Select Committee on the Natural Environment and Rural Communities Act 2006

Corrected oral evidence: The Natural Environment and Rural Communities Act 2006

Tuesday 16 January 2018
12.30 pm

Watch the meeting

Members present: Lord Cameron of Dillington (The Chairman); Earl of Arran; Baroness Byford; Earl of Caithness; Lord Cavendish of Furness; Viscount Chandos; Lord Faulkner of Worcester; Countess of Mar; Baroness Scott of Needham Market; Baroness Whitaker.

Evidence Session No. 23 Heard in Public Questions 197 - 208

Witnesses

I: Rt Hon Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs, Department for Environment, Food and Rural Affairs; Lord Gardiner of Kimble, Parliamentary Under-Secretary of State for Rural Affairs and Biosecurity, Department for Environment, Food and Rural Affairs.
Examination of witnesses

Rt Hon Michael Gove MP and Lord Gardiner of Kimble.

Q197 **The Chairman:** Thank you very much for coming to see us. I am sure it will be incredibly helpful to our work.

You have in front of you a list of interests that have been declared by members of the Committee. The meeting is being broadcast live via the parliamentary website. A transcript of the meeting will be taken and published on the Committee website. You will have the opportunity to make corrections to that transcript, where necessary. I am sure you know all of that.

I will ask the first question. Defra is a three-legged department: environment, food and rural affairs. How much of Defra’s capacity and resources are targeted at rural affairs, compared with the other two elements? Before you answer that precise question, may I put to you some of the written and oral evidence that we have received? The picture we have picked up as we have gone along—obviously, this goes way back and is nothing to do with you, your Government or your term of office—is that Defra inherited the Countryside Agency, which had a budget of over £100 million. It soon got rid of that and went to the Commission for Rural Communities, which had a budget of less than £10 million, gradually reduced to less than £1 million. It then devolved that to the rural communities policy unit, which it got rid of.

The other aspect concerns the Rural Development Programme for England. Whereas other member states have used this for village renewal, market towns and a wider rural development programme, Defra has allocated to rural development only the very minimum that it was allowed by the Commission. Most of that was on-farm development, which is only a tiny proportion of the rural community. It was no surprise to us that when the Commission for Social Mobility reported it said that some of the worst deprivation occurs in rural areas—not only remote rural areas, but places such as Wiltshire, Gloucestershire and others. Will you respond to all the views that have been put to us?

**Michael Gove MP:** Absolutely. Thank you very much for asking us both to come along. I owe an enormous amount to Lord Gardiner. The work he has done in this area, long preceding my arrival in the department, has been exemplary. I have benefited from his tutelage.

You are absolutely right: it is at least a three-legged department. When we think about the environment, 71% of this country is farmed land. When we think about food—whether it is food production, which is the central part of what farmers do, or aquaculture or fisheries—those business activities take place overwhelmingly in rural areas. When we think about the organisations that have a regulatory or employment role in rural areas—the Forestry Commission, Natural England, national parks and others—all of them fall naturally within the ambit of the department. Given all the interactions we have, in all the areas for which we are responsible, the natural place for rural affairs to sit is with this
department. If you are having a conversation about the future of the common agricultural policy and how we might change that to use public money for public goods, rather than deploy cash in the way in which we currently do, you are obviously thinking about the health, resilience and vitality of rural areas, rural communities and the rural economy.

Money is not the only evidence that you care, of course, but we spend £542 million of administration and programme spending in our overall budget specifically on supporting rural areas—rural affairs spending in the broadest sense.

You are right: quite a lot of that is focused on helping to maintain the competitiveness of agri-food businesses and helping them to diversify. The NFU, the CLA and others are not the only people who speak for the countryside, but they will tell you that without a strong, vibrant and productive food-producing sector the countryside suffers.

More broadly, you make a very good point, which has been made by Alan Milburn and the Social Mobility Commission, about some of the problems that afflict rural areas. It is impossible to generalise, because some rural areas are exceptions to those rules. There are some rural areas where schools are good and where social mobility is less of an issue. In the areas that have been identified, from Wiltshire through to west Berkshire and west Somerset, there are sometimes unique problems, with a history of poor performance by schools and local government. Sometimes there is difficulty attracting high-quality teachers. Sometimes the sources of employment, outside the public sector and one or two single industries, are relatively low income. Therefore, you have an entrenched problem, which has built up over years, of low income and low aspiration.

One of the things I was interested in during my time at the Department for Education was what we could do to encourage higher ambition in those areas. One of the things we can do—it remains an interest of mine—is ensure that some of the very best teachers and multi-academy trusts take an interest in parts of the country where school performance has been lower and employment opportunities have been weaker.

The Chairman: You mention the land-based sectors. I believe that they represent less than 3% of rural employment. The biggest employer in the countryside by far is the manufacturing sector. I worry about Defra’s focus on the land-based sectors.

Michael Gove MP: I quite understand. BEIS has helped us to refocus the department on agri-food overall: the journey from farm to fork. You are absolutely right: it is not simply land-based employment; it is also everything from food processing and packaging to the abattoirs that are integral to the success of a local food economy.

When we think about what contributes to making a rural community vital, there is increasingly a constellation of factors. Farms that are producing high-quality food whose provenance is admired are often the farms that will sell to local producers—their own farm shop, a local butcher or local
pubs and restaurants. High-quality food production and high-quality hospitality often go along with encouraging tourism. Of course, the best-run farms often provide or operate in a backdrop that reinforces the importance of tourism. They go together in helping to ensure that rural communities are vital.

There is one thing that I did not mention and that, inevitably, anyone who listens to folk who live in the countryside will know about. The single most important thing that government can do is crack on with the delivery of superfast broadband to rural areas. Nineteen out of 20 premises in the country have access to superfast broadband, but the 5% that do not are overwhelmingly in rural areas. We will never get both the economic growth and some of the changes in agriculture that we want without that. Lord Gardiner and I are increasingly focusing our attention on that.

**Lord Cavendish of Furness:** Do you envisage that more devolution and improved local government will be a major driver for the improvement of the countryside in general?

**Michael Gove MP:** I think it varies. Only yesterday, I was talking to some representatives from the north-east of England. They said that the Tees Valley mayor, who represents both a number of urban areas and large rural areas, has really been a breath of fresh air in making people think about how, in a part of the north-east of England that has sometimes been overlooked and neglected by the centre, devolution can help to stimulate real change. I know less about the new Cambridgeshire mayor and the work he has been doing, but a couple of Cambridgeshire MPs reported to me that they felt that, with the right personnel, you could galvanise activity in a way that had not hitherto existed.

