

Reimagining Defra's regulation: The Corry Review

Introduction

The Corry Review, which began last year, was published in April. The review aimed to assess whether Defra's regulatory landscape is fit for purpose, seeking to develop recommendations that would ensure regulation across Defra simultaneously safeguards the environment and promotes economic growth. It further aimed to explore; whether Defra's regulators are equipped to secure private sector investment, the customer and stakeholder experience of regulation, and the efficiency of regulation, particularly focusing on whether the current regulatory systems involve any duplication or contradiction.

Dan Corry, review lead and senior economist, said the country needs independent regulators that operate with a high degree of predictability and consistency. They should also be closely linked to the elected government's policy agenda and have enough discretion to do the right and often common-sense thing in the right place without being trapped by legal or cultural factors.

The review contained 29 recommendations set across five key areas:

- Regulation should focus on outcomes, scale and proportionality.
- "Green tape" should be untangled and tidied.
- Regulators should take a more consistent approach to compliance.
- There should be an improved flow of private finance for nature restoration and better-targeted public finance.
- Regulators should be brought up to date to be digital, more real-time and more innovative.

In response to the review, Defra has confirmed it is taking rapid action regarding eight of the recommendations. This briefing note outlines the review's recommendations, Defra's response, and the government's planned actions.

The review

The Corry Review envisions that the "Defra group's" regulatory landscape will be more streamlined, flexible, and effective, ultimately benefiting both the environment and rural economies. The recommendations aim to create a framework that balances environmental protection with economic growth, making regulations clearer, more predictable, and easier to navigate. The vision laid out by The Corry Review includes the following elements:

Clear and measurable objectives

The review recommends introducing a refreshed set of outcomes for regulators linked to the Environmental Improvement Plan (EIP) with a clear accountability framework. This means regulators will have specific, measurable goals that align with both environmental and economic objectives.

Strategic policy statements

New policy statements for all regulators will outline the government's priorities and provide clearer guidance and measurable objectives. This will help ensure regulatory actions are aligned with broader government goals, making it easier for stakeholders to understand and comply with regulations. The review says Defra needs to find a way to set the outcomes it wants regulators to achieve more clearly and let them get on with delivering these outcomes, using "constrained discretion" (i.e. the power to act according to their judgment) within the law. By providing regulators with refreshed policy statements, the decision-making process could be sped up and "detangled". Defra has already started implementing this recommendation, creating new policy statements for Natural England and the Environment Agency.

Establish a "Defra infrastructure board"

Aimed to accelerate the delivery of Nationally Significant Infrastructure Projects (NSIPs). The board would be required to compile a "rolling" pipeline of NSIPs and use lessons learned from previous projects to overcome barriers to delivery. By implementing a board, the government may be able to avoid recurrences of disproportionate solutions to meet compliance and regulation; a prime example of this happening in recent times is the HS2 "bat tunnel", which is expected to cost £100 million and run for only one kilometre, to avoid harm to the Bechstein's bat. The board will ensure regulatory decisions balance costs and proportionality and that high-cost or disproportionate issues are escalated to ministers. Defra has said it is already acting on this recommendation.

Local Nature Recovery Strategies

According to the review, Local Nature Recovery Strategies (LNRS) represent a “significant step” towards ensuring local authorities work in partnership with regulators and landowners/managers to deliver national environmental targets and objectives. While praising their joined-up approach, the review suggests LNRS could go even further by introducing the concept of local environmental improvement plans (EIPs). This approach encourages collaboration and leverages local knowledge and expertise to drive nature recovery efforts, leading to more effective and context-specific regulatory practices. The review says this recommendation could help move away from a “one size fits all” approach to regulation, and help deliver a system that focuses more on delivering the right solution in the right place. The government has yet to respond to this recommendation, but it may be considered in the upcoming EIP refresh due this summer.

Experimental sandboxes

The review says Defra regulators must take a more risk-based approach to be more innovative. Regulators are often caught between a high number of controversial reviews, which drives caution, and a public narrative that says they are too risk-averse. Using sandboxes would allow regulators to waive specific regulations to test projects and practices in a low-risk setting without the usual regulatory constraints. The review highlighted the success of using sandboxes in the Office for Nuclear Regulation, which has established various methods, such as expert panels, innovation cafes, and regulatory laboratories, which have helped increase stakeholder engagement on innovation and sped up the implementation of ideas and practices. The review says this approach can help stimulate a culture of experimentation and permission without undue risk, whilst avoiding environmental harm. The approach would work well for areas where improvements are being sought, such as nature recovery, rather than areas where risk is already being managed, like biosecurity. Defra has yet to respond to this recommendation.

Rolling review of regulations

The review has found many regulations are outdated and duplicated, mainly because of inherited EU legislation. Whilst it says there is a need to streamline and modernise regulation, it cautions that a “bonfire of regulations” is not the way forward. Instead, the review proposes specific actions and regulations to improve. A “rolling reform” process is proposed, focusing on quick wins. It suggests Defra should start with The Water Environment (Water Framework Directive) (England and Wales) Regulations 2017; The Conservation of Habitats and Species Regulations 2017; The Reduction and Prevention of Agricultural Diffuse Pollution Regulations 2018; and The Environmental Permitting Regulations 2016. Through this reform process, “green tape” can be tidied and simplified, and up-to-date processes can be created, reducing complexity and ease of compliance. Defra has responded to this recommendation, saying it will be “fast-tracking” work in this area.

