

Environment, Food and Rural Affairs Committee

Oral evidence: Farm Inspection and Regulation Review, HC 1912

Wednesday 30 January 2019

Ordered by the House of Commons to be published on 30 January 2019.

[Watch the meeting](#)

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

Questions 1 - 40

Witnesses

I: Dame Glenys Stacey, Chair, Farm Inspection and Regulation Review; Natalie Prosser, Regulatory Policy Adviser, Farm Inspection and Regulation Review.

Examination of Witnesses

Witnesses: Dame Glenys Stacey and Natalie Prosser.

Q1 **Chair:** Good morning, Dame Glenys and Natalie. Thank you very much for coming this morning to give evidence on your report. There are certainly many aspects of your report with which I agree. We will delve into it, as we go through. For the record, Dame Glenys and Natalie, would you like to introduce yourselves? Then we will get on with the session.

Dame Glenys Stacey: My name is Dame Glenys Stacey. I am currently Her Majesty's Chief Inspector of Probation and Youth Offending Services.

Natalie Prosser: Good morning. My name is Natalie Prosser. I am director of legal at Ofqual and was seconded to Dame Glenys's review, as a regulatory policy adviser and regulatory lawyer.

Q2 **Chair:** Thank you very much. I will start with the first question, which is relatively straightforward. What did the Secretary of State hope to achieve when he commissioned the review? It is quite an open question, really.

Dame Glenys Stacey: The terms of reference are in the public domain and were agreed between us. When I met with the Secretary of State, his immediate interest was in the inspection of farms. Were they inspected too often? Was inspection sporadic? Could inspection arrangements be made better for farmers, while keeping standards sufficiently tight? That was his first interest, but of course inspection is just one aspect of regulation, and it was clear from our discussions that the real issue was whether we can regulate better.

Q3 **Chair:** Do we have to wait for legislation to be passed to get things moving or could the regulator be set up in a shadow form? What is your take on that?

Dame Glenys Stacey: One of our recommendations in the report is that the regulator is set up in a shadow form. From our experience at Ofqual—it was a shadow body; there are others as well—it can take a year to two to legislate well for a new regulator of this size and scale but, in the meantime, good work can be done to establish governance, to start thinking about the regulatory approaches and strategy, the enforcement strategy and the way you engage with stakeholders. All of that good thinking can be done, so you are ahead of the curve.

Q4 **Chair:** We will delve more into the detail through the questions, but what has been the reception from both the Secretary of State and Defra to your report? Are they inclined to embrace it? Are they still a bit worried about change? Where do you see it?

Dame Glenys Stacey: Both our interim report and the final report were very well received by the Secretary of State, Ministers, the Permanent Secretary and senior officials. My understanding, and it has been stated



HOUSE OF COMMONS

publicly, is that the thrust of our recommendations is accepted. There is an intention to legislate for the new regulator, to consult on the regulatory approach and this rather tricky relationship with ELM, so there has been a good deal of enthusiasm for it. It has promoted some good thinking and deep thought about the configuration of Defra itself.

Q5 Chair: When you talk about the regulator, perhaps you are thinking about what is in the Environment Bill and a watchdog for the environment, or are you not thinking about that?

Dame Glenys Stacey: No. Put simply, the environmental watchdog proposed in the Environment Bill, as we understand it, is watching the Government. Put simply, it is making sure that the Government do the right thing by the environment because, as we leave Europe, the established checks will not be there, whereas this regulator faces in another direction. It is working with farmers to regulate farming, so the two beasts are quite different. What we propose needs legislative authority; it needs to be constituted through legislation, but not necessarily through the Agriculture Bill, for example, because that ship has sailed. You need a piece of legislation, whether the Environment Bill or another Bill. That is not a matter for us to decide, but it needs legislative creation.

Q6 Chair: Do you know whether that would be primary or secondary legislation?

Dame Glenys Stacey: We think it would need to be primary legislation.

Q7 Chair: It should not be a large Bill, but it needs to be done. We will do the detail of your report in a minute, but the direction of travel and where it is going are absolutely right. What we have found in the past was not about creating a new regulator, but reducing regulation. Richard Macdonald did a report a few years ago; it was a good report, but I am not sure how much ever came out of it. We want to make sure that your ideas are adopted and come into being, and that is why we are keen to have you here this morning to discuss this. When you talk about a shadow form, for how long do you perceive this happening?

Dame Glenys Stacey: I will ask Natalie to speak in a minute, because she has experience in this area, too. From my own experience, looking at Ofqual and the new body CDEI, which has just been created, and thinking about one or two others, they tend to exist until the legislative provisions come into effect, so the period is just that stopgap, but it can be about two years in some cases.

Coming back to Richard Macdonald's review, it was enormously helpful to us for that review to be done when it was. Richard and his team recommended a change of regulatory culture in the way we regulate farming. Our point is that he and others have long called for that, but it cannot be done without the systemic changes that we recommend. You need a new regulator, and an independent regulator, to bring about the



HOUSE OF COMMONS

sort of culture change that many have called for, for so long. Natalie, did you want to talk about shadow arrangements and legislation?

Natalie Prosser: I want to endorse what Dame Glenys has said. It is a prudent step for a Department to take, as it is going through the legislative process, to put in place preliminary arrangements and consider what that body would look like so that, when the Bill is enacted, that organisation is up and ready to go. You do not have further gaps or delays. It is within Defra's inherent jurisdiction, over a lot of the areas we are concerned about, to set up those arrangements.

Chair: It is a really good idea, because Departments are naturally always worried about change. The farming community does not particularly like change. Being one of them, I can say that. If it were brought in as a shadow form it would be good but, in order to do that, we need legislation. This is something we can probably talk to the Secretary of State about when he comes in; it would be quite interesting. I am going to move on, but we will drill down on other aspects as we go through. Please feel free to add points as we go, because today is very much about finding out what is in your report and where you want it to go. That is the whole idea of us meeting with you, this morning.

Dame Glenys Stacey: There is just one thing before we progress. You just said you would need legislation to get it in shadow form. You would need a clear intention to legislate, but you can then create a shadow body.

Q8 **Chair:** Is that before you pass the legislation? You need the intent to legislate before you can do that.

Dame Glenys Stacey: Yes, that is the point really. It could take a year or two to legislate but, with a clear intent to legislate, the Department could create a shadow regulator.

Chair: That is a good idea, because it would corral Government into action, which is quite useful on occasion.