**Baroness Scott of Needham Market:** I am one of the digitally deprived 1%—I am glad you feel my pain.

I want to ask specifically about the resource available to both of you for rural policy-making. We have an organogram and a list of posts. I understand that there are 21 posts in the rural policy team. Will you confirm that they are pretty much all filled and that you are running with a full team? In the discussions and the thinking you are having to do about what your department looks like and how it is resourced when you have repatriated various powers, do you think that the rural policy team is likely to get larger or smaller?

**Michael Gove MP:** Overall, we have 64 staff in rural teams. There are 25 in the rural policy team now, including six analysts. We have five in planning and housing, and there are 34 in the RDPE team. We are constantly reviewing how we allocate resources within the department. Sometimes it is not simply about quantity but about quality. For example, the Natural Capital Committee, which does fantastic work and has had a galvanising effect on how we look at the countryside and rural areas, is very lightly staffed, but it has amazingly high-quality people, under Dieter Helm’s leadership. We met only yesterday to discuss in particular how, as
we change agricultural policy and funding, we can make sure that rural policy-making and the deployment of the very best personnel are embedded in that. I will hand over to John, because he has been leading this team for longer than I have. He may want to say one or two words about some of the very good work that has been going on.

**Lord Gardiner of Kimble:** I would definitely say that we have an excellent team of officials, but it goes beyond that. This plays into the interconnection. I am sure that we will go on to this in subsequent questions, but I have never felt that it is about three silos spinning in their own orbits. It absolutely is not; the interconnection is profound. Therefore, I feel that, in the whole of the department and the agencies, what one believes are the rural areas and the rural communities are so interconnected that, if you take out one piece of the jigsaw puzzle, you have an incomplete picture. Not only are there the 64 staff, with the specialism and the research I know we will go on to, but the whole thrust of the department is that we are advancing. As we advance the environment, we are advancing the interests of rural communities and people who come to visit. I think that they are interconnected. I am conscious of the resource that I have, but I am also very much aware that this is about the whole department and its agencies working for what I would call the benefit of all.

Q198  **Countess of Mar:** First, I must apologise for having to leave early. I have a date that I cannot miss; I have been waiting 10 years for it.

**Michael Gove MP:** That is so intriguing. We want to know what the date is about.

**Countess of Mar:** It is with NICE and is about ME, which I have been dealing with for a long time.

A series of witnesses have suggested to us that rural-proofing of policy often happens too late in the policy-making process, so that policies are formed and consolidated before anyone skilled in rural-proofing even sees them. I think immediately of the right to buy, of houses left in perpetuity in a village and of how you are losing the young people in villages, which are becoming just places for retirement. Is Defra aware of this issue? If so, what has it done to try to counteract it? How does Defra engage with other departments in rural-proofing, particularly since the removal of the rural communities policy unit?

**Michael Gove MP:** I will hand over to Lord Gardiner.

**Lord Gardiner of Kimble:** First, I should declare an interest. Before my life in Defra, I may have been slightly on the other side of these things as regards the determination to have, and the need for, rural-proofing. Indeed, I worked with the Lord Chairman on these matters. I am fully seized of the importance of rural-proofing and of the fact that it needs to be at the start of these matters, rather than at any other stage. That is why, again with the assistance of the Lord Chairman, the rural-proofing guidance, which I know the Committee has seen, and the subsequent
comments thereon have been immensely valuable in enabling me and officials, working with all government departments, to ensure that rural-proofing is entrenched in the beginning of this.

With regard to policy-making and the impact on rural communities, there is not only the rural-proofing guide but the Green Book—the Treasury guide. The BEIS Better Regulation Framework manual includes rural-proofing. I am sure that there are examples where, because of the human condition, there is not the perfect form, but I can look at a range of areas where, in my view, rural-proofing has worked and importance has been placed on rural communities. Five of the 12 early adopters selected to pilot the 30 hours free childcare programme are in rural areas. Rurality is one of the three common cost drivers for local government funding. Rural areas in the north-west, midlands and south-west are included in the DfE’s technical education work placements programme. Ministers have had the ability to be on ministerial taskforces. For instance, I have been on the digital one, about which we will hear more shortly, I am sure.

The impact of getting the rural voice across is evident in housing, in particular. That has come out in many areas, such as our own 25-year environment plan and the revolving land bank, which emphasise the place of rural housing in national housing policy and the importance of sensitive development in the countryside to enable communities to prosper, so that we get not dormitory villages but the multigenerational communities that will enable communities to flourish, survive and prosper.

There is a very strong drive to ensure that proofing starts at the beginning, that we work through it and that we end up with the right policies. Yes, most policies are mainstream. We want to have economic prosperity for everyone, wherever they live. We are working with departments, which will obviously bring forward policies on education, health, transport and Treasury matters. Our task, as the champion of rural-proofing, is to ensure that we work collaboratively with them, so that when departments come forward with policies that affect the countryside and rural communities the specific differences and distinctions, such as sparsity, are reflected in what national policy brings forward.

**Countess of Mar:** There seems to be a major problem for people in rural communities, who are already disadvantaged under DWP policy and health policy. In both cases, and under care in the community, no account seems to be taken of the fact that it takes someone who is caring for another person a long time to drive to their place. They then have to leave within about five minutes, because they have to drive to the next one. That does not seem to have been foreseen when the policies were set out.

**Lord Gardiner of Kimble:** Again, it slightly cuts into some other things. One of the things I have been doing as rural ambassador is seeking to bring together stakeholders, interested parties and individuals. One of the
meetings that I held late last year was particularly on well-being and vulnerability. All too often in the countryside, whether it is in Wiltshire, Northumberland or Cornwall, the hidden vulnerability and poverty that exists is not understood well enough. I want to get into the deep vein of that, with other departments, to see how much better we can do in getting to people, often in the countryside, with whom we do not yet have a strong enough connection. There is room for improvement there.

Q199 Baroness Whitaker: I want very much to follow on from that. Secretary of State, you have touched on the case for all rural responsibilities to be in Defra. Lord Gardiner has very much reinforced that. However, in your very estimable 25-year plan, I did not see any mention of rural-proofing or any rural community aspects—economy, social mobility or poverty—other than health and well-being. Some witnesses have suggested that responsibility for rural-proofing, or rural policy more generally, should sit elsewhere in government, such as MHCLG or the Cabinet Office. What do you think would be the advantages and disadvantages of such a move? Why—and, more particularly, how—does rural-proofing fit best with the environment and agriculture in Defra?

Michael Gove MP: At the top of the list of organisations with which we talk regularly are those that are most intimately involved in the quality of life for people living in rural areas. Of course, there might be benefits in having rural policy sit in MHCLG or the Cabinet Office, although I do not know what they would be. I suspect that the organisations Lord Gardiner and I spend a lot of time talking to and the people with whom we engage most actively and energetically would not be at the top of those departments’ lists of people to see. That is one critical day-to-day factor that means that Defra is better placed to deal with all rural issues.

