



# FOOD FOR THOUGHT

## Reforming the Department for Environment, Food and Rural Affairs

By Tim Ambler

DISCUSSION PAPER

### EXECUTIVE SUMMARY

- The Department for Environment, Food and Rural Affairs (Defra) has responsibility for a number of functions that are currently performed inefficiently and represent poor value for taxpayer money;
- The Department's headcount has increased by 36% since 2015/2016. The equivalent department in the Netherlands employs 1,000 staff, and on that staff/population ratio, Defra would employ only 3,300 in total;
- The report includes several recommendations, including:
  - Delegate more Defra responsibilities to local government;
  - Consolidate the five separate teams of Defra inspectors into one entity;
  - Reclassify all non-departmental public bodies either as Executive Agencies or as committees;
  - Sell the forestry units—forestry should not be a government function;
  - Close the Office for Environmental Protection, which is fundamentally a bogus watchdog;
- Taken together, if all the recommendations within this paper were implemented, this would amount to a saving of 15,749 staff.

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**ABOUT THIS SERIES**

The UK government plans to reduce the civil service headcount by nearly 20%. We believe that deeper savings — bringing lower costs and greater efficiency — are easily possible. Whitehall has grown far more than 20% in the last seven years alone; and we have found most departments to be a confused clutter of overlapping functions and agencies. This series aims to cut through that clutter to suggest nimbler, lighter structures.

Whitehall departments have two functions: to manage policy and to provide services. We believe that services (such as passport provision) should be provided by executive agencies, without being swamped by the core department staff. We also believe that the cores could work, more effectively, with a fraction of their staff.

Deep staff reductions can be managed through natural turnover, early retirement, pausing non-essential recruitment and other methods. The result would be a slimmer, more focused civil service, better services for users and substantial savings for taxpayers.

According to the 2020/21 annual report of the Department for Food, Environment and Rural Affairs (Defra): “Defra has an interesting and diverse portfolio focused on improving our environment, achieving net zero and supporting the food, farming and fisheries sectors...[and] we are demonstrating UK leadership internationally.”<sup>1</sup>

This report questions whether that “diverse portfolio” really justifies the department employing 30,084 people — 28,182 on the January 2022 payroll<sup>2</sup> and another 1,902 in its three Arm’s Length Bodies (ALBs) which were omitted from the payroll. That is, after all, a 36% increase since 2015/16.<sup>3</sup> The equivalent department in the Netherlands employs 1,000 staff,<sup>4</sup> and on that staff/population ratio, Defra would employ only 3,300 in total; more would be left to local government.

Defra has 32 ALBs,<sup>5</sup> employing 23,113 staff (see Appendix A), of which 14 are reviewed here. Of the other 18, the 10 parks authorities should be transferred to local government; the rest are too small to consider here.

After summarising Defra’s role, we begin with the two non-ministerial departments (NMDs), the Forestry Commission and the water regulator, the four executive agencies and the 10 executive non-departmental public bodies (NDPBs or ‘quangos’). The full list of ALBs, according to the Cabinet Office,<sup>6</sup> forms Appendix A. The 1,360 strong Food Standards Agency is a NMD but not associated with Defra and therefore not considered; however, it *should* be an executive agency of Defra. We consider whether Defra’s core department really needs 6,971 staff and then list our recommendations.

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<sup>1</sup> Defra, ‘Annual Report and Accounts 2020–21’, November 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1037320/defra-year-end-accounts-2020-2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1037320/defra-year-end-accounts-2020-2021.pdf)

<sup>2</sup> Defra, ‘headcount and payroll data for January 2022’, February 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1057811/Defra\\_MWMI\\_Jan\\_2022.csv/preview](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1057811/Defra_MWMI_Jan_2022.csv/preview)

<sup>3</sup> Defra, ‘Annual Report and Accounts 2015–16’, July 2016, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/547296/defra-annual-report-2015-2016-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/547296/defra-annual-report-2015-2016-web.pdf)

<sup>4</sup> Wikipedia, ‘Ministry of Agriculture, Nature and Food Quality’, [https://en.wikipedia.org/wiki/Ministry\\_of\\_Agriculture,\\_Nature\\_and\\_Food\\_Quality](https://en.wikipedia.org/wiki/Ministry_of_Agriculture,_Nature_and_Food_Quality)