Q9 **David Simpson:** To follow the point the Chairman made about the attitude of Defra or the Secretary of State to your report, was the scope of the review limited by Defra in any way? Were you free to consider any issue at all across the spectrum?

Dame Glenys Stacey: The terms of reference were agreed. As we progressed, we took an expansive view on how to interpret those terms of reference and no obstacle was put in our way at all. There was no restraint that I recollect at all.

David Simpson: I have one question. I hope I am not stepping on anybody else's toes with this question.

Chair: We will let you know if you are.



HOUSE OF COMMONS

Q10 David Simpson: I am sure you will. The report seeks to help farmers by reducing duplication. Could you elaborate on that? I do not have time to read all of the report, but how do you see duplication being dealt with?

Dame Glenys Stacey: By “duplication”, do you mean a number of agencies coming down the farm track? Is that it?

David Simpson: Yes.

Dame Glenys Stacey: I hope you have a chance to read the report but, to cut to the chase, there are examples in it. We did a map showing Cheshire over a three-month period. The movements of inspectors were monitored there, and we showed just one day where five inspectors were within a 10-mile radius of each other and probably drove past each other without knowing. The current arrangements are plainly inefficient. The NAO has reported them as such. They do not provide value for money and we have known that for a number of years.

One of the propositions we are making is that we have one field force. Each of these agencies has its own inspectors and they have tried very hard, in the last couple of years, to eradicate these duplications, but it is not straightforward at the moment, because of their configurations. They each have different remits, systems and so on, and there is only so far you can take it before you reach these insurmountable obstacles. Moving wholesale to one field force gives you so much more flexibility. That is the first thing.

Secondly, these inspections have been sporadic. As we say in our report, the Environment Agency tells us that, without a risk-based model, you have the chance of being inspected on a farm by the EA once every 200 years. That seems remarkable to me, but it is the case. There are much more regular inspections from the RPA, of course, which comes to measure your fields. As we leave Europe, assuming we leave Europe, we will not be measuring those fields. We will liberate ourselves from those sorts of activities, so we can use our inspectors in much more effective ways. We advocate a risk-based approach, but with the simplest risk model. Do not overengineer your risk model; get it as simple as possible. Get it right from day one, as far as possible. Use that to target your activities in all respects, including inspection.

Lastly, what we call inspection at the moment is not inspection as I know it, and I am a chief inspector, so I ought to recognise inspection when I see it. Over half of it is surveillance, which is mostly checking for disease. We need those checks to continue. There is no doubt about that. The rest of it tends to be one-off visits, for example to measure something or in response to a welfare complaint, whereas inspection can be much more holistic and helpful. If you have a set of metrics, you can contrast and compare, for example, and provide advice. It changes the regulatory relationship completely, which is what we are advocating. This needs to be based on trust and of value to farmers for it to work well.



David Simpson: I like that word “liberate”. I hope it will work. They are good recommendations, thank you very much.

Q11 **Julian Sturdy:** I wanted to delve a little into the Agriculture Bill. In the terms of reference of the review it is stated that you “will provide periodic and timely advice to Defra, to inform the drafting of the Agriculture Bill”. I want to hear how much advice you gave in that time and how much influence you had on the drafting of the Agriculture Bill, as it came forward.

Dame Glenys Stacey: I will give my perspective; then, if you have anything to add, Natalie, please do. We were aware of the time constraints there. We worked hard to produce a list of powers that would be required for an effective regulator. That list is annexed to our report. It is an extensive list. To annex it to the Agriculture Bill may double the Bill in size; it is quite a substantial list. We produced an interim report, so that those who would be making decisions, the Minister and others, could see the direction of thinking and reflect on whether the Agriculture Bill is the right vehicle for the creation of a new regulator. At the time the terms of reference of our review were done, perhaps that was not anticipated.

We gave specific advice to senior officials about the options for regulating for a regulator, based on our own experience as regulators and, for Natalie particularly, as a regulatory lawyer, so there are options. You can try to have an all-embracing provision and then set out all the detail outside of statute in a statutory instrument, or you can have an enabling Bill in its own right. We put those options to assist Defra in its thinking as to whether the Agriculture Bill is the right vehicle for our emerging propositions. Natalie, is there anything else to add?

Natalie Prosser: All I would say is that Defra proceeded with an open mind on the Agriculture Bill but, as our thinking was shaping ahead of our interim report, our emerging view at that point was that considerable change was likely to be needed. We provided that advice and thinking, which is partly why we took the time to issue an interim report. From Defra’s point of view, we recommended a significant step change. Given the legislative timetable they were working with, it did not turn out to be the right vehicle, but they engaged with us constructively. I am confident they were approaching it with an open mind and a desire to make sure they got it right before they took their proposals to Parliament.

Dame Glenys Stacey: For example, the sorts of changes we are proposing in the approach to regulation would routinely require consultation. You have a consultation timetable to fit ahead of any drafting of legislative provisions.

Q12 **Julian Sturdy:** When they were formulating their final proposals within the Agriculture Bill, did they come back to you at any point?



HOUSE OF COMMONS

Dame Glenys Stacey: We had a meeting with the officials there to go through our proposals and the powers that were required. It was plain to the officials there that this was way beyond simple enforcement. This was actually regulation in all its glory, not just the big stick. That was a very useful meeting on both sides to understand the scale of what we were doing and that it was not possible to cover it through some simple enforcement provisions tucked into the Agriculture Bill. To be clear, I think it was a healthy exchange. Some good thinking went on there and good decisions were made.

- Q13 **Chair:** Before we leave this question, we are getting slightly frustrated with Government, inasmuch as, every time we put forward an idea, they say the Agriculture Bill is not the place for it. We have been talking about trade issues or quality of food. They are saying the Agriculture Bill is not necessarily the right place for your new regulation and a regulator, but are they suggesting what might be? Government are very good at saying where it cannot be; where it can be is what I want to know.

Dame Glenys Stacey: It is very helpful to understand the reason for this question. We had an exchange some months ago about whether the Environment Bill is the right place for it. Indeed, I wrote to officials to state that it would be a good place for it, and my rationale was that there was time to get these provisions drafted well enough and in. Also, frankly, a bird in the hand is worth two in the bush. Let's get it in.

- Q14 **Chair:** Funnily enough, we are doing pre-legislative scrutiny of the Environment Bill, so it is not beyond the wit of man and woman for us to ask a few questions on that. This concerns me, because what you want to do is a really good idea, but we have to find a format in which we can make it happen. We will see what we can do there, because otherwise it does not happen. That is the problem.