The second thing I would say about rural-proofing is that, in a way, we should have rural-proofed our own document. One of the criticisms that have been put to me about the 25-year environment plan is that we say slightly too much about restoring habitats in rural areas and not enough about what needs to be done in urban areas to improve the environment there as well. A lot depends on the perspective of individuals. Quite rightly, the environment is an issue that excites passion, so people want us to do and say more about the beneficial changes that we are bringing about.

The final thing I would say about rural-proofing overall is that, wherever that responsibility sits in government, some of the most effective rural-proofers are Members of Parliament in both Houses. It is very rarely the case that any policy emerges from a government department perfect. Whether it is legislation or a statement of policy direction, everything from a genial nudge in the right direction to a pointed question or political campaigning by people who represent and understand rural areas ensures that we get policy right.

Baroness Whitaker: I think you said that other government departments do not prioritise the thriving of rural communities in the way in which Defra does. If that is what you meant—or even if it is not—how
would you make them do it? From what we have heard, it is not really happening at the moment.

**Michael Gove MP:** I would say two things. First, every organisation that has a care for what happens in rural areas is an organisation we are more likely to talk to than other government departments at any given point. If it is the NFU, the CLA, the RSPB, those responsible for our national parks or those responsible for ensuring that in rural areas there is appropriate employment in a variety of sectors, they are likely to be people we are talking to. Therefore, we are in a position to say to other government departments, “Please take account of this”, and sometimes, “Policy needs to change”.

I mentioned earlier that policy is very rarely perfect when it emerges from any government department. When policy emerges there are often oversights, mistakes or errors that need to be corrected, not just with respect to rural areas but with respect to other communities and interests as well. Earlier today I was discussing with a Member of Parliament who is a Minister, but who represents a rural area, and with a Minister from the DWP one of the challenges that people from rural areas have, thanks to changes in bus transport, in getting to jobcentres to fulfil the requirements to show that they are ready for work. We have been able to communicate that awareness of the impact on rural areas of decisions that have been taken by the Department for Transport because we have close working with DWP and other government departments. Government is a process of continuous improvement. Sometimes we all drop the ball. Therefore, sometimes we have to remind others of the need to pick it up, alter or change. In Defra, we have a team of Ministers who live and breathe these issues every day and are not shy about communicating their importance to other government departments.

**Lord Gardiner of Kimble:** The Secretary of State has mentioned a number of organisations, but I would like to emphasise the importance of more social matters in my brief. I am having meetings on well-being and vulnerability with the Rural Coalition, the Rural Services Network, the Association of Convenience Stores and the chief executive of the Post Office. In my view, that is where you get the infrastructure of rural life. Personally, I think that there is an interconnection between food, farming and agriculture, as a backbone, and rural communities and the social services, such as health and education, with good, improving schools, that they require to have a good and prosperous life. I believe that Defra has a locus in all those things, because they need to be mainstreamed. In other words, we want the Department for Education to want good and outstanding schools across the country.

In my view, my ability is to go and see the Minister. For instance, I have brokered a meeting between Matt Hancock and the rural bishops, because the Church infrastructure has been immensely helpful in getting digital to many far-flung parts. WiSpire, in the diocese of Norwich, has been a great example of using Church infrastructure to help villages to get connected. Perhaps we should do that in Suffolk, Lady Scott.
These are examples of the facilitation that I have, as the rural ambassador. The number of meetings that I have with Ministers to beat the rural drum is quite considerable. That is the importance of being in a department and having the ability to see Ministers across Whitehall, with the rural-proofing guidance, which was agreed with the Cabinet Office and had the imprimatur of everyone engaged in it, to start policy at the very beginning. Although there are examples where it could have been better, there are many examples in each of the departments we work with—all the home departments—where there has been a much better understanding of rural issues, within the context of the mainstream, because of rural-proofing.

**Baroness Whitaker:** In your view, the powerful tentacles of the Cabinet Office or the deep local contacts of MHCLG would not be advantageous in respect of better rural-proofing. You are saying that it should be with Defra.

**Lord Gardiner of Kimble:** I have thought about this both before I came to Defra, in another life, and now. I see the countryside and rural communities in a holistic sense, rather than as lots of silos spinning off. All of them are so interconnected, so I see merit in a department that looks after the environment, 70% of the landmass, in which rural communities are based, is farmed, and the needs of rural communities, where there are so many small businesses. For instance, rural-proofing is coming out in the industrial strategy. Food and drink comes as one of the first sectors, because it is a massively important economic engine. Of course, the very beginnings of it are the produce that people on the land produce, which turns into small businesses, which help employment and so forth. We have higher employment figures, and lower unemployment, than in urban areas. Through the industrial strategy, we want to encourage small and medium-sized businesses to grow. That is the sort of thing for which the industrial strategy, with its rural-proofing element, is very valuable.

**Baroness Scott of Needham Market:** We have had a lot of evidence in which people have asserted that rural-proofing is inadequate or does not happen. Given the persuasive arguments you have just made, why do you think that there is such a disconnect between the people whom we would regard as your stakeholders and what you have told us?

**Lord Gardiner of Kimble:** The three meetings that I had in the latter part of last year were intriguing. They involved well-respected stakeholders we work with. I could give the Committee a number of examples where we believe that working with other departments has borne fruit. I think that stakeholders were not aware of the fact that that is ingrained in what we are now doing, because of the rural-proofing guidance, the determination of the rural policy team in Defra and the acceptance of Ministers and officials in other departments that this is about national policy with a rural component.

I agree: a number of the stakeholders were rather surprised, as they thought, perhaps, that rural-proofing was words and not action. I would
like to portray to the Committee not just my determination but the determination of the ministerial team—because we dovetail, obviously—to ensure that rural communities have the indices that are needed to help them to prosper. Being a countryman, I think that it is very important for the nation that it understands that the prosperity of rural communities is very important to it, too.

Q200 Lord Cavendish of Furness: May I go on to something new? Either or both of you may answer this. One of the many aspects of the work of the Commission for Rural Communities that used to be done and is much missed by stakeholders is the in-depth, detailed and wide-ranging research that it carried out into rural society and economies. How is that work replicated currently? How involved is Defra in ensuring that such research is being conducted?

