



House of Commons
Environment, Food and Rural
Affairs Committee

**Defra performance in
2014–15: Government
Response to the
Committee's First
Report of Session
2015–16**

**First Special Report of Session
2015–16**

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The Environment, Food and Rural Affairs Committee

The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Environment, Food and Rural Affairs.

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Publications

Committee Reports are published on the Committee's website at www.parliament.uk/efracom and by The Stationery Office by Order of the House.

Committee staff

The current staff of the Committee are David Weir (Clerk), Sian Cooke (Second Clerk), Sarah Coe (Senior Committee Specialist), Anwen Rees (Committee Specialist), Ellen Bloss, (Senior Committee Assistant), Holly Knowles (Committee Assistant) and, Nick Davies (Media Officer).

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First Special Report

The Environment, Food and Rural Affairs Committee reported to the House on Defra performance in 2014–15 in its First Report of Session 2015–16, published on 15 December 2015, as HC 443. The Government's response to the Report was received by the Committee on 12 February 2016 and is appended below.

Each conclusion and recommendation made in our original Report is set out in a bold paragraph. The Government's response is set out directly beneath in plain text.

Appendix: Government response

Delivering Defra's vision

1. We and our predecessor Committees have struggled to clarify with successive Secretaries of State and senior Defra officials their strategy for determining which policies and priorities will be altered by repeated spending reductions. We seek such a statement in response to this report now that the 2015 Spending Review has been announced and now that it is clear that Defra resource funding from HM Treasury will reduce by 15% by 2020.

2. We recommend that Defra publishes urgently its strategic approach for achieving the necessary reductions in its budgets for the next Spending Review period. Detailed plans for implementing this, including how administrative savings are to be made, must then be provided at the earliest possible date.

3. Given the scale of savings required under the Spending Review, it is highly likely that difficult strategic choices will need to be made, particularly as the more achievable cost-efficiencies have been made in response to budget reductions during the last Parliament. Successful delivery of vital environmental, agricultural and rural services will not be possible without strong leadership and a sharp focus on priority areas.

Defra secured £2.7 billion to invest in capital, 12% more than in the previous five years, and we will make 15% savings to our running costs. The capital investment represents a doubling of investment in our world-class capabilities in science and animal and plant health. We will invest in technology, digital systems, growing our exports, world-leading science, protection against animal health and plant disease, and flood defences. This will enable us to modernise Defra and turn it into a trailblazer for government. This is an opportunity to achieve smarter and more efficient ways of working so that Defra can achieve its ambitions for this Parliament.

These ambitions, including delivery priorities and success measures, will be set out in Defra's Single Departmental Plan. This plan, which is based on Defra's strategy to 2020, will be published shortly and sets out a clear vision focused on seven strategic objectives:

- A cleaner, healthier environment benefiting people and the economy
- A world-leading food and farming industry

- A thriving rural economy, contributing to national prosperity and wellbeing
- A nation better protected against floods, animal and plant disease and other hazards, with strong response and recovery capabilities
- Excellent delivery, on time and to budget and with outstanding value for money
- An organisation continually striving to be the best, focussed on outcomes and constantly challenging itself
- An inclusive, professional workforce where leaders recognise the contribution of people, and build capability to deliver better outcomes¹

The settlement is already enabling Defra to press ahead with key areas of work, particularly protection from floods, animal and plant disease, and the environment.

Investment in flood defences will continue to be prioritised, maintaining the Government's commitment to better protect 300,000 homes from flooding by 2021 through a £2.3 billion capital investment over 6 years. Flood defence maintenance funding will be protected in real terms, and Defra will work with the Environment Agency to generate 10% efficiencies by 2019–20 with all savings reinvested in additional maintenance.

To maintain its world-class response and recovery capabilities, Defra will prioritise spending on animal and plant disease prevention. Bovine TB (bTB) is the greatest animal health threat to the UK and there will be continued investment in implementing the 25-year strategy to eradicate this disease as quickly as possible.

Defra will invest £130 million capital in its science estates by 2020–21, with £65 million of this going towards new state-of-the-art laboratories and the upgrade of our bio-containment facilities at Weybridge. This will improve our ability to fight diseases like swine fever and avian influenza.

There will be a £3 billion investment to safeguard England's countryside through the Common Agriculture Policy (CAP) and protection of over £350 million funding for public forests, National Parks and Areas of Outstanding Natural Beauty over Spending Review period.