Dame Glenys Stacey: Our understanding is that the options now before the Secretary of State are either to get sufficient provision for this in the Environment Bill or to enact the regulator in a standalone Act of Parliament, so the farming regulators Bill or whatever you want to call it.

- Q15 **Chair:** The Secretary of State has a lot of powers, if the Agriculture Bill is passed, which it probably will be, but you do not think he has powers to set this up.

Dame Glenys Stacey: Again, Natalie will probably be more precise than I can be about this, but my understanding is that he can reconfigure the executive agencies within Defra. Their creation can be reconfigured without legislation, in the main. There is plenty of scope to do preliminary work looking at the boundaries and configuration there, and of course he can create the shadow body. We have already discussed that.

Chair: He would be able to set that up without legislation.

Dame Glenys Stacey: Yes, but to fully empower an independent regulator would require statutory provisions. A good number of regulators



of the size and scope that we are proposing here would have their own enabling Act of Parliament, but it could equally sit in the Environment Bill.

- Q16 **Angela Smith:** The question I was going to ask was why the required legislation for this was not embedded in the Agriculture Bill, but you have more or less covered that, Dame Glenys. What I will ask is whether you feel that this is such a major change to the way we regulate agriculture that it is deserving of separate legislation in its own right. I remember the legislation for Natural England, for instance, which absolutely deserved its own Bill and Act of Parliament, and required careful scrutiny from parliamentarians before it was put in the statute book.

Dame Glenys Stacey: Natalie and I both think that it is not so much whether this is an enabling Bill in its own right. It can be that or it can be with the Environment Bill and other provisions there. The main thing is that the provisions are right, that the governance arrangements are right as set out in the statutory provisions and that it has the right range of powers, accountability for the actions of those powers and that Parliament has the opportunity to debate those things. Is there anything else, Natalie, on the difference between its own Bill and the Environment Bill?

Natalie Prosser: I agree with what Dame Glenys said. It is important that the way the regulator's governance and constitution are established, and its accountability and transparency measures as set out in the legislation, are subject to appropriate scrutiny. We have recommended that the regulator has considerable powers and a reasonable degree of discretion in how it exercises them, so Parliament will want to be assured that those powers are exercised responsibly and that there are proper accountability measures. That should be on the face of the legislation.

- Q17 **Angela Smith:** It is a political judgment, but it seems to me that a separate piece of legislation would be required to make sure of that level of scrutiny. To ask another question and take a step back, do you think the Government will accept your recommendation to create a new regulator for farm and land management? What feedback have you had so far from the Secretary of State?

Dame Glenys Stacey: The Secretary of State has been enthusiastic and welcoming of the proposition, and has accepted it without question.

- Q18 **Angela Smith:** Is there any suggestion from him as to when we may get the legislation, in whatever form?

Dame Glenys Stacey: My understanding is that this will happen at the first opportunity, but there are one or two other things on his plate at the moment.

Angela Smith: That could be a couple of years down the line.

Dame Glenys Stacey: To be clear, Angela, when you said it needs its own legislation, the regulator needs the right statutory provisions. It



HOUSE OF COMMONS

could be in the Environment Bill; it does not have to be a standalone piece of legislation. The important thing is that the provisions are right.

Angela Smith: You are absolutely right, but the point I am making is that, in order to ensure we get all of that right—and I completely accept everything you have both said—parliamentarians will need to be really focused on it. If it is embedded in another Bill, there is a danger that it will be swept over in the general scrutiny of a bigger Bill. That is my only point.

Chair: It is interesting that it could be set up in shadow form, though, as long as the legislation is going ahead. That is something we probably ought to press for, because it keeps the Government on track with everything else that is going on at the moment. I do not know what you are talking about, Dame Glenys. Nothing is happening here, in this Parliament.

Dame Glenys Stacey: I am probably mistaken.

Chair: Perhaps that was a slip of the tongue, was it?

Q19 **John Grogan:** I have learned quite a bit. I must say I did not realise that you could set up shadow bodies just with the intention to legislate, so that is quite important information. Can I ask more generally, from your experience, how you think the new regulator should win over confidence in Parliament? People from different regulators engage with Parliament in different ways. Do you have any reflections on that?

Dame Glenys Stacey: There are some suggestions in our report about how to build trust with Parliament, Government, international organisations and Governments, and farmers and other stakeholders. First, governance is important, so to be entirely transparent, to have those governance arrangements stated on public record, to make sure the annual remit letter between the regulator and the Department is published, to be open and transparent about how we are funded and how our money is spent, and to account annually for what the regulator does.

We have suggested that the regulator should periodically, probably once every five years, account to Parliament and wider society about the state of farming, what is good, bad and indifferent about farming, what the trends are and how things are moving. That begins to show how public money is spent on regulating farming, yes, but also shows what has been achieved and what has not. That is an important part of building parliamentary and other people's trust, being open and transparent, and getting that governance right. Obviously being called to account before parliamentary Committees is an important part of governance and one would expect that to happen routinely with a regulator of this size.

The way the regulator works with the industry will inevitably feed back to Government. We have made suggestions in our report that some of the things that Government want from farming—let us say better control of



HOUSE OF COMMONS

endemic diseases—will only be achieved by good, effective working with the industry. If the regulator can demonstrate that it is working constructively with the industry, I hope that will build the faith of Parliament and Government. Does that answer your question?

Q20 John Grogan: That is very interesting. It is interesting that you mention the role of Select Committees. Should the chair of the new body be subject to a pre-appointment hearing before the Select Committee? Do you have a view on that? It is beginning to become commonplace.

Dame Glenys Stacey: If that were decided, I would not be surprised. My own appointment at the moment is subject to that and I am a mere inspector. The research available has shown that those pre-appointment hearings are a constructive challenge. They have become embedded now, and I think this is a sensitive appointment, so it would not surprise me if that were decided.

Q21 Chair: After the Rural Payments Agency's failure to manage farm inspection and administration, how can a new regulator regain the trust of British farmers? This is an interesting one because, in fairness to the RPA, it is far from perfect and I have given it a hard time. I do not stick up for it in any way. On the other hand, it is an enforcer and a paying agency. You do not see the regulator in quite the same form, do you? When the representative of the new regulator turns up on the farm to do an inspection across the board, without making it too long, how do you see that working and how can we regain the culture and confidence of the farmers? Not all RPA people are wrong—do not get me wrong, because that would be unkind—but there is a problem with the Rural Payments Agency. How do you see us overcoming that?

