall officials or Whitehall sources are saying that we will run out of clean drinking water within days. Is that true?

Michael Gove: No.

Q67 **Dr Johnson:** Is that something that has been suggested to you by your officials?

Michael Gove: I will tell you exactly what it is. It the case that—I mentioned this briefly to Neil, but this gives me an opportunity to say slightly more—at the moment the majority of the chemicals required



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come in through Immingham. There is no suggestion that this flow should necessarily be adversely affected by leaving without a deal. Some chemicals do come in through the Strait of Dover. Dover crossings are likely to be affected—we cannot be certain by how much—by no deal, so there was a potential danger, but action has been taken and is being taken by water companies now in order to ensure that the eventuality does not arise.

Q68 **Chair:** So you are not kept up at night by this?

Michael Gove: No, because I am reassured by the very diligent work that the team do. One of the great things the DEFRA team do is they identify potential risks. Any of us would want them to do that. For example, the fact that the Environment Agency works out what might happen in the worst eventuality if there were a flood and works out how to respond does not mean they are predicting that it is overwhelmingly likely; they have just taken prudent steps to ensure that, in a reasonable worst-case scenario, we can take appropriate steps. That is what the team have done in collaboration with the water companies. I do not know, Clare, whether there is anything more you would like to add to that in the time we have.

Clare Moriarty: I would just say that this is part of an ongoing process. We are trying to understand what the risks might be and which are the most significant, and then we are working out how to mitigate them. To some extent, this is the type of area where actually, when we drill down and talk to water companies and look at the mitigation, the problem turns out to be something that is capable of being mitigated.

Q69 **Dr Johnson:** The story in the *Mail on Sunday* suggesting that people in Whitehall thought that they were going to run out of water in March is basically untrue?

Michael Gove: I prefer to say that Chinese whispers have been at work.

Q70 **Chair:** There must have been something to start the whisper, Secretary of State.

Michael Gove: As Clare mentioned, we looked at what might happen in a reasonable worst-case scenario and then took steps to mitigate it. That is what you would expect us to do. Again, one of the things, having been a journalist myself, is that journalists are honour-bound to never reveal their sources, so I cannot know what the origin of it was, though I can speculate.

Q71 **Chair:** Secretary of State, we were slightly concerned, because of your journalism background, that some of the whispering might have come from you. I am sure you would deny that immediately.

Michael Gove: Yes, I would.

Chair: Yes, I thought you would.



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Q72 Dr Johnson: The other thing, Secretary of State, is that one of the rationales behind what we can now see is an inaccurate story is that the chemicals were stockpiled because they are too volatile to be kept in storage for a period of time. Again, the chemicals that were mentioned were fluorosilicic acid, aluminium sulphate, calcium hydroxide and sodium fluorosilicate. These can be stored for presumably prolonged periods of time, in some cases for several years. Some are in fact made in the UK as well.

Michael Gove: Yes, indeed.

Q73 Dr Johnson: Under what circumstance can things that can be stored for years, things that can be kept in the UK for years and, in some cases, things that can be produced in the UK run suddenly short within days of March? Is that not the most ridiculous story?

Michael Gove: There are two very good points there. The first is—

Q74 Dr Johnson: Are the public not being misled by that and frightened unnecessarily? Surely we need to make sure you are very clear with the public today, so that those people at home who are worried they are going to run out of water—they may be buying bottled water in fear come March—are reassured that that is not necessary?

Michael Gove: Thanks to your and the Chair's questions, I hope I have had the opportunity to do precisely that. I would say two things. There is a range of chemicals that are used in the preparation of water for safe drinking. There are some chemicals that are used to sterilise water in order to deal with things like cryptosporidium, which may cause illness. It is also the case that you need some chemicals that are what are called coagulants, which are responsible for taking heavy metals out of water. Heavy metals have an impact on the health of children and pregnant women. There are some chemicals used by some companies that have a volatility that means they can only be safely stored for a period of two weeks. There are other chemicals—you are absolutely right—that can be stored safely for a very long period, but water companies have been used to sourcing some of these chemicals on a just-in-time basis.

It is important to provide people with reassurance on this, and Caroline is absolutely right to ask about it. Having identified that and having talked to the water companies, we can then say the risk does not exist. We would have been negligent if we had not said, "Okay, let us just assume the worst and then make sure it does not happen." That is what we do all the time, in everything from thinking through what the impact will be on the fish processors of Northern Ireland or the lamb farmers of Wales or the salad growers of Lincolnshire. We think through what the potential risks and challenges are and then seek to mitigate them so that Parliament can take a view and decide on what is right for this country.

