



Department
for Environment,
Food & Rural Affairs

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The Rt Hon Toby Perkins MP
Chair of the Environmental
Audit Committee
House of Commons
London
SW1 0WP

2 June 2025

Dear Toby,

Thank you for inviting me to give evidence to the Committee on 3 March. In your letter of 15 April you raised a number of questions.

Q1. You asked about our plans to maintain current environmental improvement targets, and the date by which we expect the 2025 EIP (a) to be issued and (b) to take effect.

The government is committed to deliver for nature, including taking action to meet Environment Act targets, to restore and protect our natural world. The government will publish the revised Environmental Improvement Plan in 2025 after the Spending Review with delivery information to help meet Environment Act targets.

As set out in the Environment Act 2021, the revised EIP will take effect on the same day it is laid before Parliament.

Q2. You asked us to confirm the timetable we plan to follow to provide a Government response to the Office for Environmental Protection's assessment report for 2023–24, and our expectation of the maximum time the Government ought to take to respond to subsequent OEP assessment reports.

The Environment Act requires us to publish and lay our response in Parliament no later than 12 months after the OEP's report was published – by 14th January 2026 at the latest. However, following conversations with Dame Glenys Stacey, OEP Chair, as well as feedback from yourselves in January, we are aiming to publish the statutory response in summer 2025. Going forward we are exploring the feasibility of alignment with the statutory EIP annual progress report.

Q3. You asked us to clarify (a) whether the 2021 commitment to provide the OEP with a five year indicative budget, with a ringfenced budget for each spending review period, remains in force, and (b) what plans my Department has to vary or

remove the headcount restriction applied to the OEP as a condition of continued funding.

We have maintained the OEP's £8.81m funding for 2025-26, and removed the OEP's headcount cap as they have sought. We will consider future funding arrangements for the OEP carefully in Phase 2 of the Spending Review.

Q4. You asked us to set out the indicators we plan to use to monitor trends in the effectiveness of environmental protection measures as a result of changes in regulatory approaches, and the steps we plan to ensure continued protections if the indicators suggest that the measures are not as effective as expected.

Defra takes monitoring of regulations seriously and all are reviewed as part of the embedded monitoring and evaluation process we have in all policy areas. Where required the department also undertakes Post Implementation Reviews which review measures every five years. These steps enable us to regularly evaluate the effectiveness of measures.

In October 2024, I commissioned a review into Defra's regulatory landscape, led by economist Dan Corry. The full report was published on 2 April 2025 on GOV.UK and sets out 29 recommendations, identifying opportunities to deliver a win-win approach for economic growth and nature recovery.

These recommendations will fundamentally reform and re-wire Defra and its arm's-length bodies to unleash economic growth and, in parallel, safeguard nature over the short, medium and longer term. I am optimistic and ambitious about what we can achieve through modernising our regulatory landscape.

Q5. You asked us to set out the arrangements made for (a) Ministers and (b) senior officials of my Department to (i) attend meetings of each current Mission Board at Ministerial or official level and (ii) contribute to the policy formation and delivery plans of each Board.

I am invited to attend the Growth Mission Board, the Clean Energy Superpower Mission Board, the Health Mission board, the Safer Streets Ministerial Mission Board, and the Opportunities Mission Board.

Defra's senior officials also fully participate in the corresponding Officials groups for each mission, contributing to policy formation and the delivery plans of each Board. Defra's participation is led by David Hill (Director General Water and Strategy) for the Growth Mission, Sally Randall (Director General Environment) for the Clean Energy Superpower Mission, Emily Miles (Director General Food, Biosecurity and Trade) for the Health mission, Emma Bourne (Director Circular Economy) for the Safer Streets Mission, Edward Barker (Director Natural Environment) for the Opportunities Mission.

In all cases board papers are shared ahead of time allowing Defra to consider and contribute to the Mission's development and delivery.

I would also like to highlight some of the contributions Defra makes to the Missions.