Lord Gardiner of Kimble: Research is very important. Again, this is interesting, because it may be that there is not an understanding, or sufficient understanding. The meetings I have held with a wide range of stakeholders have highlighted the importance both of research that comes from the grass roots and of academic research. We have therefore commissioned research. We participate in rural policy research networks. In fact, we are going to set up a group of UK academics on rural policy to provide advice on the situation post Brexit and to do specific EU exit work, which will be hugely valuable. I have a list of a range of research projects since 2013 that have been immensely valuable, including projects on renewable energy, the economic and social return of RDPE, rural tourism and local food and drink, and drivers of service costs in rural areas, as well as a contribution to the Cabinet Office’s research into digital inclusion. There are all sorts of ways in which Defra is participating, either directly or indirectly.

One really important thing is that quarterly we produce a rather substantial document, which I am sure the Committee has seen, the Statistical Digest of Rural England. I have brought a copy with me. A rather more modest document, perhaps not costing so many trees, is the Rural Economic Bulletin, which has 5,000 hits per month. It is profoundly important that we have that statistical information and that we employ statisticians to help us, not only for ourselves but so that we can work with other departments. Obviously, there is more work to do. Of course, any government department has had to manage the national economic conditions—there are no great pots of gold—but I think that Defra is investing in research.

I would particularly like to mention two current projects: a project on the dynamics of the economy in rural areas and an evaluation of the rural and environmental dimension of the European Regional Development Fund and the European Social Fund. If we move on to the importance of the shared prosperity fund, clearly we will want to consult stakeholders very strongly about successors to the schemes that we have been using to foster the rural economy and rural communities, to ensure that they are also rural-proofed.
Lord Cavendish of Furness: May I press you a little further on that question? The research work you are talking about sounds a bit generalised to me. Witness after witness has told us about the importance of minutely detailed data. The CRC had a reputation for very in-depth research. I would like your reassurance that that is replicated.

Lord Gardiner of Kimble: Let me put it this way. The Statistical Digest is very comprehensive and takes us into areas that are detailed. Clearly, if there was a specific issue on which we, as the rural policy department, needed more research, we would want to commission it. There will be areas where other departments will commission research into detailed issues to do with healthcare and a range of different attributes. I see the widest range of stakeholders. I have to say that no one is shy in coming forward with opinion, which is very healthy. If there were areas of particular concern and there was a paucity of knowledge and understanding, beyond all the groups we see and work with and the academics we also want to work with, I would want, in discussion with the Secretary of State, to look at those very strongly.

Earl of Arran: Research is critical, as we all know. In all honesty, to what extent is research suffering from a lack of funds? Would you wish to do more than you are currently doing?

Lord Gardiner of Kimble: As I said to Lord Cavendish, if areas were identified that we thought really needed research, I would make a strong representation to the Secretary of State, but one of the really valuable things that we have at our disposal is this. In the series of meetings that I had last year, 35 organisations were represented. The valuable side of their contribution is understanding some of the detailed and in-depth concerns about vulnerability, for example, and how best we can learn from the best examples. How are some communities getting digital connection because of local leadership and inspiration, but others are not?

I am not against academics at all—I think that academics are vital—but when we are seeking solutions to the grass-roots problems that are affecting certain communities in certain parts of the country, learning from the example of the practitioner can be immensely valuable as well. Certainly, we work and want research, but there is also the research of working within the department with the stakeholders who are going to help us, through rural-proofing, to get things better.

Viscount Chandos: Another of the valued aspects of the CRC was its independence, which helped it to maintain strong relationships with a whole range of rural stakeholders. In the absence of the CRC, how does Defra replicate the strength of those relationships across all stakeholders?

Michael Gove MP: I will say a little; I am sure that John will then say more. One can never do enough. I and all the Ministers in the department have made it their business to speak to as wide a range of voices as possible. I mentioned some of the organisations in being, from the CPRE
to the CLA, that have a big role to play and whose advice we take seriously.

The other thing to recognise, of course, is that even the best representative organisations do not speak for everyone within their particular sector or area of concern. Part of it is being out and about and being open to hearing from those at the front line. It is valuable to listen to the NFU when discussing the future of our bovine TB strategy, but there is no substitute for going down to Devon and talking to a farmer who has been directly affected. It is wonderful to speak to the Environment Agency about some of the flood prevention schemes that it has undertaken, but there is no substitute for visiting those who have been affected in the past, seeing what changes have been made and whether people feel both reassured and that their concerns have been heard in the heart of government. The vitally important thing for us is to make ourselves available, but also to try to make policy in the most transparent way. One of the things that I know John has done brilliantly as rural ambassador is ensure that, when we talk about some of the changes that we want to make, we put things forward by way of a proposition that we wish to test, rather than an edict to which others must submit.

**Lord Gardiner of Kimble:** There is not a stone that I would want to leave unturned as regards dialogue and learning from the widest possible range of people who enable rural communities and the countryside to tick. That is immensely valuable. The Secretary of State has mentioned visits. One example is the Warwickshire Rural Community Council fostering a housing scheme in a village. It is just the sort of rural housing scheme we would all be proud of, with sensitive building material and the right demographics. A community-owned pub is another example of the work of fostering communities, as is a village hall. In fact, next week is village halls week. I am going to visit village halls, because what we desire is that there is always a hub in the village. I accept that it may not be possible to have everything, but if we can keep hubs in the village that is tremendously important.

This is not an abdication of responsibility, but I think that volunteers and the voluntary spirit in rural communities have always been in the spirit of those communities, whether we have had prosperous times or rather straitened times. I have found it immensely valuable, whether it is volunteers dealing with invasive species, volunteers in social care or volunteers driving the village bus. I have connections with all levels of local government, from parish councils to county councils: the whole range of the LGA. The issue is how we who are beating the drum for rural ensure that communities have the best possible opportunities. When it comes to the relationships, again, the whole ministerial team is engaged. We may predominantly see different elements of this wide range, but all of us see them as elements of the complete picture.

The Post Office is a very good example. We always think that things are going backwards, but in fact they are going forwards. Paula Vennells, the
CEO of the Post Office, is an absolute zealot in seeking to ensure that the post office network is entrenched in rural communities. Part of that is the very successful way in which, with public, taxpayers’ money, we have entrenched co-location. A good example was when we understood that the post office in my little local town of Eye was going to be closed. The proverbial black armbands were being worn, but it was discovered that it was going to be co-located in the newspaper shop. Of course, it is open more hours and the queues are shorter, because the flow of traffic is much less congested. Actually, it has been a success story for the community.

There are all sorts of ways in which this dialogue can happen. For instance, I have meetings with every single one of the mobile network operators to say, “Come on. You have to think more about rural. You have to think about sharing masts. This is your social responsibility”. I know that they are running commercial operations, but I think that private enterprise has public responsibilities as well. I hope that some of that will bear fruit. It is very important that the rural ambassador does not miss any opportunity to beat the rural drum. That is what I seek to do.