Q75 John Grogan: I have two very quick questions. I apologise for being late, Secretary of State. On the theme of things that have been in the papers over the last 24 hours generated by whoever, looking at other



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Departments, you have put up a robust defence of the Brexit readiness of DEFRA. Are you top of the league table? There is some suggestion that you have been suggesting to colleagues that perhaps, across Government, not everyone is as well prepared as you would say DEFRA is?

Michael Gove: No, I would not say that. Again, I think I know the context in which these comments were made.

Q76 **John Grogan:** Somebody said that there needs to be more of a focus by other Departments on no deal as well. They attributed that to you.

Michael Gove: Yes, but that is not really what I said.

Q77 **Chair:** What did you really say?

Michael Gove: I am just about to tell you. I made a series of suggestions about areas where I felt that we in DEFRA could collaborate more effectively in preparations for no deal. They were the sorts of suggestion that a friend might make to another friend; that Clare might make to me or I might make to Clare. They were part of an ongoing conversation. There was no criticism implied, and certainly I hope none inferred, in what I said. They were just instructive, collaborative suggestions between colleagues about whether or not we might do this or that in an ever so slightly different way. Of course, in the course of those conversations your interlocutor says, "Actually, we did think about that, but the reason we are doing it this way is the following," and you think, "Yes, all right. That makes sense."

Q78 **John Grogan:** I just have one more question of clarification. We are going to hear a lot from you over the next few days, so the press seem to indicate, perhaps on the Andrew Marr show and things, but Norway has come up, in terms of the Norway model and perhaps a sympathy for that. Would you rule out advocating a Norway model, an EFTA model, in future weeks if the vote goes down?

Michael Gove: I think the Prime Minister's deal is the best one for the country.

Q79 **John Grogan:** You would not rule out advocating it at a later date?

Michael Gove: The only thing I am advocating is the Prime Minister's deal.

Chair: That is very clear, Secretary of State.

Q80 **Angela Smith:** Going back to the issues relating to the cleaning of our water supply by the water companies, one of the components in the chemical mix there is chlorine gas, which we import on a just-in-time basis. The issue, as I understand it, having had conversations, is that there is a severe lack of storage capacity for chlorine gas. I really do hope there is no risk, because it would be very serious if there was. The key question here is about whether you can guarantee that storage



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capacity will be in place by 30 March.

Michael Gove: Yes, that is what we are working with water companies to ensure.

Q81 **Angela Smith:** You can guarantee that it will be there?

Michael Gove: I will do everything I can.

Q82 **Angela Smith:** You will do everything you can. That is not a guarantee, I am afraid.

Michael Gove: I will provide a guarantee that we will ensure that the drinking water in this country is absolutely safe in the event of exit.

Q83 **Angela Smith:** It being safe is not necessarily by the way that we usually process the water, so that is not the guarantee I was looking for. Is there a guarantee that we will have that storage capacity? That is the question.

Michael Gove: There is a statutory responsibility on water companies, which the regulator is responsible for enforcing. We in DEFRA are taking all the steps required. I would like to reassure you, and indeed Caroline and all members of the Committee, that our water supply will be completely safe after we leave the European Union.

Q84 **Angela Smith:** Will the storage capacity be in place?

Michael Gove: I am not going to micromanage every aspect of what water companies do.

Q85 **Angela Smith:** This is not micromanagement. This is the situation the water companies face as a consequence of Government policymaking and a lack of preparation. Will the storage capacity be in place?

Michael Gove: It is probably fair to say that water companies have been working incredibly hard with us to ensure that the supply will be safe.

Angela Smith: The answer is no. There is no guarantee.

Chair: You have raised it very clearly.

Michael Gove: I understand Angela's reasons for raising it.

Q86 **Alan Brown:** What is the estimated labour shortfall in the fruit-packing and horticultural sector in the event of no deal? What is the labour shortfall if there is still a transition period?

Michael Gove: We have brought in, as you know, Alan, a seasonal agricultural workers scheme. One of the reasons we are piloting it is to see the extent to which we can meet the demand that exists there. We are working with the NFU, and indeed NFU Scotland, in order to ensure that we meet those requirements. We keep that under review.

Q87 **Alan Brown:** What is the labour shortfall predicted in the event of no deal? How does that compare to the seasonal agricultural workers



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scheme?

Michael Gove: One of the things in a no-deal scenario is that there are a number of steps we can take in order to support the food production industry in order to make sure it is attractive for them to get the labour they need.

Q88 **Alan Brown:** Have these steps been put in place now? How ready is the Department for that?

Michael Gove: There are still some conversations we need to have with the Treasury, but yes, those provisions are being put in place.