The **Safer Streets Mission** will improve confidence in the local response to crime. Defra contributes by representing the interests of rural communities, and is also the lead department for tackling waste crime such as fly-tipping. Specifically, Defra is:

- Supporting the EA and other law enforcement partners to tackle waste crime
- Reforming the waste carriers and waste permit exemptions regulatory regimes to make it harder for criminals to work in the waste industry
- Supporting councils to take tough action against fly-tippers, including through a review of their powers to seize the vehicles of suspected fly-tippers to identify barriers.
- Working closely with the Home Office and National Police Chiefs' Council (NPCC) to deliver the NPCC's updated Rural and Wildlife Crime Strategy.
- Scoping delivery options for the manifesto commitment to force fly-tippers to clean up their own mess.

For the **Opportunities Mission**, our contributions are focused around improving the equity of access to nature for children and young people, which has proven links to improved health and wellbeing and better performance and attendance at school.

On the **Health Mission**, Defra contributes with policy development focused on primary prevention of risks to health, including by improving air quality and reducing obesity.
Edward Barker

With the **Growth Mission Board**. On 14 October, the SoS attended the International Investment Summit, which hosted 300 CEOs and investment corporations. This summit provided an opportunity for Defra to drive high-value investment in water and the circular economy. Defra Directors also attend the Industrial Strategy Programme Board and Infrastructure Directors' Group contributing to policy formation.

For the **Clean Energy Superpower Mission**, DESNZ also runs two Net Zero Boards at Director General-level and Director-level and Defra is represented at both boards respectively by Sally Randall (Director General Environment) and Deb Hankins (Director Environment Strategy).

Defra contributes to both pillars of the **Clean Energy Superpower Mission** – clean power by 2030 and accelerating to net zero – by enabling and ensuring nature positive best practice for clean energy infrastructure and by continuing to decarbonise Defra's sectors. Defra does this through supporting the delivery of the Clean Power 2030 Action Plan and contributing to DESNZ Carbon Budget Delivery Plan, detailing Defra's progress towards our net zero commitments as a department. Defra is also responsible for delivering the Offshore Wind Environmental Improvement Package to help accelerate the deployment of offshore wind while protecting the marine environment.

Q6. You asked us to set out the steps we plan to take to improve delivery of current air quality targets, including through regulation and enforcement, while the new strategy is being prepared, and the options currently under consideration for reduction in PM2.5 emissions.

The Government is acting to further reduce harmful emissions from domestic burning, particularly from solid fuels used in stoves, open fireplaces, and outdoor burning. We are working towards a consultation to explore new measures that cut emissions and strengthen local enforcement.

We also plan to consult on wide-ranging reforms to industrial permitting that would reduce emissions of key pollutants through streamlining outdated guidance and sectoral reforms such as bringing Battery Energy Storage Systems into environmental permitting.

The Government will continue working with local authorities, industry, and the public to shape practical, proportionate policies that reduce air pollution and improve public health. We will also consider the most effective way to raise awareness of poor air quality and the practical actions that individuals can take to reduce air pollution. The revised EIP, which will be published later this year, will contain delivery information on plans to continue to reduce emissions and concentrations of air pollutants.

Q7. You asked us to set out the criteria my Department is using to assess bids from local authorities for support with measures to improve air quality.

The Nitrogen Dioxide (NO₂) Programme exists to meet legal limits, as set out in the Air Quality Standards Regulation 2010, in the shortest possible time. NO₂ pollution occurs as a localised problem and therefore local authorities are best placed to develop plans. The programme has worked with 64 local authorities and provided £576m for a range of measures including seven Clean Air Zones, which are measurably reducing NO₂.

The NO₂ Programme has taken a consistent approach to working with local authorities. The primary consideration when assessing a local authority's clean air plan is whether it will achieve compliance in the shortest possible time. Local authorities' modelling is reviewed by an independent panel of technical experts to ensure it is appropriately robust. Consideration is also given to deliverability, commercial, economic and financial assessment. However, given our legal obligations, value for money is a secondary consideration and would only be used as a determinant of the amount to be awarded if alternative set of proposals achieves the same results, but one set costs less.