Baroness Scott of Needham Market: I was going to ask about rural economic development, but I think you covered that in your previous answer.

Q202 Lord Faulkner of Worcester: I would like to ask about the relationship between Natural England and the department. A number of really powerful witnesses expressed concern that Natural England is in some way conflicted, as it acts as a delivery agent for the department and, at the same time, as a regulator. Do you think that there is any tension or conflict of interest between Natural England’s position as a delivery body and its ability to provide things such as independent research and advice?

Michael Gove MP: No, I do not think so. I can understand why the concern might arise, but, in my experience, Natural England and its leadership team have had no trouble operating independently, at the same time as seeking to improve delivery. On the one hand, there is an issue, which was well advertised long before I joined Defra, about the delivery of countryside stewardship payments, in which Natural England has a central role. One of the things that I, along with George Eustice and John, did was talk to the leadership of Natural England about improving the accessibility of these schemes. They went at it with a will. It is also the case that when, at certain points during the development of the 25-year environment plan, the argument might have gone in a particular direction, robust challenge from Natural England ensured that we maintained the commitments that you see in that plan. Not just in the advice that it gives to us, but in the role that it plays as a statutory consultee, Natural England has a record of occasionally being thrawn, to use a Scots word, in its determination to ensure that the conclusions that it has drawn from its research are respected.

The Chairman: One of the bits of evidence that draws us to the
conclusion that the question seemed to insinuate is that Natural England does not have its own PR department. Defra insisted that Natural England uses Defra’s PR department.

**Michael Gove MP:** Yes.

**The Chairman:** That does not strike me as being a very independent situation.

**Michael Gove MP:** The chairman of Natural England needs no PR department to get his view across—his voice is heard loud and clear. One of the things we have had to do is try to make sure that, across the Defra family, individual silos of activity that form the corporate services functions—PR, accounts and personnel—can be brought together. Ultimately, Natural England’s board is robust and independent. Its chairman is both of those in spades.

Q203 **Lord Cavendish of Furness:** Evidence to the Committee has suggested that funding cuts have negatively affected Natural England’s ability to collaborate with stakeholders, its performance as a statutory consultee in planning and its capacity to address all five of the elements of its general duty. Notwithstanding Andrew Sells’s powerful personality, and having myself been on a number of public bodies, I have the impression that those whom the Government wish to destroy they first muck around. They also cut their funding rather heavily. I have always felt that big changes were afoot with Natural England. Can you clarify the position?

**Michael Gove MP:** There are no big changes afoot for Natural England. Some concerns were expressed by some people, but we hope that our commitment to establish a new environmental watchdog will satisfy some of the very legitimate concerns that have been raised about how environmental governance will proceed outside the European Union. The suggestion is that that will mean that somehow Natural England’s role will be eclipsed or it will have its wings clipped. Not at all: I foresee Natural England continuing to play a significant role in the future in all the areas for which it is responsible.

Like every part of government, including Defra itself, Natural England has had to cope with the challenge that comes simply from having fewer pounds to spend. The leadership shown by Natural England in accommodating those requests for budget cuts, but continuing to deliver a high quality of service, has been very good. There have been bumps in the road, but overall it has been impressive. In the last year for which we have figures, 2016-17, Natural England, as a statutory consultee, had to respond to 12,852 planning applications. It responded to 97% of them on time. As we all know, it is dealing with some quite complex issues there. While not everything in Natural England is perfect, that performance indicator is a sign that, notwithstanding some of the budget cuts, it continues to perform well.

**Lord Cavendish of Furness:** Does that successful percentage include the redirection of that planning to a general paper, on which we have
heard evidence? Do the trends square with Natural England’s duties under the NERC Act, which we are looking at, or, indeed, its stated intentions under *Conservation 21*? How are they affected? How are Natural England’s objectives set out by Defra? Under increasing funding pressures, how are its aims prioritised?

**Michael Gove MP:** Natural England played a huge part in the development of the 25-year environment plan. The targets for the recovery of habitats and the particular proposals to give effect to Sir John Lawton’s recommendations in *Making Space for Nature* show that the ambitions outlined earlier in its lifetime for Natural England to play a role in improving our landscapes and natural environment remain on course. If anything, they are more ambitious than ever.

You quite rightly draw attention to the fact that there has been a falling-off in the number of staff overall, but Natural England still employs more than 2,200 people. When it comes to questions such as the management of blanket bog, which is a particular concern, I have been in negotiations with Natural England to ensure it has the skilled advisers necessary to make sure that landowners can do the right thing in a way that is consistent with the increasing demands being placed on them. Of course, one of the things I am very anxious to do is to make sure that the ambitions we have set, and Natural England’s capacity to meet them, are constantly reviewed. I have said to Andrew and his team that he must simply ask for the personnel and support across government that they need to achieve the goals we have set for them.

**Lord Cavendish of Furness:** I must press the planning issue; Lord Gardiner might want to answer this. You referred to the huge success rate for responding to applications on time. The evidence that we have had suggests to us that it is a standard reply, which says, “Refer to our book”. Is that the case?

**Michael Gove MP:** So, rather than let a bespoke adviser handle it, they just say, “Here we are”?

**Lord Cavendish of Furness:** Yes.

**Michael Gove MP:** I can understand that. Part of the challenge is, how can we streamline the process in a way that safeguards the environment? How can we ensure that you do not have a significant development stopped because there is a single crested newt, or because the requirements to take account of the possible presence of bats have been worked through in exhaustive detail? Woking is one local authority that has helped to pioneer an approach that ensures that there is net environmental gain, but in a more streamlined way, so that everyone’s time is saved. The developer’s time is saved, so that it can get on with providing housing, and Natural England’s time is saved, so that it can concentrate on making sure that environmental enhancement is at its heart—but I will hand over to John.
**Lord Gardiner of Kimble:** I have nothing to add. The importance is in prioritisation. There are certain areas, such as the newts and bats, where Natural England needs a more practical and streamlined approach to the impediments to development, and sensitive development, so that there is better understanding of the way forward. Obviously, we want to enhance and protect the environment and habitats, but we also need to see it through the prism of enabling sensitive development.

**The Chairman:** Lady Byford, do you have a supplementary?

**Baroness Byford:** Lord Cavendish has nearly followed up with the question that I wanted to ask. Responding to 90% of applications within the time is very good, but at local level some planning authorities are struggling to have enough people with skills. The evidence that we heard reflected the fact that Natural England was not able to give them the help and advice that might have been given in earlier times. I do not know whether that has been raised with you. There is no question on the response or the time, but, as my friend has just said, there is no comment on too many of them, when a little more help would have been useful. I am talking not about the nitty-gritty of newts or barn owls, but in general terms.