Dame Glenys Stacey: As you know, Chairman, we are proposing quite a different beast. It is important that Government signal that unequivocally in the legislative provisions and what is said in the consultation, for example, because we need to start as we mean to go on. Setting out a different stall here, from the beginning, is so important. What we propose by way of the regionalisation of the organisation and its closeness to local farming will be very important. Relationships need to be developed.

Q22 Chair: Are you thinking of regional offices?

Dame Glenys Stacey: This needs to be a dispersed organisation, one way or another. People need to know their patch, in my view, and we have lost some of that, because the existing agencies are so dispersed and thin themselves. If you combine resources, you can get a richer picture. Those local relationships will be important, as will a presence at places where farmers congregate, not the pub necessarily, but the market and so on. Being accessible will be very important. Being able to get on farm for constructive reasons is critical to this regulator. You need to know what is going on, farm by farm, and how the various tensions are interplaying and being managed on farm. Bringing back that information and sharing it will be important.



HOUSE OF COMMONS

Farmers will take a view. At the moment, we know that farmers are keen to get advice. It is a solitary business being a farmer, in the main, and they look for advice, sometimes paid advice but most do not want to pay for it. At the moment, they look for advice from the farming press, neighbouring farmers and the vet. There is a real opportunity there for a regulator to build a constructive relationship that is of benefit to the farmer and to the country as a whole, but the proof of the pudding will be in the eating.

Q23 Chair: The problem the Rural Payments Agency has is that it is making the payment, but it also an enforcer and a policeman, to a degree. The regulator is going to have some of the same aspects. I like the positive side of it, but there will be—not so much a negative side—some people out there who have not conformed to the rules. They will be getting payment for environmental means when they probably have not carried out the work necessary. There will not be very many, but there will be some. If you are going to combine all these organisations, like Natural England, the Environment Agency and everybody together, how are you going to enforce that? How are you going to be an enforcer as well as a regulator?

Dame Glenys Stacey: There are a number of things wrapped up in that about the organisation and design of the regulator. It is stretching our remit to start designing it for Defra, but we can give advice about that in general terms. First, you want to state your enforcement strategy clearly and openly, and you want to stick to it. That enforcement strategy should have a wide gamut of enforcement approaches, from simply raising an eyebrow through to taking someone out of the market. You want to go through that strategy step by step, if you can, but sometimes, for the most egregious offences and the true rogue, you will go straight to the strongest enforcement you can provide.

Generally speaking, what you try to do in regulation is to get someone to change their behaviour, where they need to change their behaviour. It is as simple as that. That might just be by saying to the individual, "You need to change what you're doing there". Just give them a chance to comply. If they do not comply, you are into more formal enforcement stages. Most bodies of Defra would appreciate the opportunity to operate like that, but they are not generally free to do that, at the moment. This is a basic, standard enforcement approach.

Secondly, I was going to say there is a dark art, but it is just a skill, to organising your organisation, so that you can take formal enforcement proceedings without challenge. That usually requires some red lines or glass ceilings within the regulator, which mean that, once you have spotted something and you are not getting a positive response, it is brought back and put into the enforcement team. You have a justifiable line between advice, inspection and enforcement, but you need to be clear that you can demonstrate that, because enforcement needs to be consistent in its approach and evidence based. Once you get into that



formal territory, the way the regulator works is important to making enforcement stick. Natalie, you are much more experienced at this than I am, so is there anything else you would like to add?

Natalie Prosser: This is a thing that many regulators with significant enforcement powers have to grapple with. Generally speaking, it is sensible internal governance and, as Glenys has said, clarity about which channel you are in, if you have had serious non-compliance or have caused serious harm, so the regulator has the capability and capacity to do that effectively. One of the things we have seen is that the approach to enforcement is not necessarily consistent. We have a concern about the fairness of that, as it becomes less predictable and is less useful as a deterrent to prevent other farmers also behaving in that way.

Q24 **Chair:** Farmers often feel that they are definitely guilty until they can prove their innocence, under present policy. That is partly because of the way it is set up through EU regulation. I can partly understand why the agency is like that, but we could reverse it, so that it is an advisory as well as a regulatory body. From talking to you privately, Dame Glenys, it is also about how you could find a risk-based approach. Probably 90% to 95% of farmers and landowners out there do a good job and are getting on with it. They might like some advice; that would be good. There are probably 5% out there who will decide that they are getting the money, and they can largely ignore or bend the rules. How will you get the information and upfront intelligence that you might like to keep an eye on these particular people?

Dame Glenys Stacey: There are a few things to say there. First, regulators that can demonstrate that they not only have a wide range of powers, but they can darn well deliver them and take people out of the market without any prospect of successful legal challenge, are very powerful indeed. If you can demonstrate that you can do it—

Chair: Then you do not need to do it very often.

Dame Glenys Stacey: Exactly, you can keep those powers in your back pocket and just raise an eyebrow. That is our experience. Once you can do it, word gets around that you do not mince with that regulator because, if necessary, it will take you out. It is important to be seen to be effective when required and to be able to wield that big stick without a problem. It is quite a technical business; that is the point I would make, and getting that right is important.

Secondly, having relationships locally, getting out on farm, bringing back information, weighing it up against what you are seeing elsewhere in that region or sector, is so important. The regulator needs to know how things are working on farm, so bringing that intelligence back and structuring it in the systems that the regulator has is so important, and all regulators struggle with that. What we are proposing is a different approach from those that we generally see in Defra agencies now. That is to start again as we mean to go on, with a registration system based on land. It is



HOUSE OF COMMONS

entity based, so you build your data and information record for that entity over time, and you have a rich picture developing.

Chair: There will be a history, basically.

Dame Glenys Stacey: Yes. We do not have to measure your field; we know it well enough anyway. We know what you have done in the past and what your plans are. We know generally whether you comply. We build a good understanding of you. We suggest that we start from the assumption that farmers can be trusted, because the majority can. Most regulators, in my experience, start with assumptions that sometimes prove to be wrong. I do not think that one will, but you need to be aware in the early years of the regulator of the assumptions you have made that are proving to be wrong, be willing to look at that openly and change if you need to. Starting on that assumption is a good idea.