Supporting all of these activities is the drive for reform, with more effective working between organisations in the Defra group, focusing on becoming more integrated, local, modern and open. This will involve streamlining back office functions (e.g. IT, human resources and finance), as well as integrating work at the local level across organisations such as the Environment Agency, the Animal and Plant Health Agency, the Rural Payments Agency and Natural England. Defra will structure its work around river catchments and landscapes that make up the environment. From July, the area structure for the Environment Agency and Natural England will be aligned, allowing a plan and budget to be developed for each area.

Building on the example of the Somerset Rivers Authority, there is a need to empower landowners, farmers, environmental groups and others. At the most basic level this means individuals being given greater information, tools and capability to contribute to their

¹ This objective is internally focussed and while part of the Defra Strategy is not included in the Single Departmental Plan

local environment. It also means communities having the wherewithal to make local decisions. For many issues local ownership and local action will be more effective, with Defra bodies taking a more strategic role.

Defra needs to modernise, using data and technology to deliver things in a more efficient way. An example is our Open Data Programme which will help to boost growth and improve productivity by making 8,000 datasets freely available for use.

Another example is opening up LIDAR, used by the Environment Agency to plan flood defences, and which can now be exploited by anyone from local planners to archaeologists and ecologists.

Changing the way we work will help Defra to achieve the 26% reduction in its administration budget that is required by 2019–20. This will be supported by strong leadership by the Executive Committee, which manages the overall business of the organisation. This Committee has been expanded to include the Chief Executives of the Environment Agency, Natural England, the Rural Payments Agency, and the Animal and Plant Health Agency. Defra is also building coherent and comprehensive planning and performance tracking frameworks to ensure a transparent line of sight from strategic objectives to local delivery.

Disallowance penalties: Common Agricultural Policy

4. The new Common Agricultural Policy has a highly complex set of rules to which farmers and government agencies must strictly adhere if EU funding is not to be jeopardised. This complexity means that there is a high likelihood of further disallowance penalties being incurred which will be payable by Defra in future years. It is essential that Defra continues to press the EU for simplified CAP arrangements, including a more effective set of rules which minimise financial risk and deliver the optimum outcomes for farmers, food supply and the environment.

Defra has consistently pressed the Commission to simplify the Common Agricultural Policy (CAP) at Ministerial and working-group level, following the most complex reform in 2013. The current CAP is overly complicated for farmers and administrations, with rising costs. There is the potential to remove excessive inspection and control requirements that are burdensome for farmers and do not add further protection to the CAP Fund. The Secretary of State wrote to the Commissioner on three separate occasions in 2015 on simplification and discussed it in each meeting with him. Changes so far have been limited to tweaks around the edges, however the Commissioner is actively engaging on the simplification agenda and the department will continue to present proposals to the Commission in 2016 to the benefit of farmers.

In December 2015, the Commission published a public consultation on the greening requirements. Defra continues to support an overhaul of these requirements, including removal of the ineffective Crop Diversification requirement, sometimes known as the 'three crop rule'. Our response is being prepared accordingly.

The department is committed to minimising disallowance. As well as seeking simplifications of the CAP, our Disallowance Strategy includes improving our processes,

IT systems and data. It will enable us to target mitigating actions on the areas of highest risk. This includes ensuring that the Rural Payments Agency has the resources available to ensure our mapping data is as up-to-date as possible.

5. We welcome the commitment from Defra and the Rural Payments Agency to making CAP payments to farmers promptly and the promising start made in December to paying 2015 Basic Payment Scheme claims, but in view of long-running problems with such payments, we will continue to monitor over the coming months the performance of the Agency and its new IT claims processing systems.

The Rural Payments Agency (RPA) had paid 77% of Basic Payment Scheme customers by the end of January 2016 (around £1 billion). We understand the importance of these payments to farmers and the RPA is working hard to make the remaining payments as quickly as possible.

This was the first year of the new complex CAP scheme. The Rural Payments service has been processing and paying full and accurate claims from the 1 December 2015 and we are confident that payment performance will improve year on year, as it did under the 2005–2014 CAP scheme.

Fines for infringements of EU water and air quality regulations

6. We have announced an inquiry into air quality issues in view of the health and environmental impacts of air pollution. In that we will assess not only whether Defra's plans are adequate for meeting specific nitrogen dioxide limits so as to avoid wasting potentially significant sums of public money in paying EU fines, but also whether the Department has a sufficiently robust policy for reducing air-borne pollutants to levels that safeguard health and the natural environment.