**Michael Gove MP:** I absolutely take the point. I will say several things, although I will keep it relatively brief. There is a challenge for local authorities when it comes to planning. Almost by definition, the developer can offer a skilled planner a slightly comfier berth than they might enjoy in local government, so the balance lies slightly more in the developer's advantage than in the local authority's. The planning function, and making sure that local authorities have access to high-quality planning staff, is important.

Natural England has a role to play, of course. In my own experience as a constituency Member of Parliament, Natural England’s performance has improved over time. I have a particular challenge in my area, because my constituency, Surrey Heath, has heathland. The Thames basin heaths are a special protection area. That requires development that occurs nearby to have regard to the habitats directive, which requires developers to find suitable alternative natural green space. That process, which has been quite bureaucratic in the past, is now simpler. I would not necessarily say that it is better in every regard, but I think that in some cases Natural England’s performance has become smoother, because past difficulties have been ironed out. That may be experienced by some as less bespoke and slightly more off the peg.

**Earl of Caithness:** Secretary of State, it is extremely beneficial to our report that you were able to come today. Thank you for changing the date in your diary, particularly because you have done the Oxford speech and your 25-year plan.

In your 25-year plan, you mention net gain for planning. Do you think that, if you can implement it properly, net gain will be of benefit to Natural England in enabling it to assess planning applications? On
planning, is Natural England involved in vetting what the Mayor of London has proposed on development in suburban areas and gardens, which affects the biodiversity and green lungs in urban areas?

**Michael Gove MP:** First, the principle of net gain associated with development, both for housing and for infrastructure, which the Prime Minister reinforced in her speech last week, is a very powerful one. We all know that we have ambitious targets to provide additional housing that we need to meet. Indeed, there are big infrastructure projects that are critical to the future economic health of the country, but we need to ensure that when they proceed, with the loss of ancient woodland or the sacrifice of other amenity or biodiversity sites, the developer makes a contribution that can help to restore or improve habitats, or to provide new habitats elsewhere. That is absolutely critical. Natural England will have a really important role to play in doing that. I am grateful to you for highlighting its importance.

I will have to come back to you on the Mayor of London’s plans, which are an area of concern. As you quite rightly point out, one of the striking things is that domestic gardens are some of the richest sources of biodiversity in the country. When thinking about how we meet housing need, we must be clear that it must not come at the cost of biodiversity loss. I will return to this topic, and to the point you make, by asking for further particulars on the role that Natural England and others might play in making sure that the Mayor of London’s plans do not lead to biodiversity loss.

**Q204 Earl of Caithness:** Thank you for that, Secretary of State. In your 25-year plan, you say that making a healthier environment requires really solid foundations. Following on from what Lord Cavendish said, we are trying to get a grip on how you see Natural England in the future. You said that there will be no major changes, but surely the role of Natural England will change hugely when the basic farm payment system goes and you have to make an environmental payment of public money for public goods.

**Michael Gove MP:** Yes.

**Earl of Caithness:** Is the foundation of Natural England solid enough for what you propose, or will you have to change that and its role?

**Michael Gove MP:** You are absolutely right. Both Natural England and the RPA will have additional responsibilities as a result of our changing the way in which farmers, landowners and land managers receive payments and support. At this stage, we are consulting. One of the things about the Oxford speech is that I laid out some precepts that I thought should guide policy. As I mentioned earlier, my approach, modelled on Lord Gardiner’s, is to lay out precepts, suggestions or the direction of travel and then to consult, rather than to say, “These are edicts, and this must be so”.
I believe that the principal public good to which public money should be devoted is environmental enhancement. I also think that public access, properly designed, is another real good, because the broader the understanding of rural life, food production and agriculture is among all our citizens, the more effectively rural-proofing will take place at national level in the political conversation. You are right to say that Natural England and the RPA will have a role to play. Even now, I am playing a part in the recruitment of new non-executive directors to Natural England to make sure that we have the strong leadership team required. As I mentioned earlier, I have said to Andrew that, as policy develops, he must let me know if he believes that he needs additional resource or support to deliver what is being asked of him and his team.

**Earl of Caithness:** So Natural England, with the RPA, will be your main agent for delivering the new payments.

**Michael Gove MP:** Yes. At the moment, that is how it is conceived.

**Earl of Caithness:** In that role and, more particularly, its role of preserving biodiversity, would you consider changing the countryside stewardship scheme and the farm agreements that you propose to allow Natural England to permit predator and pest control, as happens in Scotland as part of the countryside schemes?

**Michael Gove MP:** I will have to reflect on that. No pun intended, but I would not want to set any hares running at this stage. As members of the Committee will be much more aware even than I am, one of the things about predator and pest control is that there can be fixed camps in this debate that it is sometimes wise not to antagonise. Let me give consideration to that. There is a lot that happens in Scotland that I admire, and some things that I do not.

**Lord Gardiner of Kimble:** As we are talking about predators, I hope that there is a consensus that the work that is being done on how we manage the grey squirrel better is an example of Defra working with the Squirrel Accord and the widest possible range of people who understand the damage that the grey does to our flora and fauna, as well as the dramatic impact it has on the native red squirrel. If Lord Caithness’s question could extend to that sort of work, I think that it is very important that we have research, in effect, into how best we might manage an invasive species such as the grey, which causes such damage.

**Earl of Caithness:** It will not go to your trees unless you control your grey squirrels.

**Michael Gove MP:** Yes.

**Lord Gardiner of Kimble:** Correct. That is why we see it as important work. To pick up the Secretary of State’s point, this has the endorsement of a broad range of interests that have maturely come together to
understand that if we do not manage the grey squirrel we will not have the treescape that we enjoy now. Future generations will never see it.

**The Chairman:** We will move on from squirrels.

Q205 **Baroness Byford:** I thank both of you for giving your time today. I think we will come up with a very important report, which I hope will be helpful to you, too, in the future.

I know that you are going to consult on the new environmental body, but may I ask one or two direct questions with regard to that? What powers or duties do you envisage it having? Who will fund it, and to whom will it report? Those are three fairly straightforward, basic questions.

**Michael Gove MP:** It will be funded by Defra. At this stage, it is up for debate, but my hunch is that one of the best models is the Parliamentary Commissioner for the Environment in New Zealand. While Defra would fund the operation, the body would be responsible to Parliament, in the way Ofqual, for example, ultimately is. It would have functions similar to those of the Parliamentary Commissioner for the Environment in New Zealand or the Committee on Climate Change, which Lord Deben chairs, in that it would be able to point out when, in the formulation or implementation of policy, government was not living up to the environmental principles and ambitions that we had set ourselves and that Parliament had agreed.