You start with your best guess at a risk model, and experience will tell you whether it is right or if you need to make some adjustments. We have seen that with other regulators. For example, the Gambling Commission and indeed Ofqual made changes to their model within about three or four years. Based on experience, you know if you need to either make a minor adjustment or turn it over completely. I am not suggesting that it will be easy for the regulator to get this right first time, but to regulate well you need to start with some assumptions and one of them is to trust farmers, but come down heavy on your rogues.

Q25 **Chair:** That is right. You talk about maps and mapping, which is a big issue. Very rarely does a field change size, and yet the Rural Payments Agency tells me regularly that my fields have changed size and that I have some fields that I did not already have. There is confusion there. We need to get to a situation where, if you have taken a slice off a field for a track or anything else, and you are still making a claim on it, you should repay that and there should be a penalty, but everything should not automatically change when you have not. We should recognise that the maps in your field remain the same, until such time as you inform the authorities that they have changed. If in the meantime you have done something against that, we need the powers to claw back that money and put on a penalty, but the vast majority do not need to be remapped every three years and go through this enormous cost and process, upsetting a lot of applicants along the way.

Dame Glenys Stacey: Your colleague, David, was pleased to hear us talk of liberating inspectors from measuring fields. Indeed, our proposition is that the new regulator does not need to measure fields at all. I keep saying "we", but of course we are not the regulator; it is difficult not to talk as though it is our baby. The regulator should, in our view, rely on classic Ordnance Survey grid references. It is the primary mapping system and it is good enough for regulating, because it is not associated with CAP payments. All we need to know as a regulator is what the bit of land is, roughly speaking. OS references will be fine and



HOUSE OF COMMONS

you overlay that with whatever satellite imagery you can get. You draw the boundaries and that is good enough from a regulatory perspective.

Chair: That is really good news, I think.

Q26 **Mrs Murray:** I would like to turn to the Environment Agency. The review calls for a consolidated field force under the new regulator. In what areas would the Environment Agency retain its field staff and where would staff be transferred to the regulator? Would you look to replace the Environment Agency field staff or would this be an addition and, if so, where would you source the staff from?

Dame Glenys Stacey: When we last looked, the Environment Agency had 10,000 or 11,000 staff overall and, across the Defra agencies and arm's length bodies, there are many good examples of good approaches from the Environment Agency. We give a good number of them in our report. It is recognised as a regulator and it has decent regulatory approaches that we have been able to show, but the field force of the Environment Agency that is dedicated to inspecting farms is very small. I think it is about 40 staff. We have 107,000 known farms plus about 40,000 that we think are not claiming CAP, so it just does not square.

Our rather simplistic but, I think, solid recommendation is that you need one field force for farming. It needs to be with the farming regulator, but there needs to be a close working relationship with the Environment Agency. What it wants checked on farm the regulator could do. You need a protocol. The Environment Agency is rightly responsible for the quality of water and air. On farm we would want the constructive presence of Defra including the Environment Agency, so there are ways in which we could agree standards, for example, and make sure that there is a strong presence on farm. You need to cut this somehow and we are saying that this is the most sensible way to cut it.

Q27 **Chair:** The Environment Agency is an interesting one, because quite a lot of the problems that the Environment Agency gets will be on pollution, things being spread on fields and pollution going into watercourses. Do you see the regulator or still the Environment Agency dealing with that? It is interesting, because it has that role when a slurry pit has burst its banks and so on. There are real problems on occasions. Do you see the regulator dealing with that?

Dame Glenys Stacey: I do. Sticking with the Environment Agency, the estimate is that about 50% of current slurry storage arrangements are inadequate, because of weaknesses in the tank, an elderly tank not being maintained, other types of slurry storage failing or there just not being sufficient storage capacity.

Chair: You see the regulator dealing with that, do you?

Dame Glenys Stacey: Let us think about that for a moment. It is a dire picture. It is significant for the environment so, first, it needs to be dealt with.



Secondly, regulation is all about changing the behaviour of those who need to change their behaviour. If you do the analysis here—we have not done it, but it should be done, in my view—I suspect it is likely to show that a good number of those tanks are 25 or 30 years old. They have not been maintained. They are not going to last. They are beginning to fail. They were built 25 or 30 years ago because, at that time, there was a scheme that enabled you to get some sort of grant or payment to have those tanks put in. We now have a cadre of tanks reaching the end of their life. Many of these tanks are on dairy farms that have 80 head or whatever. They are not making money. They cannot get any money from the bank. The bank says, “Are you going to make any more profit out of this?” and the answer is no, so there is no immediate capital available. Our proposition and one of our recommendations is that Government should consider some sort of grant aid. Conditions would need to be carefully thought out and met, but that issue is absolutely suited to an incentive to comply. If you get this in order, some of the cost will be paid.

Chair: It is a practical way of linking the environment straight back to agriculture. You are quite right. I have one or two in my own constituency perched on the side of hills. They are just disasters waiting to happen, to be honest with you, and you are right about not having the investment. If we could get significant grants, of 50% or 60%, you would find that farmers can go to the bank or wherever and say, “We have a grant; we need to do this”. That is a real problem, environmentally.

Q28 Angela Smith: The key question there is how that grant in aid would work alongside environmental land management schemes. I want to go back to the question about the relationship between the Environment Agency and this potential new inspection regime. I agree with everything that has just been said but, in the end and as it stands now, we have significant problems with pollution of watercourses, not just on farm land but outside it, in our rivers, streams and becks. I would like, Glenys, for you to take us through how the Environment Agency and this new regime may potentially work together to tackle that. I will give you an example. The Environment Agency spots a particularly bad pollution incident in a watercourse that is outside the boundary of a farm, but knows that the pollution is being caused by that farm. Take us through how you envisage that working, because I think a practical example will help us.

Dame Glenys Stacey: I should say this is again stretching this review to the limit. These are matters of design for Defra, but I have views about them. The Environment Agency tells us that in recent years a good proportion of river pollution has come from farms. The relationship has changed. Industry has cleaned up its act to a large extent, so now the spotlight is on farms. Secondly, there are systems within the Environment Agency that enable it to see quite clearly the source when there is a pollution incident, and there could be a number of sources. A problem within a river basin, for example, can be a catchment area problem. One farm alone is not taking it over the limit, but 10 or 20 farms are. There, one would expect to adopt a classic catchment-based



approach and we have seen that work. There are examples of that that we cite in our report, where the Environment Agency and, in future, the new regulator and maybe the water authority will work together with local farmers.