7. Defra's policies must not only ensure compliance with current EU rules for environmental standards but be future-proofed against coming challenges. Robust policies and adequately funded programmes are needed to tackle air and water pollution and to minimise the risk of being fined huge sums by the EU. Incurring large fines at a time of reducing budgets prejudices the delivery of vital services and is completely unacceptable since it removes money from delivery of vital services.

Air Quality

Defra welcomes the opportunity to contribute to the EFRA Committee's inquiry into Defra's responsibilities for air quality. Defra has submitted a written response and the Defra Parliamentary Under Secretary, Rory Stewart MP, and Minister for Government Policy, Oliver Letwin MP, appeared before the Committee on 3 February 2016.

A cleaner, healthier environment benefits people and the economy. Clean air is vital for people's health and the environment, and is essential for making sure our cities are welcoming places for people to live and work now and in the future. Our ambition is to make the UK a country with some of the very best air quality in the world.

The UK Air Quality Plan

The Government is committed to improving the UK's air quality, reducing health impacts, and fulfilling our legal obligations. The UK Air Quality Plan for nitrogen dioxide (NO₂), published on 17 December 2015, sets out a comprehensive approach for meeting these goals, including by implementing new clean air zones. It forms the Government's UK plan for reducing nitrogen dioxide emissions in our towns and cities as part of its commitment for cleaner air.

The Air Quality Plan sets out targeted local, regional and national measures to ensure that UK air will be cleaner than ever before. This will build on significant improvements in air quality in recent decades and fulfil the Government's environmental responsibilities, benefit the nation's health and make the UK's cities better places to live and work.

Infraction

All Member States, including the UK, are facing difficulties addressing air pollution. In 2013, 17 out of 27 Member States were non-compliant with the annual mean NO₂ limit value. The Government and devolved administrations continue to take action in the UK and to work with colleagues in other Member States to reduce pollutants and improve air quality. We are working in partnership with local authorities and the Commission to avoid any prospect of fines levied from infraction.

Water Quality

Defra is committed to full compliance with the Urban Waste Water Treatment Directive to protect our rivers and waterways from the impact of untreated waste water. Since privatisation, water companies have invested around £9 billion and are forecast to spend a further £0.8 billion between 2015 and 2020 to ensure compliance with the Directive. This investment has helped to ensure that around 98% of agglomerations comply with the Directive's treatment standard and has reduced levels of ammonia and phosphate being discharged by sewage treatment works by 72% and 61% respectively, compared to 1995 levels.

Where infractions arise, Defra maintains regular contact with the Commission and keeps the Commission informed of the progress the UK is making to achieve compliance in order to help reduce the risk of cases proceeding to fines. In relation to the breaches identified at London and Whitburn in 2012, we have plans in place to achieve compliance by 2023 and 2017 respectively. In London this involves a significant programme of works, notably the Thames Tideway Tunnel; a major infrastructure project expected to be completed by 2023, at an estimated cost of £4.2 billion, which will help protect the River Thames from the impact of sewage overflows.

Defra, and in particular the Environment Agency, have been working closely with the water industry on action necessary to demonstrate and ensure future compliance of collecting systems and has placed a new resilience duty on Ofwat. This includes the objective of securing the long-term resilience of undertakers' sewerage systems as regards environmental pressures, population growth and changes in consumer behaviour.

Flooding

8. Defra's six-year commitment to capital funding for flood defence work brings welcome certainty at a time of budget constraints. The large number of properties at significant, and in some cases increasing, risk of flooding means that prioritising spend on flood defences is essential if the UK is to minimise potentially huge costs of future flood events. Considerable economic gains may be made for local communities by unlocking for development land that would otherwise be unusable owing to flood risk.

Defra's funding approach targets Government's grant in aid for defence improvements to reduce the risk of flooding to existing development, homes and the economy. Partnership funding encourages potential developers in areas of risk to add to available Government funding for defence to enable economic growth. The National Flood Resilience Review, chaired by the Chancellor of the Duchy of Lancaster, is looking into the way we make decisions about flood expenditure.

9. However, the Department has not obtained a firm commitment from the private sector that it will provide the level of investment necessary if funding targets are to be met. We welcome Spending Review assurances that funding to maintain flood assets it to be protected since investing in assets without assurance that they will be kept in adequate condition to meet rising challenges of flooding is not the most cost-effective use of money and reducing investment in activities such as dredging is a false economy.