<sup>5</sup> Gov.uk, ‘Departments, agencies and public bodies’, <https://www.gov.uk/government/organisations>

<sup>6</sup> Gov.uk, ‘The Arms Length Body (ALB) landscape at a glance’, July 2020, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/902991/Public\\_Bodies\\_2019\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902991/Public_Bodies_2019_2020.pdf)

Five of Defra's seven 'priority outcomes' are to support other government departments.<sup>7</sup> The other two are to:

- "Reduce the likelihood and impact of flooding and coastal erosion on people, businesses, communities and the environment.
- Increase the sustainability, productivity and resilience of the agriculture, fishing, food and drink sectors, enhance biosecurity at the border and raise animal welfare standards."

The *food* role in Defra's title is to maximise food production (from land and sea) and minimise the UK's reliance on imports (46% in 2020).<sup>8</sup> The Rural Payments Agency is the executive agency for that: it promotes, protects and polices farming and fishing. In 2019, the National Audit Office expressed serious concerns about the transition from the Common Agricultural Policy (CAP) to the UK rural payments system;<sup>9</sup> but 1,307 staff were added in 2017/18<sup>10</sup> and, despite Covid, there have been no major crises.

The department's *environment* role is to help care for land, sea and wildlife. Accordingly, the Environment Agency (EA) promotes, protects and polices England's landscape and waterways. Its third role, *rural affairs*, is the promotion, protection and policing of wildlife, led by Natural England.

### OVERLAPS

There is considerable overlap between Defra bodies. For example, five different sets of Defra inspectors make 150,000 farm visits a year.<sup>11</sup> Visits may take between two hours and two days each so it is hard to calculate how many inspectors are needed in total or how that number would be reduced if the five bodies were consolidated, as the 2018 Farm Inspection and Regulation Review recommended.<sup>12</sup>

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<sup>7</sup> Defra, 'Outcome Delivery Plan: 2021 to 2022', July 2021, <https://www.gov.uk/government/publications/department-for-environment-food-and-rural-affairs-outcome-delivery-plan/department-for-environment-food-and-rural-affairs-outcome-delivery-plan-2021-to-2022>

<sup>8</sup> Gov.uk, 'United Kingdom Food Security Report 2021: Theme 2: UK Food Supply Sources', December 2021, <https://www.gov.uk/government/statistics/united-kingdom-food-security-report-2021/united-kingdom-food-security-report-2021-theme-2-uk-food-supply-sources>

<sup>9</sup> Defra, 'Early review of the new farming programme', June 2019, <https://www.nao.org.uk/wp-content/uploads/2019/06/Early-review-of-the-new-farming-programme-Summary.pdf>

<sup>10</sup> Defra, 'Farm Inspection and Regulation Review: summary and recommendations', December 2019, <https://www.nao.org.uk/wp-content/uploads/2018/09/Defra-Progress-Implementing-EU-Exit.pdf>

<sup>11</sup> Gov.uk, 'Farm Inspection and Regulation Review: summary and recommendations', December 2018, <https://www.gov.uk/government/publications/farm-inspection-and-regulation-review/farm-inspection-and-regulation-review-summary-and-recommendations>

<sup>12</sup> Gov.uk, 'Farm Inspection and Regulation Review', December 2018, <https://www.gov.uk/government/publications/farm-inspection-and-regulation-review>

**The Forestry Commission** has four parts. The core, or HQ, is the Commissioner's Office; Forest Services are the government's expert forestry advisors and Forest Research delivers forestry and tree-related research to England, Scotland and Wales.<sup>13</sup> The largest part, Forestry England, is a public corporation. It manages 1,500 woodland and forest areas covering around 250,000 hectares (620,000 acres) across England, making it England's largest land manager.<sup>14</sup>

In 2020/21, the Forestry Commission employed 455 (down from 629 in 2015/16<sup>15</sup>) and Forestry England a further 1,089<sup>16</sup> (up from 892).<sup>17</sup> Forestry England reported a net surplus of £269 million last year, but that included a gain on asset revaluation of £291.4 million and a contribution from the Forestry Commission of £24.3m. Strangely, the Forestry Commission had net excess expenditure of £59.4 million after paying Forestry England £26.8 million.

