

Brexit and the UK border: progress review inquiry

Submission by Prospect to Public Accounts Committee

30th October 2018

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1. Prospect is the trade union representing around 19,000 skilled professionals and specialists in the agriculture and environmental sectors across the UK. The day-to-day activities of many of our members are critical to the quality of the food that we eat, the water that we drink and the air that we breathe. Many of these activities are either directly determined or significantly impacted by EU legislation.
2. Our members include staff involved in frontline inspectors for plant and animal health at UK points of entry for goods and services. We represent and negotiate on behalf of members in Defra and in government agencies covering animal and plant health. Our members are the specialists in research, conservation, policy advice, regulation, inspection and enforcement helping to protect and maintain our natural world, access to the countryside and environmental standards.
3. We welcomed the recent National Audit Office report that found serious concerns about the preparedness and resources available to operate border inspections, including the infrastructure and staffing to manage risks associated with biosecurity and food standards.

Executive Summary

4. We remain concerned that Defra has not undertaken the necessary preparations or risk assessments to ensure that an adequate plant and animal inspection regime is in place when we leave the EU. As the NAO reported noted, in the event of a no deal exit: "Defra intends not to apply regulatory or safety checks on the majority of agriculture and food-related produced and other goods arriving from the EU." We do not believe that Defra has fully and transparently undertaken the assessment of risks associated with adopting this position on day one of a no deal scenario.
5. Biosecurity, plant and animal health are of growing importance to the UK, even before the referendum vote to leave the European Union. In recent years we have seen a growing number of pests and diseases entering the UK. These include the ash dieback outbreak first identified in Buckinghamshire in 2012, the Asian Longhorn outbreak in Kent in 2012 through to more recent discoveries of the Asian hornet found by the National Bee Unit in Devon and the Asian Tiger Mosquito confirmed by Public Health England last year.
6. Brexit is already putting significant pressure on Defra and its agencies, coming on top of seven years of unprecedented cuts. Government needs to urgently invest in the skilled staff needed to maintain operational delivery post-Brexit. We are concerned the cumulative impact of cuts across Defra has affected the ability of the government to manage risks and respond to the different scenarios of the UK's exit from the EU.
7. The loss of our current access arrangements to EU markets will create additional risks for biosecurity. Resources, or the lack of them, may force hard decisions on government about inspection regimes and the infrastructure to secure the movement of animal and plant products. Thus undermining UK biosecurity.
8. The challenges of managing these risks will be particularly severe if the UK reverts to third country status for trading purposes – meaning the need for new trading and border arrangements. Government should do all that is necessary to keep the UK in the single market and maintain frictionless trade.

9. In effect, if border arrangements change, government will need to decide whether it will pay for secure infrastructure or to take a calculated risk about possible pests or diseases entering the UK. The NAO report indicates that the Defra has accepted it would have a sub-optimal solution in a day-one No Deal scenario. We have not seen any evidence about how the department has calculated the risk associated with this approach.
10. Regulatory standards must not be compromised.
11. The Government has sought to reassure EU nationals living in the UK that their right to remain will be guaranteed, even in the event of a No Deal Brexit. However we await detail on the technical legal position. It is vital that the we maintain the ability to recruit EU nationals into the environmental sector. The current government proposal to expand the Tier 2 visa process, including a salary threshold, for future EEA migration is completely unsuitable and will materially damage our ability to recruit skilled staff into the sector. This is especially relevant concerning Animal Health Veterinary grades within APHA.
12. Government needs to invest more in agricultural and environmental science, not just up to 2020 but to provide longer-term reassurance about funding streams. It must also develop an implementation plan to deliver its aspirations for future scientific collaboration with the EU27.
13. Very careful consideration must be given to the agricultural and environmental implications of Brexit for the Devolved Administrations.

Resource challenge

14. Defra and its agencies are at the frontline of looking after our environment, agriculture and associated safety standards. The challenge of transferring agricultural and environmental governance from the EU to the UK is one of the most complex aspects of Brexit. Whilst much of the attention has focussed on the legislative aspects of Brexit, success will be dependent on Defra having the skilled workforce and resources to deliver any new framework.
15. The Institute for Government estimates that 80% of Defra's work is 'framed' by EU legislation. The Government estimates that about 1,200 EU laws, a quarter of the total, relate to Defra.
16. Defra has been one of the departments worst hit by austerity. Defra staffing levels fell by 38% between 2010 and 2016. Even with recent, often fixed-term, contract additions to deal with Brexit policy matters, staffing levels are still 29% below 2010 levels. In real terms, Defra's resource budget has been cut by a third since 2010/11.
17. Even though the Treasury has granted Defra more funding to help with Brexit work, this additional amount is less than the cut to its funding announced in the 2015 Spending Review.
18. The National Audit Report on 'DEFRA preparation for Brexit', published in December 2017, highlighted the pressure on the department of the scale of the EU Exit programme alongside maintaining business as usual, finding that 'individual workloads at all levels that have increased markedly Putting pressure on organisational resilience'.