The Environment Agency has calculated that, in addition to £2.3 billion central Government funding, £600 million further contributions will be required to meet the objective of providing better protection to 300,000 households by 2021. Less than a year into a six year programme of work the Agency and other risk management authorities have secured £270 million and identified sources for the other £330million. This is good progress but Defra, including the Environment Agency, recognise that securing the remaining funding is important. Accordingly, we are regularly monitoring progress alongside the Infrastructure and Projects Authority.

10. We are concerned that Defra's requirement to find reductions of 15% in resource budgets over the next four years may affect vital flood protection work. We recommend that Defra set out within the next three months the implications of the Spending Review settlement on resource budgets for maintaining flood capital assets and for undertaking routine maintenance work such as the dredging of rivers.

In the 2015 Spending Review Defra confirmed that it would be protecting the Environment Agency's maintenance budget (resource) in real terms over this Parliament. In support, the Environment Agency has an efficiency programme, which is expected to make their maintenance work 10% more efficient with those savings being recycled back into the maintenance budget.

Animal and plant diseases

11. Failure to manage threats from animal and plant diseases causes significant costs to farming and rural communities. Sound science is essential to provide a robust evidence base for decisions on policies to tackle diseases.

12. We welcome Defra's investment in science and research to identify effective ways to minimise threats from animal and plant diseases, and we recommend that the Department ensure that the costs and benefits of supporting such research are explicitly taken into account in future funding decisions.

The Government agrees that in order to develop the most effective and efficient policies to tackle diseases and pests, it is essential that we have an evidence base that is robust and which is based on sound science.

That is why the Government is prioritising spending on animal and plant disease prevention and will invest £130 million capital funding in Defra's science estates by 2020–21, including around £65 million in new capital to improving our resilience to animal disease. This will bring us state-of-the-art laboratories and fund the upgrade of our bio-containment facilities at Weybridge, securing our ability to fight diseases like Foot and Mouth Disease, rabies, brucellosis, bovine tuberculosis (bTB), swine fever and avian influenza. The Government will also continue to invest in implementing its 25-year strategy to eradicate bTB.

Defra prioritises animal and plant health action based on risk and there are scientific processes in place which systematically screen for new and emerging risks, allow for early stakeholder involvement and rapid escalation of major risks to Ministerial level. For example, the Plant Health Risk Register currently includes more than 800 possible pests, which are not present in the UK or are present but not to their maximum extent. Decisions are informed by international best practice and advice from the UK's Chief Veterinary Officer and Chief Plant Health Officer.

Defra works closely with other research bodies, both nationally and internationally. An example is the imminent establishment, with other government departments, public bodies, the devolved administrations and research councils, of the Animal and Plant Health UK Science Partnership. The vision of the Partnership is to ensure that the UK has the science capability to protect and enhance the contributions animal and plant health make to society. The Department also has a large programme of plant health research, which includes the £9.6 million Tree Health and Plant Biosecurity Initiative, collaboratively funded by Defra, research councils², the Forestry Commission and Scottish Government, which, for example, has funded research to develop tolerant trees in response to ash dieback. This is supported by the commissioning experts to undertake robust research and make full use of peer reviews to provide quality assurance.

Internationally, Defra leads the STAR-IDAZ global network on animal disease research which involves partners from approximately 50 countries world-wide with the objective of improving collaboration through the exchange of information and working together on priority topics including bovine TB, Foot and Mouth Disease, influenza, African Swine Fever, vaccinology and alternatives to antimicrobials. Defra is also a founding member of Euphresco, a large European Network of 30 phytosanitary (statutory plant health) funders

² The Biotechnology and Biological Sciences Research Council (BBSRC), Economic and Social Research Council (ESRC) and Natural Environment Research Council (NERC)

from across Europe. The Network increases cooperation and coordination of national phytosanitary research programmes through the development and maintenance of an EU-wide research strategy and the facilitation of transnational research projects.

When considering the costs and benefits of carrying out research, Defra collaborates with others in order to lever in research money from elsewhere. For example for 2014–15 with plant health projects we leveraged £12.9 million from £7.1 million of Defra investment. Also, as outlined above, Defra works closely with stakeholders to prioritise our budget expenditure in order to maximise the benefits.