You are looking to see what approaches work. You want to regulate to change behaviour, so it might be going to a particular farm and giving advice. Advice is so important in relation to the health of our rivers and the risks from farming. Identify, farm by farm, how to make a positive difference—things like keeping your cattle 12 feet away or fencing them in—and incentivise that. For example, in schemes that have been run by the Environment Agency in the south-west, good advice was given by experts and the advice was free. That advice is often acted on. For certain problems that the Environment Agency might highlight as a priority, you would be looking for a collaborative approach and for it to be catchment based, each playing their part, but basically making sure that what you do works.

Q29 Chair: Who would prosecute? Would it be the regulator or the Environment Agency, if it got that far?

Angela Smith: That is a good question.

Dame Glenys Stacey: You are assuming that we get to a prosecution there. I would like Natalie to talk about that, because the Environment Agency has to work to a criminal prosecution standard, at the moment. Let us unpick that a bit. Let us take that example, where there is a catchment area with a number of farms. Many of them respond to advice, but some do not. Natalie, what are the options and the role for criminal prosecution in that?

Natalie Prosser: The Environment Agency has considerable civil and criminal powers, but it is held to a criminal standard, in large part. In operational terms that creates significant challenges for any regulator. It means investigations have to be conducted to a criminal standard and that a criminal standard of proof has to be reached. That can make rapid interventions and speedy resolutions quite challenging, and sets a particular relationship between farmer and regulator.

Now, we have not advocated a move away from criminal sanctions; in certain circumstances, they are the correct response, but lower-level interventions will often get to the same result more quickly and easily, in administration terms. With collaboration, we hope that a range of regulatory interventions would take a strategy a long way towards success, and criminal sanctions, whether prosecution by a regulator or by the Environment Agency, would be a step of last resort for only the most egregious and damaging offences.

Dame Glenys Stacey: As to who prosecutes if there is a prosecution, at the moment and generally in regulating farming—say there is an egregious issue about the welfare of animals—the local authority is



empowered to prosecute. As we explain in our report, that is not viable in the future. You need a central prosecuting authority when the regulator needs to prosecute. In our view, the choices are either one of the established national authorities, so that would be the CPS, or the regulator itself. I come down in favour of the regulator itself, because it has a strong interest in getting those prosecutions home and dry, and needs to build that expertise. It is part and parcel of enforcement, when it comes to it.

Q30 Angela Smith: That is interesting. I have seen breakdowns in relationships between the Environment Agency and farmers in my constituency, because of the adversarial nature sometimes, and the rigid and inflexible way in which it has to work. This point about advice is critical. I entirely accept the concept of challenge, advice, encouraging best practice and so on. In previous scrutiny sessions for other reports and inquiries, advice has always featured as a major issue. I wonder whether you feel it would be helpful to have a benchmarked standard for advice for agricultural practitioners in this country, because it is so variable.

Dame Glenys Stacey: The way things are now, most Government officials going on farm are not enabled to give advice. Things will change as we leave Europe. Secondly, it is classic regulatory practice to give advice. One of the Hampton principles is that advice should be provided. It is part and parcel of regulating. People need to know how to comply; it makes a lot of sense. Thirdly, you want that advice to be good advice and to be trusted. For me, that suggests that you need some control over the standard of advice given, unless you are pretty certain that advice is generally good. I have not done that work to know what advice is generally like. One way forward is for the regulator to give advice and there are a number of ways in which that can be done. The regulator should do that anyway, in my view, when it is able to do so.

Secondly, if there is a fear about the quality of other available advice, the regulator could have some scheme of accreditation of advisers. That is not unusual; you could have accredited experts in this or that, because not everyone can give every piece of advice. I think there is a discussion to be had about the nature of the advice that the regulator could give. Personally, I am surprised when I look at this, when I compare it to my experience in education and in criminal justice, by how few agreed metrics there are for measuring any aspect of farming. I can see it is all very difficult. You could write a thesis on soil health, for example. There are different camps that will probably never agree, but my simple view is that, if you cannot agree the precise measure, you agree a proxy measure. If the proxy measure is 80% effective that will do to start.

If you can get 10 or 12 broad measures, you can go to a farm, measure those and say, "You are good on slurry management, but your soil health is poor" or "You don't compare well to others". That simple benchmarking seems to me a very good thing, if the regulator could do that. If it comes



to how to improve your productivity, you are probably looking at an agronomist or whoever. It would be good to have a discussion with stakeholders about what advice they expect the regulator to provide, how he is to provide that and what product you get. You could get a report. In some catchment-based approaches, I have seen reports farm by farm that are very good. They are evaluating the farm against a set of expectations, which is enormously helpful. The farm says, "Hang on; I am not doing very well on that compared to others and I could".

That sort of approach, where you get a product and you are benchmarked and advised, in simple terms, of what you can do and where you need to direct your attention would be so helpful. I am not suggesting the regulator would be the world's soil expert. There is plenty of scope for other expert advisers but, if there is an issue of trust and the quality of that advice, accreditation is one way forward.

- Q31 Chair:** Before we leave this, we are talking now about an Office for Environmental Protection in the Environment Bill. How do you see that sitting over the top of the regulator? Would it have an ombudsman's role? How do you see that? In moments of real nasty pollution and the like, it will kick in. This has almost come out since your report, so do you see a role for how that fits in with the regulator?

Dame Glenys Stacey: We have not considered that but, Natalie, do you have any immediate thoughts about it?

Natalie Prosser: As you note, it was evolving as we were going through our review. We recognised that the farm regulator we propose will be on the front line for many environmental issues. It will be the eyes on the ground and the field force dealing with them, so it is inevitable that our farming regulator would fall under the jurisdiction of the new environmental organisation. That is an inevitable part of its role, but I am afraid we have not included the detail of how that would work in our analysis.

- Q32 Chair:** I would like, if you would not mind, for you to go away and think about it. We would be happy if you could let us have that in writing, if that is okay with you, because it is a big question to put on you this morning and I understand that. They need to fit together, especially if we were to put the regulator into the Environment Bill or use part of it as legislation. They would need to fit together. It is interesting for us doing our pre-scrutiny of the Bill. I am sorry to give you work.

Dame Glenys Stacey: Most immediately, the Government will have options about how they want to design the accountability of this regulator. We have already discussed the normal accountability measures that you would expect. If you are also going to account to another body, Parliament will want to think about how close it is itself. There are some governance trade-offs here, which we need to think about, so I am happy to come back with our own thoughts on it.