19. As a consequence of Brexit the Defra Group has been forced to engage additional staff to manage the exit process. The rapid increase in new staff following the Brexit vote, including a growing number of temporary appointments, has not eased pressure on the department or its pre-Brexit priorities. Specialist staff are vital in areas such as biosecurity. We note that the 2017 NAO report shared our concerns that 'recruitment will become increasingly challenging'.
20. We note that Defra and the Animal and Plant Health Agency are now actively recruiting new staff to deal with the consequences of leaving the EU. We are concerned that the induction and training for inspectors which could be comprised by the short-timescale Defra have to put a new regime in place. For example, our best estimate is that it takes around two years to adequately train an inland plant health inspector for food and plant products. The timescale to transition and departmental delays in preparing for the UK's exit from the EU means that that this level of training will simply not be possible.
21. Restrictions on free movement of people will further hamper DEFRA's ability to handle extra responsibilities post-Brexit. EU nationals working in agriculture and environmental roles make an important contribution to the work of their organisations.
22. Survey evidence from Prospect members shows that, without the contribution of the non-British EU nationals working in Defra related fields:
 - Key projects would be unsupported and the ability to sustain excellence would be rapidly reduced;
 - Would lose ground on reputation and ranking of skills in comparison with international competitors and collaborators; and
 - The UK's status as a world player in environmental research would very quickly be lost because in the words of one respondent: "Nobody can do serious science without an international workforce".
23. 90% of respondents to a Prospect survey conducted in autumn 2017 considered that current Brexit plans would have a negative impact on their work and, among EU nationals, 65% of vets and 78% of scientists are considering leaving the UK as a result of Brexit. 75% of official vets working for the Food Standards Agency in England and around 95% in Scotland are non-UK EU nationals.
24. Although the Joint Report published by the Government in December 2017 offered some progress for EU nationals already resident in the UK, it left glaring omissions regarding future mobility.

Plant Health Trade – existing arrangements

25. Plant health inspections in England and Wales are the responsibility of the Animal and Plant Health Agency (APHA). Forestry tree-related plant health matters are the responsibility of the Forestry Commission.
26. As a member of the EU, only plant imports from third countries require mandatory inspection on entry to the UK. This is a small percentage of total plant imports into the UK most of which originate from other EU Member States.

27. Third country imports must currently register at least 4 hours before arrival with HMRC and then are charged a cost to cover the cost of inspection. This charge is collected by Defra. They also have to pre-register electronically for customs purposes with the International Trade Customer Service Centre for Validation.
28. Imports that originate in the EU do not have to register and are not charged because they are not subject to mandatory inspection.
29. Imports from outside the EU are checked at point of entry by Plant Health Inspectors. There are permanent staff at major import portals, such as Heathrow and Manchester Airports, with a responsive service covering other smaller centres including sea ports.
30. The current number of Plant Health Inspectors at Heathrow and Manchester Airports is as follows:

	Heathrow Airport	Manchester Airport
2016	22	2
2017	24	3
2018	22*	6

** There are currently 5 vacancies for Plant Health Inspectors at Heathrow Airport.*

Source: George Eustace, Written Answer, 27 March 2018

31. Most EU plant produce is imported via ports (Roll-on Roll-off trade) and enters the UK via road haulage.
32. Plant related tests for prohibited pests and to identify disease are processed by the FERA laboratory near York. This is the only official testing laboratory in England and Wales. This site is now 75 per cent owned by Capita, 25 per cent by DEFRA following its privatisation in 2015.
33. We believe it is important that the committee appreciates the existing testing and inspection regime, as it highlights the complexity and specialisation involved in protecting the UK from pests and diseases. We are unaware of the contract position that Defra holds with Capita for any additional use of facilities at the FERA laboratory in the scenario of No Deal whereby significantly greater levels of testing will be required, or whether that offers best value for taxpayers. It is not clear, irrespective of cost, whether capacity exists.
34. Defra does not have any meaningful data regarding the resource implications of increased border checks for third party (i.e. EU) imports would be, or on the volume of EU originating plant imports that would be subject to inspection if we lose our current EU market arrangements. Defra simply has not historically monitored these volumes as they do not need monitoring under EU rules. There is therefore a serious gap in

understanding of the trade entering the UK and the resources needed to police such trade.