13. Opinions differ strongly over how best to manage threats from diseases such as bovine tuberculosis (bTB). Defra must establish a thorough evidence base for underpinning policy formulation and communicate it in a fully transparent manner to set out clearly the reasons for the policy decisions it takes. Defra must publish full data on bTB incidence in areas where badgers have been culled.

The Government's 25-year strategy to eradicate bTB in England notes that the epidemiology of the disease 'is complex and, despite considerable investment in the evidence base over the last 20 years, much remains highly uncertain. While the evidence that is available needs to be used and weighted appropriately according to its relevance and reliability, there is a need to pursue an adaptive approach to policy development, particularly as the evidence base grows and new interventions are tried and tested'.

Thus, the strategy commits to deploying 'a package of interventions, flexibly informed by scientific and veterinary advice, to address all likely routes of disease transmission.' It adds that 'due to the biology of bTB and its complex epidemiology, most effects of interventions will only be seen several years after their introduction and, even then, it will be difficult to assign cause and effect to any particular intervention. As a result, each of these interventions is open to challenge by those with different perceptions of where the real problem lies. Consequently, success is measured through the combined impacts of a national system of intervention, rather than looking at individual control measures in isolation'.

Nevertheless, the Government continues to monitor the impact of the badger control policy. The Animal and Plant Health Agency's report of the analysis of the impact of the first year of badger control in Somerset and Gloucestershire, including full data on bTB incidence in areas where badgers have been culled, was published on www.gov.uk in August 2015. The Government plans to publish further annual reports. It is important to manage stakeholder expectations in the short-term as the Randomised Badger Culling Trial (RBCT) did not give a statistically significant overall benefit until the fourth annual cull had taken place.

14. Tackling diseases such as bTB require a holistic approach and we recommend that the Government rolls out at the earliest opportunity all aspects of its strategy which are underpinned by a strong evidence base. We further recommend that Defra takes into account approaches by devolved administrations and the evidence as to the effectiveness or otherwise of the different nations' approaches to managing bTB.

The Government agrees that tackling bTB requires a holistic approach and this is why its 25-year strategy to eradicate the disease in England includes strengthening cattle testing and movement controls, improving biosecurity on farm and when trading, and badger

control in areas where TB is rife. The Government has indicated that it wants to see badger control over a wider number of areas from 2016 in line with the UK Chief Veterinary Officer's advice on what is needed to realise disease control benefits at regional level.

The Government works closely with the devolved administrations and will continue to assess evidence as to the effectiveness or otherwise of different approaches deployed as part of efforts to eradicate bTB. However, given the complex epidemiology of the disease, there is no 'one-size-fits-all' approach. The Government's strategy for England involves 'applying different sets of interventions according to circumstances because the problem is different in different parts of the country'.

Rural proofing

15. Defra still has work to do to ensure that rural issues are addressed robustly by a number of other government departments. A small department such as Defra cannot attempt to monitor across Whitehall all of the actions that affect rural communities. Instead, it must put in place the right mechanisms to ensure that individual departments to take account of rural issues.

16. Defra must champion rural communities more vigorously by ensuring that all government departments embed rural evidence effectively into their policy-making processes. We recommend that the Department respond in full to Lord Cameron's review of Rural Proofing Implementation within three months explaining how it will achieve this.

The Government is committed to ensuring the interests of rural communities and businesses are accounted for within our policies and programmes, working for all parts of the country. Rural communities and businesses rightly expect to contribute to, and benefit from, economic and productivity growth. They also expect that all Government policies and programmes should be sufficiently flexible that they deliver quality services to meet their everyday needs. Defra will continue to promote rural policy across government and give a strong voice to countryside issues.

The Government published its response to Lord Cameron's review of rural proofing in December 2015. This covers all of the recommendations made by Lord Cameron and his review team. We will put in place the right mechanisms to ensure that individual departments take account of rural issues and to 'mainstream' an improved approach to rural proofing in policy and programme development by all Government Departments. We are also expecting other Departments to include in their Single Departmental Plans their commitments from the Rural Productivity Plan.

The actions we are taking include:

- Development of improved guidance on 'rural proofing' to be used as part of the Impact Assessment process;
- Establishing a Cabinet Office led oversight of rural proofing across Government;
- Creating an online rural data and evidence hub for rural proofing practitioners to use when developing policies and programmes;

- Rolling out a training package for Departments, including advice on better use of the Government's urban / rural classification;
- Creating a new 'rural ambassador' role operating across Government Departments; and;
- Having Ministers representing rural issues on cross government 'implementation task forces' on identified priority issues such as housing, broadband and childcare.