While the government may have a role in land management, it is unclear why the government should be in the forestry business alongside existing and efficient private companies. It should sell and get out of this business.

**The Water Services Regulation Authority** (Ofwat) employed 238 staff on average during 2020/21.<sup>18</sup> Unusually, staff are attributed to the seven 'priority outcomes'. Interest groups still grumble about the lack of effective discipline of water companies, particularly regarding waste disposal into rivers.<sup>19</sup> Action is being taken, albeit slowly. No structural change is recommended.

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<sup>13</sup> Forestry Commission, 'Annual Report and Accounts 2020-21', June 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/996360/FC\\_ARA\\_2020-21\\_print\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/996360/FC_ARA_2020-21_print_version.pdf)

<sup>14</sup> Forrester Enterprise England, 'Annual Report and Accounts 2017-18', June 2018, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/718343/forester-enterprise-england-annual-report-2017-18-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/718343/forester-enterprise-england-annual-report-2017-18-web.pdf)

<sup>15</sup> Forestry Commission England/Central Services, 'Annual Report and Accounts 2015-16', July 2016, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/537462/forestry-commission-annual-report-2015-2016-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/537462/forestry-commission-annual-report-2015-2016-web.pdf)

<sup>16</sup> Forestry England, 'Annual Report and Accounts 2020-21', June 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/996344/FE\\_ARA\\_2020-21\\_print.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/996344/FE_ARA_2020-21_print.pdf)

<sup>17</sup> Forestry Enterprise England, 'Annual Report and Accounts 2015-16', July 2016, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/537471/forestry-enterprise-annual-report-2015-2016-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/537471/forestry-enterprise-annual-report-2015-2016-web.pdf)

<sup>18</sup> Water Services Regulation Authority (Ofwat), 'Annual report and accounts 2020-21', June 2021, <https://www.ofwat.gov.uk/wp-content/uploads/2021/07/Ofwat-Annual-report-and-accounts-2020-2021.pdf>

<sup>19</sup> Water Pollution, 'Sewage and Wastewater Pollution', September 2018, <https://www.water-pollution.org.uk/sewage-and-wastewater/>

**The Animal and Plant Health Agency (APHA)** employed 2,796 staff, according to January 2022 payroll data.<sup>20</sup> Its first priority sets the tone for the others: “Control and eradication of animal and plant diseases and pests, reducing the risks from new and emerging threats.”<sup>21</sup> Net expenditure last year was £199 million after charging pro rata cost to Scotland, Wales and Northern Ireland. According to their latest annual report, APHA expects their headcount will increase by 25% in the current year.<sup>22</sup>

**The Centre for Environment, Fisheries and Aquaculture Science (Cefas)**, which is essentially a research institute, employed 609 staff in January 2022.<sup>23</sup> In 2020/21, its net expenditure was £36 million after £22 million income, one third of which came from the private sector.<sup>24</sup> Government should commission and fund science but conducting it should not be part of governing. These functions should be contracted to an academic institution.

**The Rural Payments Agency (RPA)** has two main functions: central administration of rural grants and payments to about 100,000 payees, and making about 8,000 inspections a year. In January 2022 it employed 2,330 people. The main farm subsidy is the Basic Payment Scheme (£1.8 billion). The other main ones are Fruit and Vegetables (£26 million), School Milk (£1.1 million) and Countryside Stewardship (£1.25 million).<sup>25</sup> Nor does the list stop there: Appendix B lists many more.<sup>26</sup> It all seems a bit random, and one wonders how farmers can keep up with their entitlements. Perhaps surprisingly, the “RPA currently employs 107 field officers and 8 Meat Technical Schemes inspectors.”<sup>27</sup> Quite what the other 2,215 do, one can only wonder at. Simplification and a single digitised model would surely reduce the total RPA headcount to about 1,350, i.e. a saving of 980.

**The Veterinary Medicines Directorate** numbers 179 staff and no change is proposed.

<sup>20</sup> Gov.uk, ‘Defra’s headcount and payroll data for January 2022’, February 2022, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1057811/Defra\\_MWMI\\_Jan\\_2022.csv/preview](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1057811/Defra_MWMI_Jan_2022.csv/preview)

<sup>21</sup> Animal and Plant Health Agency, ‘Annual Report and Accounts 2020/21’, July 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1003632/apha-20-21-ara-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1003632/apha-20-21-ara-web.pdf)

<sup>22</sup> Ibid.