Q89 **Alan Brown:** Are you in conversation with the Home Office as well?

Michael Gove: Yes, we are in conversation with the Home Office.

Q90 **Alan Brown:** They are fully behind whatever you are proposing?

Michael Gove: At the moment, yes.

Q91 **Alan Brown:** What is the labour shortfall estimate if there is no deal?

Michael Gove: I will come back to the Committee with particular calculations on that, because it is a very fair point and we have a range of scenarios about what the impacts might be. I will write back to you with our best estimates of what the range of scenarios might be.

Q92 **Chair:** We are very keen on the labour requirements, because we have done two inquiries on that already. We are not sure we are going to have enough labour.

Michael Gove: It is a very fair question, of course. I would just say two things. Caroline quite rightly said, "Is this Project Fear all over again?" I absolutely do not want to engage in that, but there is a balance here. Angela raised a very legitimate concern. What we want to do is take all the action necessary in order to mitigate the impact of no deal and to be aware of what the opportunities are, but I also want to be honest with this Committee and the public about what some of the challenges are. As Sheryll was very honest and powerful in pointing out some of the problems, for example, of extending the transition period, I feel I have to be honest about the impact on, for instance, sheep farmers if we leave without a deal. That will be the sector that will be most adversely affected. I do not want to overstate it at all; that would be quite wrong. When we do share this information, we need to put in context that a lot depends on countries we cannot control.

Q93 **Chair:** You want us to go into this with our eyes open, not our eyes closed?

Michael Gove: Precisely so.

Q94 **Angela Smith:** I do have to declare my honorary life membership of the BVA before asking this question. Given concerns from the BVA, is it appropriate or possible for non-vets to sign off health certificates?



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Michael Gove: They will do so under the supervision of vets. The RCVS has authorised that process.

Q95 **Angela Smith:** You think it is appropriate for them to do that? That was the question. It is not about the arrangements. Is it appropriate?

Michael Gove: Yes, the RCVS agrees.

Q96 **Angela Smith:** The RCVS agrees. Will our trading partners have confidence in our experts if non-vets have been involved in preparing these certificates?

Michael Gove: Yes, because vets will sign them off.

Q97 **Angela Smith:** Vets will sign them off?

Michael Gove: Yes.

Q98 **Chair:** They will be prepared by officials and then vets will sign them off? Is that how you see it?

Clare Moriarty: The RCVS has agreed to the creation of something called a certification support officer. Effectively, non-vets will be able to do some of the preparatory work. The ultimate signature, as the Secretary of State says, will be a vet's signature. It is about looking at which elements of the process absolutely need a vet and which can be done by somebody else with the appropriate training. That training is being developed and rolled out now.

Q99 **Angela Smith:** It is difficult to tell from that how this will reduce the potential shortage in the UK veterinary workforce post EU exit. How certain are you that DEFRA will be able to cope with shortages?

Michael Gove: I think we will. That has been the view of the APHA.

Q100 **Angela Smith:** How?

Michael Gove: Because there is vet capacity to be able to take on this work, and indeed the RCVS has worked with us in order to ensure that some of those processes can be handled by others, freeing up vet time.

Q101 **Angela Smith:** The idea of non-vets signing certificates and those being signed off by vets solves the shortage? It resolves the potential risk of a shortage?

Michael Gove: It certainly contributes to that.

Q102 **Angela Smith:** How else are we going to avoid the potential risk?

Michael Gove: The profession itself is confident that it has the skill, strength and depth to be able to take on extra work.

Q103 **Angela Smith:** That is not true. The BVA does not think that. That is quite clear. I have the material in front of me. I am sorry. That is just not true. The BVA thinks there is a serious risk of a shortage and is asking for vets to go on the shortage occupation list.



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Michael Gove: It is a fair point that we should review all of this, making sure that we have the right number of people here. One of the other BVA concerns, which is obviously true, is that there are a number of official veterinarians who are EU citizens; it is a very high proportion. There is a concern that has been expressed by some that in the event of a no-deal Brexit their position might be in peril. One of the things the Prime Minister has done is to stress that for all EU citizens their position and their contribution here are hugely valued, but I do appreciate that, again, it is quite right for organisations to raise fair warning and then for us to respond and seek to reassure.

Q104 **Angela Smith:** EU vets are leaving the country and EU vets are not coming in to replace those veterinarians who retire. It is not on a massive scale yet, but the trend is clear. I think that is a very glib assumption to make.

Michael Gove: The Chair told me to be short.

Chair: The best way of solving this, because it is quite complex, might be to have something in writing.

Angela Smith: Yes, I think so.

