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The Rt Hon George Eustice MP
Secretary of State for Environment, Food and Rural Affairs
Department for Environment Food & Rural Affairs
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Dear George,

Thank you for your response to our letter of 15 February. It clarified many of the issues the Committee were concerned about. We are now writing to provide our final recommendations on the Agricultural Support framework.

Page 25 of the provisional framework states that the PCG would convene every three months, yet Annex B states the PCG will "normally meet every month". Your letter confirmed that the PCG meets monthly, but as the framework becomes more embedded, meetings might transition to taking place every 6-8 weeks.

We therefore recommend that the framework is updated to state that PCG meetings take place monthly, with an option for this to be less frequent as the framework becomes embedded, and that references to it taking place every three months are removed.

The Committee was not clear on who takes on the role of the secretariat for the PCG and MMG. On page 25 we read that "The MMG will be supported by a standing DEFRA secretariat and the PCG will be supported by a rotating secretariat". Yet in Annex B, we read that the PCG will be "supported by a standing DEFRA secretariat". You confirmed that "both the PCG and the MMG will be supported by a standing Defra Secretariat. The Chair of the PCG will rotate among senior officials from Defra and the devolved governments. It is intended that the Chair of the MMG will rotate but the devolved governments have agreed that, for the present time, Defra will chair".

We recommend that the framework is updated to clarify that the PCG and MMG will both be supported by a standing DEFRA Secretariat, and that the framework is updated to include arrangements about the chair of each of these groups.

The Committee was not clear on the relationship between the PCG and MMG. Your letter gave more information about this relationship, particularly on how the MMG advises the PCG. You also provided new information about the meetings of these groups being synchronised.

We recommend that the framework is updated to include the information you provided to us about the relationship between the PCG and MMG, including on how their monthly meetings are synchronised.

The Committee was not clear on reference in the framework to the UK Agriculture Market Policy Group (UKAMPG) in Annex C. No information was provided in the framework about this group. You clarified to us that the UKAMPG was the previous name for the PCG.

We recommend that the framework is updated to remove reference to the UK Agriculture Market Policy Group (UKAMPG).

The Committee was also not clear on a reference on page 22 to the PCG engaging with the proposed 'Farming Conference UK', another group which we could find no information about. You clarified that this refers to what has now become the UK Agriculture Partnership, but that references to specific stakeholder groups are unnecessary.

We recommend the framework is updated to remove reference to Farming Conference UK.

We were not clear on the difference between senior officials who sat on the PCG and SOPB. You told us that "broadly speaking, officials with policy responsibilities for agriculture and future farming attend the PCG while officials attending the Senior Officials Programme Board have responsibilities for the oversight of relationships across a wider range of devolved issues across the Efra portfolio."

We recommend that the framework provides this information on the membership of the PCG and SOPB.

We were concerned that the framework was unclear on how often reviews would take place. You clarified that reviews would be once a year, unless the reviews agreed a three year gap between reviews was appropriate.

We recommend the framework is updated to make it clear that reviews will happen every year until the reviewers agree that a three year period between reviews is satisfactory.

We are disappointed to note the absence in this framework of any commitments on ongoing engagement with Parliament. We note the absence of any commitments in the texts of these frameworks to publish reviews of the frameworks or to update legislatures on the outcomes of reviews. The Government has separately committed to improving transparency in Intergovernmental Relations. Transparency in this area should include regular statements to legislatures on the functioning of these frameworks.

We recommend that the framework should be updated to include a commitment to update the House of Lords, House of Commons and the three

devolved legislatures on the ongoing functioning of these frameworks after the conclusion of the scheduled reviews.

In our previous letter to you, we raised concerns about the impact the Subsidy Control Bill could have on the framework. While we appreciate your response that the Bill is intended to complement the framework, the Committee remain concerned that there is an incompatibility between the Bill and framework. Although you state in your letter that the Secretary of State can simply refer subsidies rather than override them, we remain concerned about what would happen if the CMA took a different decision to one reached through the framework. It appears there is still scope for any proposals made by devolved governments to be overruled. In your letter of 15 February, you state that subsidy schemes would only be referred to ensure compliance with international obligations. We must point out, however, that while the negotiation of international agreements is reserved, as according to the devolution settlements (the Scotland Act 1998, the Northern Ireland Act 1998,² and the Government of Wales Act 2006³), the implementation of international agreements remains devolved. This suggests there is still a risk that any proposals made by the devolved administrations for areas covered by an international agreement, that they are responsible for implementing, could be undermined by such action. It is essential to the functioning and success of the Union that the powers of the devolved administrations are respected, and we are concerned that this issue could further destabilise the devolution settlements and impede positive cooperation within common frameworks.

We recommend that the Government carefully consider how the Subsidy Control Bill might contradict the aims of common frameworks and impede their successful operation. Decisions made through cooperation between the devolved powers via a common framework should take priority in areas where the Subsidy Control Bill is relevant.

We recommend that the framework is updated to include that reviews should analyse how the framework is interacting with the Subsidy Control Bill. This information should be presented at the regular updates to legislatures we have recommended.

The Committee were disappointed to see that the process for agreeing exclusions from the UK Internal Market Act 2020 was not contained in the framework. While we appreciate that in a recent letter to us you expressed the view that the UK Internal Market Act exclusions process does not need to be provided in the framework, we do not believe this stance is satisfactory. The UK Internal Market Act exclusions process must be set out in relevant frameworks as paragraph 2b of the exclusions process guidance states. Failure to do so jeopardises respecting the autonomy of the devolved administrations within their areas of competence. It should be clearly set out in relevant common frameworks as an essential process agreed for the wider Programme. We are writing to the devolved administrations to seek their views on this matter.

¹ Scotland Act 1998, Schedule 5 Scotland Act 1998 (legislation.gov.uk)

² Northern Ireland Act 1998, Section 27 Northern Ireland Act 1998 (legislation.gov.uk)

³ Government of Wales Act 2006, Section 82 Government of Wales Act 2006 (legislation.gov.uk)

We recommend that the framework is updated to include text setting out the UK Internal Market Act exclusions process.

Yours sincerely,

Baroness Andrews Chair of the Common Frameworks Scrutiny Committee