Q8. You asked us to set out any assessment Defra has made of impacts to businesses and operations owing to the time taken in confirming Packaging Extended Producer Responsibility (pEPR) fees payable in the current financial year.

The total cost of Packaging Extended Producer Responsibility (pEPR) fees in 2025/26 is around £1.5bn. The scale of pEPR fees has been known for some time, and the current

figure broadly aligns with the previous Defra estimate of £1.2bn (2020 prices) published as part of the 2022 impact assessment, once inflation is taken into account.

Q9. You asked us to indicate the steps my Department plans to take to mitigate the risk to business of financial disruption arising from the time taken to provide reliable information on EPR costs and their associated liabilities to businesses.

To date, we have published three iterations of illustrative base fees to support industry preparation for Packaging Extended Producer Responsibility (pEPR) fee obligations. In response to industry feedback, the December version provided a single point estimate based on the best data available at the time. We have continuously sought to provide as much information as possible to businesses to support readiness.

For Year 1, the final data submission deadline was 1 April 2025. Combined with data submitted in October 2024, this provides the basis on which to produce the final base fees for 2025/26.

The four environmental regulators of the UK are currently assuring this data for completeness and accuracy. Pending regulator checks, we will use these data to publish final year 1 pEPR base fees in June 2025.

Q10. You asked us to confirm the arrangements whereby local authorities will be required to allocate revenue from EPR fees to cover net costs of collecting, managing and recycling and disposing of household packaging waste.

Packaging Extended Producer Responsibility (pEPR) regulations include a range of measures to drive performance and ensure local authorities make the investments needed to support an effective waste management service for household packaging.

- Introducing an Improvement Action Process (IAP), through which the poorest performing local authorities are identified and supported to deliver better recycling outcomes. PackUK – the pEPR Scheme Administrator - will run an IAP pilot in the summer of 2025.
- Using financial disincentives to respond to continued poor performance. For example, PackUK has the power to make deductions of up to 20% of pEPR payment where local authorities continue to fail to engage with the process or otherwise fail to complete an IAP.
- Requiring local authorities in England to collect all six recyclable waste streams (excluding plastic film), from all households by 31 March 2026 via the Simpler Recycling regulations.

In addition, for year 1 of pEPR, the Ministry for Housing, Communities & Local Government (MHCLG) has already guaranteed at least £1.1 billion in funding for local authorities in England through pEPR. This provides local authorities with the financial certainty necessary to plan and invest in service improvements accordingly.

Q11. You asked us to set out the current plans of Defra to contribute to an annual Government statement to Parliament on climate and nature; and what (if any) consideration has been given to aligning the timing of that annual statement with annual reporting cycles on environmental targets.

Following the Second Reading of the Climate And Nature Bill in January, myself and the DESNZ Secretary of State agreed to an annual statement on climate and nature. Since coming to office, the Government has made rapid progress on climate and nature objectives. My officials are working closely with DESNZ officials to agree the approach to this statement, expected later this year, and this includes active consideration of alignment with annual reporting cycles on environmental targets.

During the session we agreed to provide further information on four further points:

Firstly, further information on progress around Marine Protected Areas.

In deciding how to manage instances of non-compliance, the Marine Management Organisation (MMO) follows the principles of inform, educate, enforce in accordance with their published Compliance and Enforcement Strategy; it is available on GOV.UK. The threshold for evidencing non-compliance with the landing obligation is high, often requiring discarding to be observed/witnessed. Evidence can be drawn from a range of sources but must meet the required burden of proof for the sanction being applied.

When the MMO takes court action, they endeavour, where appropriate, to share the outcome of a prosecution. In the first instance of a court action being taken against a vessel for non-compliance of landing obligation, we would issue notification once the details of the case were already in the public domain.

My officials have been reviewing the operation of the landing obligation as part of wider reforms to discards management in England. In 2025, these reforms will include trialling changes to how we account for catches and the establishment of a discard reduction scheme to encourage more selective fishing practices.