<sup>23</sup> Gov.uk, ‘Defra’s headcount and payroll data for January 2022’, February 2022, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1057811/Defra\\_MWMI\\_Jan\\_2022.csv/preview](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1057811/Defra_MWMI_Jan_2022.csv/preview)

<sup>24</sup> Cefas, ‘Annual Report and Accounts 2020-21’, June 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/995892/Cefas\\_ARA\\_20\\_21.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/995892/Cefas_ARA_20_21.pdf)

<sup>25</sup> Rural Payments Agency, ‘Annual Report and Accounts 2020-2021’, July 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1002956/RPA\\_Annual\\_Report\\_and\\_Accounts\\_2020-21\\_v1.0.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1002956/RPA_Annual_Report_and_Accounts_2020-21_v1.0.pdf)

<sup>26</sup> Gov.uk, ‘subsidy schemes’, <https://searchforuksubsidies.beis.gov.uk/schemes?limit=10&scnumber=&name=&ga=DEFRA&start-day-from=&start-month-from=&start-year-from=&start-day-to=&start-month-to=&start-year-to=&end-day-from=&end-month-from=&end-year-from=&end-day-to=&end-month-to=&end-year-to=&budget-from=&budget-to=&status=&ad hoc=>

<sup>27</sup> Response to FOI Request 17th June 2022, #RFI 6219

**The Agriculture and Horticulture Development Board (AHDB)** is funded by levies on producers. In 2021, two producer groups (potatoes and horticulture) voted to stop paying, which Defra, very reluctantly, accepted.<sup>28</sup> The AHDB held ballots in May 2022 in the other four sectors — Beef & Lamb, Pork, Dairy and Cereals & Oilseeds — and scraped through by promising the levy-payers more say. However, less than half of farm levy payers voted.<sup>29</sup> These trade associations should be run by the trades themselves, not by the government. The AHDB should be axed, resulting in a headcount saving of 398.

**The Royal Botanic Gardens Kew** is an international institution which employs 801 people. No change is recommended.

**The Consumer Council for Water** would be unnecessary if Ofwat was required, as it should be, to address water issues in terms of consumer interest. If it were to do so, this would result in a headcount saving of 77.

**The Environment Agency (EA)** employs 10,806 staff and its net expenditure in 2020/21 was £1.15 billion.<sup>30</sup> In its own words: “The Environment Agency opened for business on 1st April 1996; it is one of the biggest environmental regulators in the world and incorporates the National Rivers Authority, Her Majesty’s Inspectorate of Pollution, the 83 local authority-run Waste Regulation Authorities and some important functions from the Department of the Environment. These include the control of technical waste, contaminated land and toxic substances.”<sup>31</sup> However, when the Agency opened, half of the management came from the National Rivers Authority and none from waste management.

The Agency’s headcount is large, given that it is largely an intermediary between reconnaissance, expert advisers and the farmers, land-owners and contractors who make the actual changes. The EA, in essence, comprises the centre and the reconnaissance teams, i.e. the inspectors and those involved in the 12 Regional Flood and Coastal Committees (RFCCs).<sup>32</sup> From the reconnaissance, the centre decides what needs to be done, its scale and priorities, and who would pay.

RFCCs work well. They are chaired by an EA senior staff member with representatives from county councils or the equivalent and others from the EA who know the

<sup>28</sup> Agriculture and Horticulture Development Board, ‘Annual report and accounts 2020–2021’, November 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1037361/AHDB-annual-report-accounts-2020-21.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1037361/AHDB-annual-report-accounts-2020-21.pdf)

<sup>29</sup> The Press and Journal, ‘Less than half of farm levy payers voted in AHDB consultation’, May 2022, <https://www.pressandjournal.co.uk/fp/business/farming/4301108/ahdb-consultation/?commentCount>

<sup>30</sup> Environment Agency, ‘Annual report and accounts for the financial year 2020 to 2021’, November 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1036016/EA\\_Annual\\_Report\\_2020.21.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036016/EA_Annual_Report_2020.21.pdf)

<sup>31</sup> Northern House Clearance, ‘The Environment Agency History’, <https://www.northernhouseclearance.co.uk/northern-house-clearance-the-environment-agency-history/>