Q33 Kerry McCarthy: There is a small section in the report on international trade. The post-Brexit scenario could be extremely complicated with lots of trade agreements to be negotiated, so I wonder where you see yourself fitting into that. What role would you take? I do not know if you saw the news report yesterday that lots of American agricultural companies have made representations to the US trade representative. I think there was a big meeting in Washington yesterday and again they are arguing for a relaxation of EU standards. We also know that we do not really have trade negotiators in place at a UK level, at the moment. Will you wait for the standards that are negotiated to be brought to you or will you have a role in pointing out to them how complicated it is? What worries me about these trade negotiators is that they might know there is an argument about chlorinated chicken or hormone-pumped beef, but there are 101 other things that they are just not going to know about, so where do you fit in?

Dame Glenys Stacey: You are asking some difficult questions. We have covered them slightly in the report. To start at the beginning, we have some controls over our products here that we export, and we need to maintain those controls to support international trade from this country. That is a given. Secondly, we rely to some extent on European checks on things coming in at the moment. We have suggested in our report that the regulator be empowered to set standards, and there is a big debate to be had about that. It would be quite right for Government to set some overarching aims or standards—call it what you like—but we suggest that the detail needs to be in the hands of the regulator, because how you draft those standards so they are consistent, not getting them stuck in legislation that you cannot then change and being able to respond quickly to trade considerations seems very important to us. It is important anyway, but particularly as we go through a rather turbulent period in the next few years. That will be the subject of a fair amount of debate about where the line is drawn.

It is an independent regulator; it needs to have some control. We suggest that, when agreements are reached with other countries and it gets to the level of setting something that might be called a standard, the regulator has a say to make sure they are workable and well grounded. This happens in other areas of endeavour as well. To think of an example of that, at the moment we have some regulations and standards that come from Europe that specify not just what the standard is, but how it should be checked. That is really unusual and constraining. One of the issues for the RPA is the amount of freedom it does not have to regulate more effectively, so we would certainly want to stop that happening wherever possible.

There is a lot of talk about the common rulebook, but I have not managed to find the common rulebook. It is perhaps a convenient expression for the moment, a holding position, but that common rulebook needs not to constrain us in that way, so that we are free to regulate effectively. Yes, you want anyone imposing a requirement on agriculture



HOUSE OF COMMONS

in this country to make sure that requirement is well drafted and deliverable. I do not know what else I can say to assure you, because there is a lot to be decided here and, at the moment, we do not have a settled environment to decide it in. Clearly the regulator has a stake in making sure that any trade requirements are sensible and deliverable.

- Q34 **Kerry McCarthy:** There is a regulatory baseline or minimum standards that we would want to see, whether for animal welfare, food safety or the environment. Then there is this debate that, if we allow trade deals with other countries, they will want us to accept things that do not adhere to those standards. There will be pressure from UK farmers and the UK food industry then to lower that baseline, because that is the only way they will be able to compete. There is general consensus at the moment not to lower that baseline, but do you have a role to advocate that this baseline is where we want to be and that there would be extremely harmful impacts if we were to deviate from that for the sake of getting a trade deal in place?

Dame Glenys Stacey: We have not suggested that the regulator is a spokesperson or strong advocate for farming. That would not be a regulatory role. What we have said, which is not unimportant or irrelevant here, is that the regulator should have a set of objectives. The purpose of regulation should be clearly stated and legislated for, a statement of purpose for the regulator. We have suggested that that statement of purpose is based on maintaining and enhancing the environment, maintaining and enhancing animal health and welfare, and facilitating trade. If that is enacted, the regulator has an onus upon it to make sure it strikes the right balance between those three things. If something is happening in the wider political environment that suggests that trade is going to be scuppered, the regulator puts up a flag to say, "This is going to put our balance out of kilter". In short, you do not regulate farming to kill it. You regulate for it to prosper, but the standards must be met.

- Q35 **Kerry McCarthy:** In keeping up with changes in EU regulation, if we were to carry on exporting our products to the EU, it would not just be a case of trying to transfer over current EU standards. It would be a case of matching changes. How would that work? Would there be an ongoing division that would be look at what progress is being made in other places?

Dame Glenys Stacey: It would be quite possible, if the regulator is empowered to set standards, to move those standards to match others for good trade reasons. Government would have a huge stake in that, so one would expect it as a matter of course. What is interesting in this debate is that I have heard no suggestion at all that our standards should be relaxed, in any way.

Secondly, it is right to say that we have good standards in this country. Our standards stack up, but it is worrying from a regulatory perspective that we do not know the extent to which those standards are adhered to



on every farm. Our welfare checks are sporadic. We know when we have disease outbreaks that there are troubling pictures around the extent to which biosecurity measures pass muster and those sorts of things. We worry about how much TB we have and what might be happening there. In a number of ways, the regulator has a critical role in ensuring that agreed standards are met. That is an important gap at the moment in making sure that our standards are met ourselves. What does that 50% of slurry tanks tell you about whether standards are met?

- Q36 **Kerry McCarthy:** This slightly came up when we had Red Tractor in front of us for another inquiry we were doing last week. The witnesses were saying that very few Red Tractor farms have ever been found not to meet the standards they are meant to but, if you are not inspecting, you are only going to find a few examples, are you not? You just do not know what is going on with the rest. That is a problem. We are proud of the standards here that are meant to apply, on paper. Are you saying that we cannot really be confident that the aspiration on paper is being matched in reality?

Dame Glenys Stacey: A regulator for farming should be able to say the extent of compliance. That is what you would expect.

Kerry McCarthy: And that is not the case.

Dame Glenys Stacey: No.

- Q37 **Chair:** That is the balance we have to get right, between the regulator, compliance and advice. Sometimes you need advice, but you do not necessarily need enforcement. It is that line between the farmer taking the advice, the other farmer not taking that advice and then the need for enforcement action to be taken. That is what we can do much better, but that is the dividing line, is it not?

Dame Glenys Stacey: This point on standards is really important. It is difficult to be definitive about where these roles and responsibilities should lie, partly because it is a matter for Parliament. In my view, Parliament needs to think carefully about that and think forward to the need for us to be agile and flexible about standards, and to balance those trade requirements with the other purposes that I have said. It is a matter for Government and Parliament to think carefully about, and get that balance right.

