



# Department for Environment Food & Rural Affairs

The Rt Hon Thérèse Coffey MP  
Secretary of State Environment, Food & Rural Affairs

Seacole Building  
2 Marsham Street  
London  
SW1P 4DF  
T: +44 (0) 3459 335577  
E: correspondence.section@defra.gov.uk  
W: gov.uk/defra

Rt Hon Sir Robert Goodwill MP  
Chair, Environment Food and Rural Affairs Committee  
Committee Office  
House of Commons  
SW1A 0AA

20 June 2023

Dear Robert,

Thank you for your letter dated 26 April. I apologise for the late response.

### **Supermarket profits**

After the evidence session, I checked what John Allan, the then Chairman of Tesco plc, had said on the Laura Kuenssberg show in regard to profiteering – as this seemed to be the basis of Mr Gardiner’s questioning. Mr Allan did not make any reference to supermarket profiteering. Instead, he suggested that may be the case for some suppliers, however, provided no evidence for that. When I spoke to the committee, I made reference that sometimes supermarkets would delist products if they felt the prices were too high.

As for UK supermarket profit margins, these were around 3% in 2021. Tesco's overall profits fell by 51% in 2022 due to higher costs. ONS data provides no evidence that recent increases in consumer food price inflation have been disproportionate compared to increases in input prices paid by food manufacturers or producer prices paid by retailers. We have no reason to believe that supermarket profit margins have significantly increased recently.

In relation to complaints received by the Groceries Code Adjudicator (GCA), on average there were 8 per month in 2021, 9 per month in 2022, to 13 per month so far in 2023.

I note that the committee has initiated its own inquiry.

### **Food security summit**

The Prime Minister’s Farm to Fork Summit was held on 16 May 2023.

### **Global Environment Fund (GEF)**

The FCDO official who leads on the UK’s relationship with the GEF is also the UK council member and the SRO (Senior Responsible Owner) for UK funding to the GEF. This official is a Grade 7, and has 12 years’ experience working as part of the FCDO Energy, Climate and Environment Directorate representing UK on multilateral climate boards, including previously the Climate Investment Funds. More information is available [online](#). The responsible Senior Civil Servant for the GEF is Sarah Metcalf in the FCDO.

### **Sea life mortality**

Regarding financial support for fishermen in the North East, we are not in a position to provide compensation for those affected by crab and lobster mortality as previously discussed.

We provide support through the £100 million UK Seafood Fund and the Fisheries and Seafood Scheme (FaSS), which have so far provided £2.5 million to seafood businesses in the North East. Those considering applying to the Seafood Fund or Fisheries and Seafood Scheme can contact the Marine Management Organisation (MMO) directly to explore their ideas and options. They

can contact the MMO on 020802 65539 or by email via [FaSS.queries@marinemanagement.org.uk](mailto:FaSS.queries@marinemanagement.org.uk).

On whelk catches, Cefas screenings of samples, taken from the Kent and Essex Inshore Fisheries and Conservation Authority area, have not revealed the presence of biotoxins. Minister Spencer wrote to Rosie Duffield MP on 21 April, noting that the Kent and Essex Inshore Fisheries and Conservation Authority has been proactive in engaging with fishers around reported declines in catches, and were due to meet Ms Duffield on 19 May.

### **Animal Welfare (Kept Animals) Bill**

As has been announced, the Bill will not be taken forward in its current state. Instead, we will promote single-issue Bills, statutory instruments and non-legislative reforms to deliver our manifesto commitments on animal welfare.

The replies to Defra's consultation "Commercial and Non-Commercial Movements of Pets into Great Britain" are being analysed and the response will be published in due course.

### **Defra staff resources**

The information you have requested is in the annex attached to this letter.

### **Post-Implementation Reviews (PIRs)**

It is regrettable that these have not been undertaken as regularly as they should have been. I am committed to clearing our backlog and meeting future obligations. New internal governance processes will better support policy teams to complete reviews on time. Updates on progress will be provided by officials periodically.

### **Full resumption of pork exports to China**

The decision to lift export suspensions on the three affected establishments remains entirely with the General Administration of Customs China (GACC).

Defra will continue to work with the Department for Business and Trade (DBT), and the Foreign, Commonwealth and Development Office (FCDO), including British Embassy Officials in Beijing, to use our combined efforts to engage GACC and the wider Chinese government to lift the suspensions. The UK will also continue to support the relevant interventions at the World Trade Organisation (WTO) SPS Committees in concert with other WTO members.

Our UK Government's agriculture, food and drink Counsellor, based in Beijing, supports UK food and drink companies to successfully export to China, which is the UK's largest non-EU export market for UK pork in terms of value and quantity. Full market access for exports of pork and pork products to China remains a high priority for Government.

Defra is also committed to opening new markets for pork exporters across the globe. We have gained access to the Chilean market in March 2022, and are in the process of securing pork market access to Vietnam.

Yours sincerely,



**Rt Hon Thérèse Coffey MP**  
**Secretary of State for Environment, Food and Rural Affairs**

## **ANNEX: Defra Staff Resources**

### **Detailed information on the latest staff surveys for both Defra and the Environment Agency, and comparisons to the results of previous surveys over the past five years**

Table A (Annex B) provides a summary of the Defra engagement index and subsequent main theme results between 2018 and 2022, with the comparison highlighting an upward trajectory across the main themes until 2021 - except for 'learning and development' and 'pay and benefits'. In 2022 we saw an anticipated decline in engagement allied to concerns about challenging employee relations across the Civil Service.

The Environment Agency as a public sector body do not participate in the annual civil service survey so we are unable to provide a similar comparison for the past 5 years. However, they do measure employee engagement through their own internal organisational survey that closely correlates with the civil service survey. This was last completed in 2021, which resulted in an overall engagement score of 68% and again reflects the challenging employee relations and pay backdrop. In Defra we have already taken several steps to improve the overall employee offer including greater access to learning, investment in specialist training and an improved pay and reward processes.

### **The latest vacancy rates, both overall and by programme-level (e.g. Environmental Quality, Future Farming and Countryside, Floods and Water), and Defra's target vacancy levels;**

A comparison of the total FTE position in core Defra at March 2023 (6498), against the target FTE position at the end of 23/24 (7175), shows a gap of c. 678 FTE by March 2024. The vacancy gaps will be managed through the application of a range of blended resourcing options and talent pipelines. This will include the flexible deployment of internal resources to respond to peak resource pressures and targeted investment in those professions where we need to grow our specialist capability, such as science, data & digital and projects.

### **The current and projected numbers of full-time equivalent staff (within the Defra Group, and elsewhere supporting the Defra Group) who are working both directly and indirectly on the Retained EU Law (Revocation and Reform) Bill.**

Defra has the largest amount of REUL in Whitehall, with 1,671 entries included on the REUL dashboard following its update in May 2023. Reviewing REUL is a priority for Defra and this requires input from all policy areas. This is a cross-Defra effort led by a central co-ordinating team supported by teams from across the department's five directorates including the department's specialist policy leads, analysts and lawyers covering all of Defra's policy areas.

### **The Committee would also be grateful if you could assure us that Defra has adequate staffing resources to successfully fulfil its Business Plan for the current financial year, and the basis for your assessment.**

The FTE targets for 2023/24 were subject to significant scrutiny, by senior officials and ministers as part of the business planning round to map the required capacity and capability allied to the agreed objectives and critical delivery for the department during this period.