Chair: You could tell us exactly how this is going to work, because we have to be reassured that those who are doing this who are not vets understand exactly what they are doing and there is not going to be a watering down of the system. I can understand why you are doing it, but we would like to see a bit more detail. It would then perhaps be interesting to see what the BVA then has to say about it.

Angela Smith: Absolutely, yes.

Michael Gove: Of course, yes. I am heartened by the fact that our brilliant CVO is here. Of course, I will write to you because I am the person responsible.

Chair: We are going to have a word with her in a minute. We will carry on the conversation. It would be useful if we could get something in writing.

Q105 **David Simpson:** Secretary of State, you informed the Public Accounts Committee in October that in order to prioritise the flow of food imports, imports from the EU would be allowed to pass through UK ports without checks. How long might imports be allowed to pass through without these checks?

Michael Gove: It would potentially be for a period of months.

Chair: Months?

Michael Gove: Potentially.

Q106 **Chair:** How many months?



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Michael Gove: At the moment, we are revising what our approach would be for dealing with the import of goods. We have reassurance the goods that will come from the European Union through, for example, Dover-Calais will meet the requirements we currently request are imposed on imports. We will update our planning assumptions, and they will be updated at a cross-Government level and shared with this Committee and others.

Q107 **David Simpson:** Are you sure that it will be reciprocated from the EU side?

Michael Gove: That is the €64,000 question. I am relatively confident that ports like Ostend, Zeebrugge, Rotterdam and others will collaborate very constructively with Britain in order to ensure the free flow of goods. The particular challenge is on the narrow straits, on Dover and Calais.

Q108 **David Simpson:** So there is no guarantee at the moment?

Michael Gove: There is no guarantee from the French. I would say two things. The European Commission recently published its own equivalent of a technical notice, saying that in the event of no deal they would move quickly to give third-country status to the UK, but it is the case that even with us achieving third-country status, products of animal origin passing through Calais would, according to EU rules as they stand at the moment, be required to go through a border inspection post. There is no border inspection post yet in place in Calais. We would hope that the French authorities erect one quickly, but obviously that is a decision for them, not one that we can control.

Q109 **David Simpson:** History shows us that the French take EU directives, shred them and worry about it afterwards.

Michael Gove: Again, I want to be fair. There is a reasonable worst-case scenario. I would hope—because it would be strongly in the interests of the port, those it employs and the economy of France—they would act quickly in the event of a no-deal scenario becoming imminent and they would be as collaborative as possible. In fairness, I cannot control that.

Q110 **Chair:** French co-operation has not always been great in the past, Secretary of State. I remember getting beef back into France after BSE when we were part of the single market; they objected. It is bound to worry us.

Michael Gove: It worries me.

Q111 **Chair:** What about biosecurity and disease? What on earth is going to happen if we are suddenly just letting all this stuff come through? It is not ideal to say the least, is it?

Michael Gove: We let it through at the moment. That is the thing. We let it through at the moment. At the moment, if you have some French cheese, or indeed some Danish pork, that comes in through the narrow



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straits, and indeed through all our ports at the moment, without checks because we have confidence in the EU's approach. We can then make a judgment about when we wish to and how we wish to impose checks, but in the very short term our priority is to make sure it is as unimpeded as possible.

Q112 **Chair:** These lorries will still be coming through with the original paperwork and the systems that exist at the moment? The worry is about the potential for them to be coming through with something that has not been checked on either side.

Michael Gove: No. It will have been subject to all the checks and all the rules that are currently in place, as required by the EU.

Q113 **Julian Sturdy:** Secretary of State, your Department has six new major IT systems in development, which will be ready for testing in January. Why has testing been left so late? DEFRA does not have a great reputation for IT systems.

Chair: That is the understatement of the year, Julian.

Michael Gove: I would say, in fairness, that Government do not have a great reputation when it comes to IT systems.

Julian Sturdy: That is true.

Michael Gove: Again, we have been operating at pace. What we have tried to do is take an approach where we say we will only have something that is a digital process where it is absolutely necessary for the reasons that you mention. We have brought in support from a variety of private-sector partners in order to make sure we are testing things as rigorously as possible. We have tried to reduce the amount of risk in the system by having certain common components. Once something has been tested as the part of the—what is the word?—pipeline of IT, it can then serve each of the individual projects, but of course it is a challenge.

Clare Moriarty: What I would say, very quickly, is that it is not that we are not testing everything. Everything is being tested, tested and tested again as we go along. There are some elements of testing that you cannot do at this point. You cannot do the end-to-end testing until you have all of the components fitted together. We have been working at very great pace on these. That is the point at which we can then see how all the systems integrate and test the full system fully with users.