<sup>32</sup> ada, ‘Regional Flood & Coastal Committees’, <https://www.ada.org.uk/our-members/regional-flood-coastal-committees/>

area and likely local hazards. In addition, there are 162 Lead Local Flood Authorities (LLFAs).<sup>33</sup>

It is worth looking at the Republic of Ireland, where land and waterway protection standards are similar. Irish Environment Protection Agency personnel numbered 420 in 2019, with 168 in its HQ.<sup>34</sup> England's land area (50,301 square miles) is about 18% more than the Republic of Ireland, so pro rata, on an area basis, EA staff would number 496. England's population (56.5 million) is about 11 times the size of the Republic of Ireland (5 million) so pro rata, on a population basis, EA staff would number 4,620, less than half the present payroll.

**The Joint Nature Conservation Committee.** It is clearly beneficial for the four UK nations' nature conservation bodies to share scientific knowledge and to align standards as much as is reasonable. But as the name implies, that requires a committee and not an arm's length body. The secretariat for such an arrangement should number less than 100. Nor does it make sense for England to pick up £13.3 million of the cost when the other three nations contribute only £0.3 million between them (Table 23, p.81).<sup>35</sup> The total costs may change little due to more work being done externally, but the public service staff should reduce from 255 to approximately 100.

**The Marine Management Organisation (MMO)** has six functions (pp.14/15):<sup>36</sup>

- Enabling sustainable marine development;
- Protecting marine habitats and wildlife;
- Supporting global marine protection;
- Delivering sustainable fishing opportunities;
- Administering marine support funds; AND
- Providing regulatory support and assurance.

The MMO had 447 staff in January 2022 and cost £36 million in 2020/21. It should be an Executive Agency but does not appear to be over-staffed.

**The National Forest Company** "was established in April 1995 with the objective of overseeing the creation of the National Forest which spans 200 square miles of central England."<sup>37</sup> In January 2022, it employed 32 people and made a profit of £2

<sup>33</sup> Defra, 'Funding for Lead Local Flood Authorities in England for 2015-16', November 2014, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/370284/pb14218-llfa-funding-201410.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/370284/pb14218-llfa-funding-201410.pdf)

<sup>34</sup> Environmental Protection Agency, 'Annual Report and Accounts 2019', October 2020, [https://www.epa.ie/publications/corporate/governance/EPA\\_AnnualReport\\_English\\_2019web.pdf](https://www.epa.ie/publications/corporate/governance/EPA_AnnualReport_English_2019web.pdf)

<sup>35</sup> Joint Nature Conservation Committee, 'Annual Report and Accounts 2021', August 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1011471/JNCC-Annual-Report-and-Accounts-2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1011471/JNCC-Annual-Report-and-Accounts-2021.pdf)

<sup>36</sup> Marine Management Assessment, 'Annual Report and Accounts 2021, December 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1042746/E02698593\\_MMO\\_HC\\_428\\_Web\\_Accessible\\_V4.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1042746/E02698593_MMO_HC_428_Web_Accessible_V4.pdf)

<sup>37</sup> The National Forest Company, 'Annual Report and Accounts For the year ended 31 March 2021', November 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1036266/national-forest-company-annual-report-2020-2021-accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036266/national-forest-company-annual-report-2020-2021-accessible.pdf)



million but that was after a Defra grant of £2.5 million: that is, it cost £0.5 million. It should be merged with the Forestry Commission and privatised.

**Natural England** employed 2,397 staff in January 2022 and cost £135.8m in 2020/21 after deducting £17.4 million of income<sup>38</sup> from customers (£7.6 million), heritage lottery (£2.7 million), the EU (£2.1 million), donations (£0.3 million) and other parts of government (£4.7 million).

Natural England is the twin of the Environment Agency (EA). Logically, Natural England's 12 area teams should have the same boundaries as the Environment Agency's RFCCs. Its main role should be to protect wildlife, while the EA looks after landscape and waterways. But Natural England's 25 performance indicators suggest that its main occupation is advising other ALBs and departments (e.g. the MMO, the Environment Agency and other parts of Defra, the NHS, and BEIS).

This indicates a lack of focus. If it concentrated on its wildlife function it could probably manage with half the staff. It should also be an Executive Agency.