35. In consequence, we are concerned that that likely impact of new border arrangements is not adequately being considered, or is under-estimated at best. The implications of new border arrangements raise serious concerns about what a new regime may look like and how biosecurity will be balanced against the import needs of business. These implications include:
- There will most likely need to be large increase in Plant Health Import Inspectors to manage physical checks on imports.
 - This may include the establishment of new permanent facilities at ports and other locations only currently staffed on an occasional basis. For example, UK ports that mainly deal with EU originating imports. This will include new infrastructure, staff, offices and IT.
 - Inland it is likely that multiple existing private premises will be authorised to receive imported plants and produce. Currently Defra have virtually no idea how many such private premises will need to be authorised. Consequently Defra has little idea about what inspector staffing resource will be necessary to service import inspections at these premises.
 - It is unclear if sufficient modelling has been undertaken on the impact of increased checks on demand for tests at the FERA laboratory, or whether alternative laboratory capacity will be needed.
 - For the food industry which relies on a just-in-time supply chain, additional checks at points of entry could lead to increased costs and delays. There will also be the physical question of where such checks on a large number of lorries could be undertaken without causing gridlock at ports.
 - Inland points of inspection, as noted above, could solve this problem but only if Defra were able to field sufficient numbers of inspectors to ensure rapid turnaround of inspections at these premises seven days a week.

Training and movement of goods into the UK

36. Prospect already has concerns about increasing pressures to reduce the level of training for Plant Health Inspectors that has impacted that service. Financial pressures on the Animal and Plant Health Agency (APHA) means that it will need additional resources for staff, training and IT infrastructure to support additional inspection requirements from Brexit.
37. The timescale for Brexit, and financial pressures, risk increasing the threat of pest and diseases not being adequately identified. There is a specific risk that the training regime for new staff will be reduced as existing staff are already responding to an increasing workload associated with Brexit. In effect, there will be neither the staff nor the time to train new staff to current standards.
38. APHA has already decided the future training will primarily focus on online risk-based assessment, rather than current face-to-face in-field training. Whilst this may be a pragmatic response to delays in preparing for the UK to leave the UK, it is important to recognise that the changes are also being driven by capacity and budget constraints. The best estimate of our members in expert frontline biosecurity roles is that it takes around two years to adequately train an inland inspector.

39. There is also the risk of creating divisions in the inspection regime with a separation of roles between staff physically inspecting goods and another group, likely to be remotely office based, undertaking documentary checks of the accompanying documentation. Without a seamless matching of these two functions goods will inevitably be held at inspection premises unnecessarily.
40. The key skill expected of an inspector looking at goods is to a) spot pests and disease, b) to decide on whether or not it is non-indigenous and, c) to decide to hold or release the goods. That decision-making process is undertaken by specialist inspectors in real-time at the location the material either enters the UK or inland.
41. We are concerned that the rush to recruit new inspectors will dilute best practice and standards in inspections, and also risk delays to legitimate and safe imports. For example, under current training arrangements, trainees will be accompanied by an experienced inspector for many months to provide oversight and advice on real-time decisions. Increasing the pressure on inspectors, without the resources, and moving to online training, could mean unnecessary delays to goods in transit as trainees adopt a more precautionary approach and hold materials for further tests.
42. A No Deal situation also raises the difficult situation whereby many plant products enter the UK from mainland Europe before travelling on to the Republic of Ireland. Under a No Deal scenario, or where the UK leaves the customs union, this would lead to additional bureaucracy and inspections for businesses who use the UK as a destination on route to Ireland.
43. In an extremely competitive market for costs, the knock-on effects for goods held for further tests could lead to additional costs for producers and problems with storage (especially perishable produce) as more goods are held at points of entry or inland. Similar delays could also occur with document checks and goods being held for longer. We make this point to highlight the risks of reducing the intensity, nature and expertise required for the training of new staff and its significant implications if Brexit is not managed well.
44. We understand that Defra is examining a proposal to establish inland authorised premises for inspections, as opposed to the point of entry. Whilst this may ease pressure or congestion at ports, it raises questions about how such a new regime would be adequately managed and resourced. It appears that businesses themselves will be authorised as points for inspection. This would create a more widespread and diffuse network of inspection points that are much more difficult to manage. We do not believe that Defra has undertaken the necessary risk assessment to underpin such an approach.