Q114 **Julian Sturdy:** Do you have enough resources? You mentioned that you have brought in people from outside. Do you feel the Department now has enough resources to deliver that?

Michael Gove: Almost, yes, but we are in talks with the Treasury at the moment about getting some additional resource. All the signs are that the Treasury recognises what the additional resource is that we need, so I am confident that we will get everything we need.



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Q115 Julian Sturdy: REACH, which you will be aware of, is described as the most sophisticated regulation system in the world by some people. It took 14 years to develop. We are going to try to do something similar in a year. Can we do that?

Michael Gove: What we are doing in a way is seeking to replicate rather than to construct something ab initio, as it were. One of the things we are also doing is providing the industry, through the technical notice that we provided and through meetings with industry, with advice on how to ensure that chemicals are registered in the EU. As our system gets up and running, we are going to accept EU registrations in the UK.

Clare Moriarty: We are not developing the whole system from scratch. The IT elements of it, which I have seen working in prototype, are not fantastically complicated. The entire system of how chemicals are regulated is what has taken a long time, but we are replicating.

Q116 Julian Sturdy: In the worst-case scenario, where would a no-deal Brexit leave the chemicals industry? There are reports that the chemicals industry would not be able to send anything into the EU if we crashed out without a deal.

Michael Gove: If it were the case that we were not a recognised third country, yes, but, as I mentioned earlier, the overwhelming likelihood is that the EU would move quickly to make sure we are a recognised third country. There would be a risk of increased costs, certainly, for the chemicals industry in a no-deal Brexit. That is one of the reasons the Government want to retain associate membership of the European Chemicals Agency. That is one of the points contained in the Government's strategy as outlined in the political declaration.

Q117 Chair: Secretary of State, have we learnt from the debacle over the basic farm payment? For a whole year I sat on this Select Committee being reassured by DEFRA and the Rural Payments Agency that the system was up and running and it was all going to work, and then at the last minute it all got pulled and went back to a manual system. We are bound to be sceptical. I hope the Department has learned. The systems we are setting up are probably not quite as complex, are they? The traceability in food imports and other things sounds quite complicated. I am not saying we cannot do it, but reassurance is sought.

Michael Gove: The thing I would say is, again, that the offer is open to the Committee to come in, talk to the team and have a look at each of the individual programmes. We have talked to people, as I say, in the chemicals industry; we have talked to food importers and so on. Have a look at the system. If you have criticisms about the process or thoughts about how we can improve it, they would very welcome.

Chair: We might well take you up on that, Secretary of State. Caroline, you wanted to have one quick question, please, to Clare Moriarty, and then we will let you escape, Secretary of State and Clare, because I know your officials are getting slightly concerned, to say the least.



Q118 **Dr Johnson:** I have a very quick question, again about chemicals. Your official suggested to the Public Accounts Committee that re-registration of chemical products would simply be a matter of re-registering their address. Is that right? Is there a bit more to it than that?

Clare Moriarty: There are different cases depending on which type of company we are talking about. If it is helpful, in order to save time, we can write and explain. Companies that have REACH registrations in the UK that also want to continue to have market access to the EU have all the registration but they will need to have that registered to an EU address, which may be the EU address of a company they work with, their importer, or it may be what is called an only representative, which essentially is organisations that exist to provide a base for companies wishing to access the chemicals market. That is the position for UK companies wanting to access the EU.

There is a separate set of issues, for which we are building our own UK REACH, to make sure that companies have the right regime and market access within the UK. It is quite complicated.

Dr Johnson: It might be useful to have some written information.

Clare Moriarty: I would be more than happy to write it down.

Chair: Yes, again, it would be useful to have a little bit of that in writing, please.

Clare Moriarty: Yes. Again, if anyone wants to come and talk to the people about it—

Chair: Yes, we will definitely take you up on that offer. It is a very good offer. Thank you. We did also talk about health certificates, the veterinary situation and bringing in others to help with that. We would like a bit more detail on that, please.

Michael Gove: Of course.

Chair: Secretary of State, Clare Moriarty, we thank you very much for a very open and frank discussion this morning. Thank you very much for appearing before us. I had better let you go. We have kept you an extra 21 minutes. I am sure I will pay for it later, but thank you very much.

Michael Gove: No, thank you very much. As I say, what both Clare and I want to do—and I hope we have today—is be honest with the Committee and not to either dress up or to minimise the challenges that we face. I am grateful to you and your team for the questions, which of course help us focus our minds on delivery.

Chair: The point I made is this: let us go into this with our eyes open, rather than our eyes closed. That is perhaps the right balance. Thank you very much.