**The Office for Environmental Protection** (OEP) was only created in November 2021 and is expected to employ 120 staff. It is supposed to ensure that the government follows its own laws, but it has no teeth, and the Board is approved by the government (leading the Green Party to brand it a 'bogus watchdog').<sup>39</sup> Moreover, the Environment Agency already has 10,806 people engaged in the same activity. It should be closed immediately.

**The Sea Fish Industry Authority** is an anomaly: it is part of Defra (England), its HQ is in Edinburgh and it works for all four UK nations. Whether the gain is worth the pain is open to question. Its income was £10.8 million, mostly from levies, but there was a £2 million loss in 2019/20.<sup>40</sup> This function should be left to the fishing industry.

ALBs total staff savings per the Appendix are 11,385.

<sup>38</sup> Natural England, 'Annual Report and Accounts', November 2021, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1035594/natural-england-annual-report-and-accounts-2020-to-2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1035594/natural-england-annual-report-and-accounts-2020-to-2021.pdf)

<sup>39</sup> The Independent, 'New environment bill removes power to fine government for missing targets', October 2020, <https://www.independent.co.uk/climate-change/news/government-watchdog-office-environment-protection-oep-a9156401.html>

<sup>40</sup> The Sea Fish Industry Authority, 'Annual Report and Accounts 2019/2020', December 2020, <https://www.seafish.org/document/?id=f565fdb8-dcb8-4930-b8fe-63a119d57d78>

According to the January payroll, the departmental core numbered 6,971, a considerable increase over the 2,607 in the 2015/16 annual report,<sup>41</sup> which was already large. What these staff all do is, to say the least, opaque: a 2021 Freedom of Information request elicited an organogram with 5 Executive Agencies and 20 Core units with Director-level chiefs;<sup>42</sup> but this was the same one Defra had provided in 2014! The response also directed attention to Annex C of the organogram — but Annex C is redacted.

If indeed the organogram has not changed since 2014, one can only assume that the 2,607 staff thought sufficient in 2016 should be sufficient today.

## RECOMMENDATIONS

- The Food Standards Agency should be a Defra Executive Agency.
- Defra should follow the Dutch example and achieve a near-90% reduction in headcount by delegating much of its role to local government.
- Defra's five separate teams of inspectors should be, as the 2018 Farm Inspection and Regulation Review recommended, reduced to one.
- All non-departmental public bodies should be reclassified either as Executive Agencies (if they are operational arms of Defra) or as committees within the core (if they are simply advisory).
- The various forestry units should be sold off. Forestry is a business, not a government function.
- Cefas should be contracted to an academic institution.
- The Joint Nature Conservation Committee should be, as the name implies, a committee, not an ALB.
- Natural England's 12 area teams should have the same boundaries as those of the Environment Agency's RFCCs.
- The Office for Environmental Protection is a bogus watchdog and, although a recent invention, should be closed.
- The Sea Fish Industry Authority's activities should be left with the sea fish industry.
- Total staff savings from arm's length bodies (per Appendix A) are 11,385 and the core department savings amount to 4,364, making 15,749 in total, i.e. roughly half the current headcount.

<sup>41</sup> Department for Environment, Food and Rural Affairs, 'Annual Report and Accounts 2015–16', July 2016, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/547296/defra-annual-report-2015-2016-web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/547296/defra-annual-report-2015-2016-web.pdf)

<sup>42</sup> Defra, 'Defra At A Glance', November 2014, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/396856/RFI6952\\_Defra\\_at\\_a\\_glance\\_01\\_oct\\_14\\_for\\_FOI\\_release\\_amended.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/396856/RFI6952_Defra_at_a_glance_01_oct_14_for_FOI_release_amended.pdf)