**Baroness Byford:** May I go back to the question we were talking about previously, which is on the future role of the three departments? As we have taken evidence, people have suggested that some of the work that Natural England does overlaps with what the Environment Agency does, and that it might be a good idea to look again at the various responsibilities, particularly with respect to water. The same applies to the Rural Payments Agency. If the system is going to be simplified—with modern technology, that should be possible, for goodness’ sake—you have to ask, do we really need the structures that we have now, or could we come up with better solutions?

**Michael Gove MP:** A compelling case for future change has been made by Professor Dieter Helm.

**Baroness Byford:** I am talking about the future.

**Michael Gove MP:** He makes an impeccable intellectual case for having an environmental protection agency—a revamped Environment Agency—and for some of the delivery functions with respect to water and flood prevention being taken on by water companies and others. There is only so much that even the best government departments can do at one time. This is a responsibility for Ministers who will come after John and me to address. We want it, but we have a lot on our plates at the moment. It means that that sort of restructuring is for a future day, rather than for the near horizon.

**Baroness Byford:** You mentioned the many things that we have coming
through. I understand that we have an agriculture Bill, a fisheries Bill and several other things to come.

**Michael Gove MP:** Yes.

**Baroness Byford:** Would you like to share with the Committee any other thoughts that you have on the nitty-gritty of things that are to come before us within the next year, perhaps?

**The Chairman:** Presumably, this new body, if it is to survive your excellent reign at Defra, will have to be statutorily constituted.

**Michael Gove MP:** Absolutely.

**The Chairman:** So there will be another environmental protection Bill, if you like. There is quite a lot of legislation on your plate at the moment.

**Michael Gove MP:** Yes, there is.

**The Chairman:** With the EU Withdrawal Bill about to come to our House, will you expand a little on the timing of all this and how it is going to work?

**Michael Gove MP:** Yes. Everything is subject to cross-government agreement. I have to respect the wishes of business managers, so what I say is without prejudice to decisions that may be taken by others. We hope to publish a consultation paper on the future of fisheries next month. We hope that that will outline how we propose to move on from the common fisheries policy. We propose to publish a fisheries Bill thereafter. That Bill may start in your Lordships’ House. We hope around the time the fisheries Bill is published to publish a Command Paper on the future of agriculture. We hope that an agriculture Bill will be introduced towards the end of spring or in early summer.

Those are the two major pieces of legislation that we have in this parliamentary session. There will be smaller, but still significant, pieces of legislation, God willing, on animal sentience and sentencing, and on ivory, to make sure that we have the right measures to prevent the trade in ivory that threatens African elephants.

Although I do not want to bind the hands of my colleagues in government, the logic is that, exactly as Lord Cameron points out, there will need to be environmental legislation to make sure that the new environmental protection body that we envisage is set up on an appropriate footing. There are some other things that we have said in the 25-year environment plan and elsewhere that mean that at some point in this Parliament—we would all prefer it to be sooner, rather than later—we will need a piece of environmental legislation.

It is not strictly within the Committee’s remit, but one thing that I was going to say with respect to the fisheries legislation is that I want to ensure that there is the maximum engagement beforehand. Lord Gardiner, George Eustice and I will therefore make arrangements to
ensure that, on a party-by-party and a cross-Chamber basis, Members of Parliament who have an interest in this and want to ask questions have an opportunity to do so in as much depth and detail as possible.

Q206 Earl of Caithness: May I turn to the subject of biodiversity? It is Natural England’s role to maintain and improve our biodiversity. In that respect, we can all agree that it has failed, because our biodiversity has gone down. How do you expect Natural England to be able to turn that around? Given that, when it has to report to you, it does so mostly under EU legislation, how will that be done in the future?

Michael Gove MP: I would not lay responsibility for the decline in biodiversity wholly on Natural England’s shoulders. There are different measures of biodiversity, naturally. One of the best-known and most widely used measures is the farmland bird index, which shows that, in areas where higher-level stewardship schemes have been in place, there has been a significant increase and that several species have rebounded in numbers. Therefore, properly done, countryside stewardship schemes and environmental land management schemes can lead to a biodiversity gain. Natural England has played a part in that.

Part of the challenge has been that some of the incentives in agriculture have worked against the promotion of biodiversity and that some other organisations have not necessarily had the maintenance of biodiversity as their top priority. I hope that that will change with the publication of the 25-year environment plan and with the engagement that we hope to have with farmers, landowners, managers, water companies and others.

Even though we are moving beyond the common fisheries policy, in some areas, with the establishment of marine protection areas and with some reform to the CFP, we have seen increased biodiversity in marine species. There are hopeful signs. Just before Christmas, I was very privileged to attend a reception, at which Sir David Attenborough spoke, for the Darwin Initiative, an initiative that we fund and that contributes to biodiversity gain overseas. Sir David made the point that, all his adult life, he had felt that nature was in retreat, but now he felt that the penny had dropped, that the public and Governments appreciated the importance of change, and that at last the tide was turning. That was no reflection on this Government, but a reflection on the leadership that is being shown by the British public. I felt that that was a very encouraging sign.

Earl of Caithness: What about reporting to you under the EU?

Michael Gove MP: In the final part of the 25-year environment plan, we ask explicitly how we can develop better and more transparent metrics for demonstrating biodiversity gains. I refer not just to the health of individual species, the farmland bird index and the wild bird index, but to other indices.

Following on from Lord Arran’s point, I hope that both Natural England and the new environmental body that we envisage will either commission
research or seek to improve the way in which we measure biodiversity, so that we can set a gold standard in that regard. There are other jurisdictions from which we can learn. Both Austria and New Zealand have produced publicly accessible indices of biodiversity gain and loss that have helped to improve the public conversation and held Governments to account. I would like to see us be even more transparent in having the right sorts of metrics that can aid public debate and make sure that Ministers do their job.

**The Chairman:** Lord Cavendish, you had a point on the previous question, but I moved on too swiftly.

**Lord Cavendish of Furness:** This is a slight personal hobby-horse of mine. In order to have your great reforms and the changes that we need, you have to carry the public with you. We are hugely encouraged by Andrew Sells saying that there is going to be a much more collaborative approach in Natural England. I hold to the view, I am afraid, that civic society gets less and less civil. That needs to change. At the moment, it is an obstacle to progress. With these changes, I feel that there is a role for your Ministers, and you personally, to change the mood music of government a little, which is overdue. Could you comment on that?

**The Chairman:** You can answer that in less than half an hour, I should think.

**Michael Gove MP:** Yes. I have an enormous amount of sympathy with the point you make. There are ways in which the public conversation has become a bit more raucous. That having been said, without wanting to be guilty of too lazy a set of stereotypes, I find that, even though there are very strong, and sometimes divided, views in rural areas or with respect to the future of the countryside, the tone of the debate is much more civilised.