Secondly, the Committee asked us to notify it when the first court case is taken against a vessel for non-compliance with the landing obligations.

Remote electronic monitoring is not yet a mandatory requirement. We are working first with volunteers to design and test systems before moving to mandatory implementation. Once implementation issues have been appropriately addressed we will issue notification that mandatory requirements will be coming in, and begin enforcement at that point.

Thirdly, the Committee requested that we inform it of the commencement of schedule 17 of the Environment Act on forest risk commodities.

We recognise the urgency of taking action to ensure that UK consumption of forest risk commodities is not driving deforestation, and we will set out our approach in due course.

Fourthly, I promised to send the Committee examples of pieces I have written previously on how closely linked nature is to the Government's Five Missions.

My joint, with Angela Rayner, op-ed piece on nature and house building in The Sunday Times from 15 December 2024 is attached.

I hope this is helpful.

Yours sincerely,

A handwritten signature in dark ink that reads "Steve Reed". The signature is written in a cursive style with a horizontal line underneath the name.

THE RT HON STEVE REED OBE MP

**The Tories pitted housing against nature. Labour will help both
The environment secretary and deputy PM promise a Labour bill will develop 1.5m
new properties and help wildlife thrive**

The Sunday Times, December 15, 2024

Britain is facing both a housing and a nature crisis. The dream of home ownership is out of reach for many hard-working people because the Conservatives refused to build the homes Britain needs.

At the same time, we are one of the most nature-depleted countries in the world. Half of our bird species and a third of our mammal species face extinction. Our rivers and seas are polluted and our most precious landscapes are falling into decline.

Labour was elected on a mandate to get Britain building again while also restoring nature. The two can go hand in hand, but the current system is not working for either.

Too many housing and infrastructure projects are stalled for, at best, questionable wins for nature. We are in a situation where bats and newts are getting in the way of people who desperately need housing. This is nowhere near the fundamental change environmental groups agree is needed to reverse nature's decline.

Developers are forced to focus on paperwork and process at the expense of action that will actually improve the environment — money which would make a massive difference to nature is instead diverted to a cottage industry of consultants.

You can see this in the 80,000 homes being held up by regulations — so-called “nutrient neutrality”. The process around these rules is slowing development.

The Conservatives saw the problem, but chose to pit housing against nature, recklessly trying to weaken environmental protections for the nation's most precious and vulnerable habitats. We proposed our alternative and offered to work with them, but as always they chose party over country.

We can do far better than that and we will.

Delivering on our manifesto promise, our Labour government will unlock a win-win for the economy and for nature. We will reform rules that are blocking economic growth and slowing down much-needed new homes and infrastructure.

But we won't rip up environmental protections that are so vital to safeguarding our precious natural world.

On the contrary, we want to make commonsense changes, through our Planning and Infrastructure Bill, that will deliver better outcomes for nature and help in getting Britain building.

Our bill will require developers to pay into a nature restoration fund that will pay for large-scale environmental improvements to nature, water and air quality. This approach will restore nature, habitats and species across entire communities.

Take the water pollution issue. Developments that are blocked by “nutrient neutrality” will be approved, but developers will pay into the fund to reduce pollution in the water catchment area as a whole. We get the new homes while also cleaning up polluted water. More tree planting and less paper pushing.

We will put nature at the heart of Labour’s building plans, integrating nature-positive design into new developments.

These proposals build on our wider work to restore nature and tackle environmental damage, which ran out of control under the Conservatives. We are investing to clean up our polluted rivers, lakes and seas; planting millions more trees; improving air quality; and creating nature-rich habitats.

Instead of creating division, we will bring environmental campaigners, developers, local government, communities and businesses together to find the best way forward for their area.

This government was elected on a mandate for change. This is our bold action to secure a win-win so we can build the 1.5 million homes and infrastructure we need, delivering on our plan for change, while protecting the natural environment we all depend on.