## DEFRA ARM'S LENGTH BODIES – HEADCOUNT SAVINGS

ALB	STAFF COUNT	ACTION	SUGGESTED SAVINGS
<b>Non-ministerial departments</b>			
Forestry Commission	1,544	Sell off	1,544
The Water Services Regulation Authority	238	No change	
Executive agencies			
Animal and Plant Health Agency	2,796	No change	
Centre for Environment, Fisheries and Aquaculture Science	609	Contract out	609
Rural Payments Agency	2,330	Digitise and streamline	980
Veterinary Medicines Directorate	179	No change	
<b>Executive non-departmental public bodies</b>			
Agriculture and Horticulture Development Board	398	Close	398
Board of Trustees of the Royal Botanic Gardens Kew	801	Executive Agency (EA), no other change	
Consumer Council for Water	77	Close	77
Environment Agency	10,806	Slim and make EA	6,186
Joint Nature Conservation Committee	255	Should be a committee	155
Marine Management Organisation	447	Make EA	
National Forest Company	32	Merge with Forestry Commission, sell off	32
Natural England	2,397	Focus on wildlife and make EA	1,200
Office for Environmental Protection+	120	Close	120
Sea Fish Industry Authority	84	Transfer to fishing industry	84
<b>Advisory non-departmental public bodies</b>			
Advisory Committee on Releases to the Environment		Note 1	
Independent Agricultural Appeals Panel		Note 1	
Veterinary Products Committee		Note 1	
<b>Tribunals</b>			
Plant Varieties and Seeds Tribunal			
<b>Others</b>			
Broads Authority		Note 2	
Covent Garden Market Authority			
Dartmoor National Park Authority		Note 2	
Drinking Water Inspectorate			
Exmoor National Park Authority		Note 2	
Lake District National Park Authority		Note 2	
New Forest National Park Authority		Note 2	
North York Moors National Park Authority		Note 2	
Northumberland National Park Authority		Note 2	
Peak District National Park Authority		Note 2	
South Downs National Park Authority		Note 2	
Yorkshire Dales National Park Authority		Note 2	
<b>Total payroll</b>	21,211		9,721
<b>Total non-payroll</b>	1,902		1,664
<b>Grand total (Note 3)</b>	23,113		11,385

Note 1: These are really committees and should be part of the Core department.

Note 2: Transfer to the relevant local government.

Note 3: Table 1 of the Cabinet Office listing by contrast shows 19,856 for all ALB staff, 441 for the two NMDs, 5,072 for the three EA, and 14,343 for the NDPBs.<sup>43</sup>

Note 4: The ONS December 2021 total for the four agencies was 294 lower.<sup>44</sup>

<sup>43</sup> Gov.uk, 'The Arms Length Body (ALB) landscape at a glance', July 2020, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/902991/Public\\_Bodies\\_2019\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902991/Public_Bodies_2019_2020.pdf)

<sup>44</sup> ONS, 'Public sector employment', September 2022, <https://tinyurl.com/3wuxmmeb>

## PARTIAL DEFRA SUBSIDY SCHEMES

SUBSIDY SCHEME NAME	BUDGET/£M	START DATE	DURATION/DAYS
Zoo Animals Fund – Coronavirus	4.6	06 January 2021	197
Flood Reinsurance Scheme	180	04 April 2016	8396
Zoos Animals Fund	100	28 May 2021	1
Forestry Aid Scheme England	150	27 July 2017	1983
TSE testing of sheep, goats and cattle and Compulsory Scrapie Flocks Scheme 2014	75	01 March 2014	2556
Environmental Improvement through Agriculture, National Parks, (England and Wales) Scheme 2016 – 2021	325	01 March 2016	1825
Farming Recovery Fund 2019 (England)	10	17 September 2019	652
TSE testing of sheep, goats and cattle and Compulsory Scrapie Flocks Scheme 2014	18.7	05 September 2014	2368
<b>Total</b>	<b>863.3</b>		

## OTHER RECENT UNBUDGETED SCHEMES

- Lump Sum Exit Scheme
- Environmental Stewardship
- Sustainable Farming Incentive pilot
- Countryside Productivity Scheme
- Farming Investment Fund.
- Countryside Stewardship Scheme (CSS)
- Environmentally Sensitive Areas (ESAs)
- Organic Aid/Organic Farming Scheme (OAS/OFS)
- Energy Crops Scheme (ECS)
- Farm Woodland Premium Scheme (FWPS) and Farm Woodland Scheme (FWS),
- Woodland Grant Scheme (WGS) and the English Woodland Grant Scheme (EWGS)
- Hill Farm Allowance (HFA)
- Other land management schemes
- Inheritance/Capital gains tax exemptions
- Farm assurance schemes and the Pesticide Industry Voluntary Initiative
- Nitrate Vulnerable Zones