To take a case in point, when it comes to hunting or shooting, there are passionately held views on either side of the debate, but when you spend time in rural communities talking to people about those issues you find that there is sometimes a civilised agreement to differ, and sometimes a passionate and engaged, but always a civilised, debate. That will have been reflected in the various groups that have appeared before you. They will have made their points, which are sometimes critical of government, in a very measured and proportionate way. I am very lucky. If I needed role models in how to civilise discourse, in Lord Gardiner, George Eustice and Dr Coffey I have three very good role models in how to elevate the level of conversation.

**Q207 Earl of Arran:** I come back briefly to the 25-year environment plan, which is both bold and ambitious, but 25 years is a hell of a long time.

**Michael Gove MP:** Yes.

**Earl of Arran:** How do you see it fitting into rapidly changing legal and policy changes? I would like to imagine that it will be subject to regular review and that, as circumstances change, they will be reflected in the
plan, and the plan changed accordingly.

**Michael Gove MP:** Absolutely. The principle of a 25-year environment plan first emerged from the work of the Natural Capital Committee and Professor Dieter Helm. The purpose is to show that, even as Governments change and, sometimes, policies and priorities evolve, there is nevertheless a long-term commitment to environmental enhancement that will not be diluted because of changes in the composition of Governments or economic tides and waves. It is there to hold all Governments, Ministers and delivery bodies to high ambitions.

You are right. It is clear that it is a living document—indeed, the Natural Capital Committee said that—and that it must adjust to particular challenges. To take a case in point, air quality is an issue that, rightly, has risen up the public’s list of concerns. Air quality has improved overall in recent years, but there are some parts of the country where the situation still requires radical action. There are also some things that we need to do with respect both to things such as wood and coal burning and to ammonia in the countryside, where action needs to be taken urgently.

I hope that in 10 or 15 years’ time, as a result of technological and policy changes, air quality will be much less of an issue than it is now, but I suspect that other environmental concerns and dangers will have taken its place in the hierarchy of worries. The 25-year plan and the approach that we take need to evolve to meet those changes.

**Earl of Arran:** We must remember the London smog, how circumstances have changed since then and what can be done.

**Michael Gove MP:** Yes. Please forgive me for saying this, but it was a Conservative Government that introduced the Clean Air Act. The very first piece of environmental legislation with regard to water quality was also introduced by a Conservative Government, under Disraeli. As the Prime Minister quite rightly pointed out last week, all political parties have a strong tradition of regard for the environment. It is not the possession of any one party or Administration.

**Lord Faulkner of Worcester:** Climate controls maintain that continuum, although that was implemented by a different Government.

**Michael Gove MP:** It was. It was a very good piece of legislation. Even though I voted against it, I think that it was a mistake on my part. The other thing that I would say is that I do not think that any of us can look back at the history of environmental improvement without paying tribute to the Attlee Administration for the creation of national parks. That was a recognition that there needed to be improved public access after some of the struggles over access in the 1930s. Although, as we discussed, we all have to keep planning under review, the Town and Country Planning Act was also an Attlee Administration achievement.

**Baroness Whitaker:** Looking to the future, I very much appreciate your encouragement of the natural capital way of looking at things. We have
heard criticisms that it does not deal properly with externalities—with winners and losers—and that it does not have a method of valuing what is priceless. How can it be expanded?

**Michael Gove MP:** During the discussion about the 25-year environment plan, I said that natural capital was an incredibly useful tool and that we were world-leading in its development, but that it must not become a Procrustean bed—that all policies must not be either stretched or cut to fit into that framework. It is an incredibly useful framework, but there will be exceptions to it. You can point to two.

The environment plan acknowledges right at the beginning that there is an intrinsic value to nature, to creation and to life. While natural capital is a way of reminding us of its value in policy-making, that goes beyond any valuation in pounds, shillings and pence and beyond any accounting. You literally cannot put a price on beauty.

Secondly, your previous point about needing to find other ways of reflecting some environmental principles in policy-making is very well made. One of the reasons I believe we need a new regulator is that, as well as having a natural capital approach embedded in government, we need to pay attention to things such as the “polluter pays” principle and to make sure that they are embedded in the way in which environmental policy is delivered.

**Baroness Whitaker:** Do you not think that its methodology could be expanded, in the way in which traditional economics has been expanded to put a value on life, by working out methods of calculating what people would pay to have certain things done? It seems a shame not to make it wider. It would be so useful.

**Michael Gove MP:** I very much agree with you. I am not an economist, but one of the really interesting things in economics recently is the way in which economists have been saying that, while economic growth and GDP are important, it is also important to look at and to value other things. In her book *Doughnut Economics*, Kate Raworth makes the point that we need to think about taking account of and factoring in goods and values other than economic growth if we are to think about broader well-being. That is a useful challenge to the classical approach to economics. While it is a useful challenge, to which we should give some thought, we also need to recognise that the aim should be to make growth sustainable, not to move away from a model that has economic growth as part of how we drive progress.

**The Chairman:** Finally, I would like to turn to Section 40 of the NERC Act, which proposes that all public authorities, particularly local authorities, should “have regard to” biodiversity. During our evidence-taking, it has come to our attention that almost none of the public authorities, and very few of the local authorities, pay much attention to that. We will probably propose that they should have a duty to report—possibly to your new body, which would seem to be the logical place for it—on what they are doing and how they are implementing this duty.
Do you have any thoughts on the best way of doing it? In Scotland and Wales, they have enhanced the wording a little, to give the duty a bit more bite, but we felt that that was probably not the only answer. We felt that people ought to have a duty to report and, therefore, to think about what they have done and are doing in this respect.

*Michael Gove MP:* I want to be able to pull every lever, or to have every lever pulled, that can promote biodiversity and environmental enhancement. The only thing I would say—it is not a disagreement—is that sometimes I have seen in some areas of government that a requirement to report or to meet a particular duty that has been placed on a public body has led to box-ticking and paper generation, rather than to the right change in behaviour. That may be the best means of achieving it, but I remain open-minded. The point has been well made by others that as well as working with the grain of people’s own instincts—and the instincts of most people, particularly those who are involved in rural life, are to enhance the environment—we need to think about all the incentives. One of the questions in my mind would be: what are the right incentives to make sure that local authorities, public bodies and others have regard to this duty? I am open-minded about how that might be done. John, do you want to say any more?

*Lord Gardiner of Kimble:* No. I think that it has been covered.

*The Chairman:* I would like to thank you both very much for giving up your lunch hour. It has been a very helpful evidence session.

*Michael Gove MP:* Thank you.