Kerry McCarthy: There are some things that are political issues, and then a host of things that are not. They might pop up in an SI, but they are not going to be on our radar, which is where you come in.

- Q38 **Angela Smith:** This question is an important one. The review calls for priorities to be identified at farm level, as well as locally and nationally, to build relationships with farmers, incentivise compliance, etc. Then the review talks about the use of remote surveillance with new technologies. Can you talk us through that, Glenys, so that we have a better understanding of how it might work and what those new technologies



might look like?

Dame Glenys Stacey: My argument is that this is a timely review. Assuming we leave Europe, we are liberated to a large extent from how we regulate now. As it happens, some of these modern technologies have become much more affordable and accessible, just in the last two or three years, so it would be foolish not to recognise and take advantage of that. Secondly, there is a good opportunity for the regulator to build its data storage and analysis systems at entity farm level. We have discussed this a bit. It is a real chance to start building that picture right from the beginning so that, when you are doing a risk assessment of that farm, you are sharing the information with the farmer. He is able to build up that record over time, you can act on that and maybe some earned recognition will come. You can see how that exchange of information at farm level could be a beneficial relationship.

Angela Smith: It is like smart metering for farm data.

Dame Glenys Stacey: Yes. Thirdly, there is a good amount of examples in the report of good use of remote and other modern technologies, from aerial photography used by the Forestry Commission through to the MAGIC mapping that Defra does. Overlaying that mapping is important. Drone technology is advancing, as I understand it, and getting a lot cheaper, so drones can be used for reasons other than simply disrupting airports or bringing drugs into prisons. They cannot do everything, but they can do a good amount if we have farmers' consent. It seems to me that this is a bit of a win-win. Indeed, some of the farm assurance schemes and supermarkets are ahead of us on this. They recognise this. They are using cameras to survey dairy herd health or, in abattoirs, using technology to look at the quality of the meat, the yield and early disease. These are techniques that we can learn from others and again deploy from day one, in my view.

Q39 **Angela Smith:** I can see the synergy in the use of new technology to help compliance and to help farmers run their farms more successfully, with less use of fertilisers, pesticides, forecasting weather conditions accurately and so on. But would the regulator have a role in incentivising farmers to adopt that technology? It is actually quite a fresh concept and it will take some time to embed it in agricultural practice.

Dame Glenys Stacey: Other regulators incentivise those they regulate to adopt ways of working that they want them to adopt. It is just common sense. The DVLA, for example, has an earned recognition scheme now so, if a haulage company that has constraints on the number of hours its drivers should be driving provides monthly information on that, and the regulator can trust it, it is much less likely to have its truck stopped on the side of the road and checked. The incentive is there. You provide information that you are collecting anyway and, as you do, you are less likely to be burdened with checks that you do not want.



HOUSE OF COMMONS

Earned recognition is a broad concept and I can see it playing a big role here. We suggest in the report, for example, that we could develop some blockchains where a lot of information is exchanged, not just with the regulator, but in other farm-to-farm exchange, which happens to some extent at the moment. About 20% of farmers are into precision farming and will be exchanging it through commercial bodies anyway. I have personally been very impressed by how much data and information individual farmers have, because it is so important to increasing yield and profitability. There are plenty of opportunities there.

The regulatory role needs to be agreed with farmers. For example, a regulator could support a blockchain or equivalent sort of development and could hold the ring in the exchange of information, or not. There are other players that could do that as well. The regulator's primary purpose can be supported by technology, but there are other things of benefit that it could promote as well, if the industry were willing.

Angela Smith: That is really useful.

Q40 Chair: You make an interesting point about earned recognition there because, at the moment, the EU says so many per cent of farms need to be inspected per year, so you go through that process of inspecting a number of farms. I am not saying some farms should never be inspected but, if they are obviously doing a good job and they have earned recognition for that, in many ways it seems daft to spend a lot of time and resources checking them, whereas there are probably one or two farmers down the road who need checking a lot more. That would be a much better use of resource. It would also send the message that most farmers do apply the rules but, for those who do not, they are going to find you. That would not only save Government resource, but would make sure that the industry is 100% right. It would be a job to get it 100% right, but we could get it closer to 100%.

The new technology is interesting, going back to our slurry stores again. If you have aerial photography and all the stuff that we use on satellite now, you can clearly see where buildings are old and there might well be a problem. That is where farmers need advice, in the first instance. We need to look at support for that as we go forward with a new agriculture and environment policy, and then fit the two together. That is where the regulator probably has a role to feed back through the process, and that is where Defra, the Environment Agency and the regulator all have to work together. Do you think that will happen?

Dame Glenys Stacey: Yes, I do. I do not see how we cannot make that happen.

Chair: It has to be set up in the right way to make sure it does.

Dame Glenys Stacey: Yes, absolutely so. Respective roles and responsibilities need to be entirely clear. Coming back to earned recognition, we said in our report that there are three or four things that



HOUSE OF COMMONS

need to be in place for us to rely wholly on farm assurance. It would require changes to farm assurance and to how much it costs. The main point is that this is not the only way you could develop earned recognition. The provision of information directly to the regulator is increasingly common in other areas of regulatory endeavour, so I do not see why it would not apply here. As you say, modern technologies can provide the information that you want as well.

When it comes to walking down the farm path and inspecting, farmers want less of that at the moment and I quite understand. My argument, actually, is that that needs to turn around so that, when someone is coming down the farm path who can give advice, evaluate your farm and tell you how you stack up, they might be welcomed rather than seen as the enemy. In a way, that is a measure of success for this regulator.

Chair: As we have been talking about through the meeting, it is about the balance between making sure you can give advice and taking tough action for those who do not take the advice and do not take action from it. It has been a very good morning. I would like to thank you very much for your report. As we pre-scrutinise the Environment Bill later, we will have the Secretary of State in, so will look at these aspects of the regulator to see whether they could be dealt with through that particular Bill. We are interested to make sure, very much like you are, after all the work you have put into creating these ideas, that this actually happens. We will do our best to chivvy Government into that position. We appreciate your time, both Dame Glenys and Natalie, this morning and wish you well.

Dame Glenys Stacey: Thank you very much for the opportunity to talk about the report. We will write to you about the governance issue that you raised in this relationship with the environment watchdog. If we can be of any other help to you, please say.

Chair: Likewise, as you go through what has been said this morning, if there is anything else you would have liked to have added or anything we did not discuss that you particularly want to give us as evidence, we will take it in writing and be glad to have it. Thank you very much.