



Environment, Food  
and Rural Affairs  
Committee

Monday 2 December 2024

**Rt Hon Steve Reed OBE**  
**Secretary of State for Environment, Food and Rural Affairs**  
**London**  
***By email***

**Subject: Oral evidence before the EFRA Committee on 19 November**

*Dear Steve,*

Thank you for appearing before my Committee on 19 November. We are grateful for your engagement at an early stage in our work programme.

We were grateful also for your offer to work closely with us on shaping strategies to tackle the numerous issues facing the environment, food supply chains, the water sector and rural communities. My Committee accepts your offer to work closely on areas of shared interest and my secretariat will liaise with your officials to facilitate this.

I would also like to thank you for your flexibility on the day of the hearing following two votes in the House. In the final sections of this letter, I have detailed the questions we were unable to ask due to the reduced time available.

We would be obliged if you could provide the answers to these questions, and the additional information offered in the session and requested below, by Friday 3 January.

### **Impact of the Budget on the agricultural sector**

Much of our early questioning was understandably focused on the Budget and the changes proposed in it on Agricultural Property Relief (APR), Business Property Relief (BPR) and inheritance tax (IHT). We would be grateful if you could provide:

- the assessments produced for the impact of changes to those taxes on UK farms and farmers, in both the owner-occupier and tenanted sectors;
- a breakdown of APR and BPR claims by farm type, and specifically the numbers of hobby farmers, smallholders, part owners, large farms, tenant farmers and landlords making such claims in the Government assessments;
- the Government's definition of an 'active' farmer, and conversely of a 'non-active' farmer, in both the owner-occupier and tenanted sectors;
- details of your proposals to improve profitability in the farming sector, for both owner-occupier and tenant farmers; and
- further details of your proposal to develop a 'farming roadmap'.

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## **Environmental Land Management Schemes (ELMS)**

My Committee also took an early interest in the development and take up of ELM schemes. We would be grateful if you could provide the information:

- offered by the Director General for Food, Biosecurity and Trade, Emily Miles, to Henry Tufnell MP on the time taken by the Rural Payments Agency to respond to queries relating to the Sustainable Farming Incentive (SFI); and
- the figures on SFI applications by farm size offered to Jayne Kirkham MP.

As ELM schemes are a fundamental reform and are likely to be an ongoing area of interest for the Committee, in the interests of transparency and scrutiny it would be helpful for the Department to publish more comprehensive Government data on ELMs than is currently available. Agreement-level and action-level data would be helpful, as would any spatial information and analysis of ELMS' impact on businesses, the environment and food production.

## **Land use and food security**

My Committee was pleased to hear that the second UK Food Security Report will be published in December, and that you intend to publish the expected Land Use Framework in the new year. We would be grateful to receive these documents at your earliest convenience to allow us to process and plan any scrutiny work arising from them.

We note your definition of food security as "a secure and resilient supply of good-quality, accessible, affordable food", and welcome your proposal to develop a cross-Government food strategy. Please provide further details of your work on this when available.

## **Fairness in the food supply chain**

We welcome your statement of support for public sector food procurement to prioritise local and sustainable providers, and further accept your offer to review and feedback on the draft public sector food procurement strategy. My secretariat will liaise with your officials to facilitate this. In addition, could you please provide the information offered to Josh Newbury MP on the merits of reducing the turnover threshold for business engagement by the Grocery Code Adjudicator.

Furthermore, we would appreciate if you could provide further information on the steps your Department is taking to strengthen the Groceries Code Adjudicator and Supply Chain Adjudicator and to introduce fair dealing obligations, on both a supply-chain wide and sector-specific level.

## **Questions not posed due to limited time**

### Water

- What assessment you have made of the potential impact of the collapse of Thames Water on the public finances; and the steps the Department is taking to prepare for the potential eventuality.

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### Fisheries and the marine environment

- What steps the Department is taking to prepare for the end of the post-Brexit fisheries adjustment period on 30 June 2026.
- What Defra's strategy is to manage the competing pressures on our seas, including some that are the responsibility of other Departments such as offshore renewable energy.
- If you will commit to producing a 'marine use framework'.

### Circular economy

- What steps the Government is taking to accelerate the delivery of collections and packaging reforms.
- What the aims of the Circular Economy Taskforce are and what its priority areas for reform will be, outside of packaging.
- What plans are in place to reduce consumption and encourage the reuse and repair of products.
- What assessment you have made of the potential merits of increasing anaerobic digestive capacity for the (a) farming sector and (b) environment.

### Cross-cutting environmental work

- What are the aims of the rapid review of into the Environmental Improvement Plan.
- How you are achieving cross-departmental buy-in for Defra's core environmental priorities.
- How you will work with devolved administrations and local government to make progress on nature recovery and tackling climate change.
- What are your aims for the Dan Corry review into Defra's regulators.
- Whether you have plans to review the Third National Adaptation Programme.

Yours sincerely,

*Yours Alistair*  
*Alistair*

**Rt Hon Mr Alistair Carmichael MP**  
**Chair, Environment, Food and Rural Affairs Committee**