17. Absence of effective internet and mobile phone connectivity hampers economic growth in some rural areas. The Government must support timely and efficient roll-out of fast broadband to all communities if rural areas are not to languish in the broadband slow-lane. It should aim for 100% coverage as near as is practically possible for all communities. We recommend that Defra communicate strongly to the Department for Culture, Media and Sport the need for rural areas to take a central place in broadband and mobile telephony coverage plans, including in the development of Universal Service Obligations on the sector. Any new Universal Service Obligation must in practice deliver affordable connections at sufficient speeds to all areas of the country.

The Government fully recognises the need for fast, effective broadband and mobile phone access to all communities, and their importance in supporting economic growth. Improving coverage across the country is a key priority for Government. Defra works closely with the Department for Culture, Media and Sport (DCMS), including Broadband Delivery UK, over the roll-out of universal broadband and better mobile phone connections, where a key focus is on rural and hard to reach areas. The Rural Productivity Plan published in August includes a range of measures to improve connectivity for rural homes and businesses. Defra Ministers are directly involved through bilateral meetings with DCMS Ministers and the Digital Implementation Taskforce. The new rural ambassador will work with relevant Government Departments at senior official level to promote improvements in infrastructure and connectivity.

From the end of December 2015, all homes and businesses are now guaranteed access to a minimum broadband connection of at least 2Mbps. Current plans will deliver superfast broadband to 95% of the UK by the end of 2017. Additional funding arising from a claw-back mechanism in some existing broadband contracts will be reinvested to support the extension of superfast coverage beyond 95%.

Government is also taking firm steps towards developing a new broadband Universal Service Obligation by 2020, with the ambition to set this at 10Mbps. Defra is closely engaged with DCMS on the detail, including on coverage and affordability. The Government intends to consult on this in early spring 2016.

Leading Defra

18. Staff engagement is central to the effectiveness of Defra's operations. Whether on the front-line responding to floods and animal disease outbreaks, or in back-office functions developing policies and supporting those delivering services, a motivated workforce underpins an effective Department. It is to the credit of staff working for Defra and its agencies that they have risen to the challenges to enable services to

be delivered despite reducing resources. It is a concern, though, that Defra scores below the civil service average for staff engagement and on staff views of leadership. Clearly there are greater challenges in some agencies than others. We note what the new Permanent Secretary told us about a focus on staff and their development and a renewed focus on leadership.

We welcome the Committee's recognition of the tremendous efforts of people across the Defra group in the response to the recent floods and avian influenza outbreaks, especially over the Christmas and New Year period.

The 2015 People Survey results became available in November 2015 and show a drop in engagement for the central Department and larger agencies. This further widens the gap to the civil service average and is a cause for concern given that, as the Committee has noted, engagement is central to the effectiveness of Defra's operations. The senior leadership is taking to address this and we will be happy to update the Committee in due course.

19. We recommend that, in updating the Committee on how the Spending Review will impact on service delivery, Defra inform us about its strategy for maintaining morale among staff and for ensuring that valuable expertise is not lost.

Defra anticipates continuing to use a mix of Voluntary Exit Schemes and selection exercises, to ensure we have the right people with the right skills to deliver our strategic objectives. We will continue to maintain a strong focus on capability in selection processes, and in continuing development, so that we retain the most talented people for increasingly exciting and challenging careers in Defra. Defra's operation of a paybill pilot will allow us to continue to make use of flexibilities, within overall limits, in terms of staff pay and performance related bonuses. This should help further address matters of staff morale.

20. Defra's Ministers and senior leadership team must give greater priority to managing delivery bodies such as the Rural Payments Agency if the Department is to ensure effective outcomes from its policies. A shared vision and strategic direction is essential but this requires firm leadership and constructive relationships founded on good communication.

The Defra Executive Committee now provides overall leadership for the Defra group, working to a shared strategy and the Single Departmental Plan. These are underpinned by a shared vision and strategic direction with a commitment to organisational improvement, embodied notably in the sixth objective: "An organisation continually striving to be the best, focussed on outcomes and constantly challenging itself"

The strategy includes new principles, agreed by the Executive Committee, that will guide how Defra operates in future and help everyone in the organisation to focus on achieving effective outcomes. This will be facilitated by coherent planning and performance tracking frameworks to ensure transparent line-of-sight from strategic objectives to local delivery.