Slurry application and storage reforms to help address diffuse water pollution from agricultural sources are listed as priority actions. This will likely involve changing the Farming Rules for Water and wider slurry application and storage regulations. The review says Defra should aim for a single set of rules that farmers can understand and comply with. Defra has yet to respond to this recommendation.

A “thin green line” for licensing and compliance

Various organisations that have worked with Defra and its agencies provided the review team with examples of what they consider to be inconsistencies and failings in Defra’s approach to licensing, permitting, monitoring and enforcing, with many saying Defra was “too slow” and lacked transparency. The review recommends increased autonomy for environmental and nature partners (for example, Natural England and the National Trust) by granting these organisations “class licences”, which would allow them to conduct nature recovery work without needing to apply to multiple regulators for various permissions. The government has said work towards this action is underway and has confirmed that a pilot collaboration between Natural England and the National Trust is taking place. It says this will allow the organisations to “cut down on the high volume of applications for consents, permits and licences they must currently submit”. A [consultation](#) on reforming environmental permitting in England and Wales is running until 3 June.

The complex nature of regulations has been highlighted in the review, particularly how it can create challenges for farmers and land managers to comply and foster distrust of Defra as a public body. Considering this, the review recommends Defra rapidly reviews and rewrites its existing catalogue of compliance guidance to ensure it is fit for purpose, removing any duplication, ambiguity and inconsistency. The review says Defra should review its entire approach to enforcement and sanctions for breaches of these regulations, ensuring a consistent approach is taken. Tougher penalties are suggested for deliberate non-compliance, but in the form of fines to reduce the burden on the court system. Defra has said it will review its compliance guidelines but has yet to respond regarding enforcement. Any changes to the enforcement process may require legislative change, which can be a long process.

Increased private money – and better-targeted public money

The review calls for establishing a “Nature Market Accelerator” to join nature markets such as biodiversity net gain, nature-based solutions, and voluntary initiatives similar to the woodland carbon code and peatland codes, as well as to accelerate investment into these initiatives. The review says this should be small, focused and industry-funded, with clear market rules and governance. The review argues this will drive momentum towards the EIP target of mobilising at least £500 million of private finance per year into nature's recovery in England by 2027 and more than £1 billion per year by 2030. Defra has confirmed that it plans to launch a Nature Market Accelerator, though it has not said which nature markets it will cover.

Also included in the review is a call to Defra to set out publicly how rural grants and payments can be used by farmers and landowners, combined with green finance, to balance food production and nature outcomes. The review suggests Defra's 25-year farming roadmap will be an opportunity to do this. It should set out where grants and payments have delivered multiple outcomes, how they can be integrated with green finance, and where they will need to evolve to meet the needs of farmers and food production, whilst delivering nature recovery outcomes. This will then allow farmers and landowners to consider how best to blend investment from green finance, for example, using the woodland carbon code for woodland creation, alongside public finance from schemes such as environmental land management, which will maximise revenue streams and biodiversity. Defra has not yet responded to this recommendation.

The review frequently mentions nature-based solutions, particularly natural flood management. It recommends Defra conducts a “six-month sprint” alongside the industry to explore removing barriers to using nature-based solutions and conduct a “state-of-the-science assessment into the effectiveness of nature-based solutions”. Defra has not yet responded to this recommendation.

Digitisation

Despite providing over 700 services on the GOV.UK website, the review found only a third of Defra's services were fully digital, and those that were not fully online involved over 600 distinct paper forms. The review says Defra relies on various “legacy” IT systems, which result in a lack of consistency, weakening outcomes and providing frustrating experiences for users. It is recommended Defra moves faster in its digital transformation. To meet this recommendation, the review says a Minister and senior official in Defra should be appointed as “digital champions”, specifically working on how investments in technology to improve systems can be made to improve user experience and regulatory outcomes. Defra has not responded to this recommendation, though the review says this must be done within six months to ensure effectiveness.

The review also recommends Defra creates an online permitting portal to speed up licensing and permitting. Defra issues around 12,000 permits supporting developments for water, waste and net-zero, 12,000 protected species licences yearly, and 650 marine licences. If these systems are slow and inefficient, then fewer projects can progress. An effective permitting portal could speed up the application process for these licences and save Defra and users' time. Defra has said it will be implementing this recommendation. This could be through the wider rollout of the Environment Agency permitting portal, which was launched in April 2024.

To round up its recommendations to bring Defra into the digital age, the review asks Defra to identify “high ambition” applications of AI, which can improve its regulatory system and support economic growth and nature recovery. In addition, the review says that Defra should improve internal and external data-sharing processes, noting that it can help with spatial planning, which the government is focusing on in its upcoming Land Use Framework.

Conclusion

The Corry Review examines Defra reform from various perspectives. While the review may appear as a comprehensive list of Defra's shortcomings, it indicates Defra is beginning its transformation into a more efficient and modern organisation. The government has yet to respond to many of the recommendations, but initial actions taken on some recommendations are expected to improve Defra's regulatory functions. This is welcome news for farmers and land managers who interact with the Defra group regularly. Perhaps the most significant news is the confirmation that the regulators should seek to promote economic growth alongside safeguarding the environment, and focus more on the big picture to unlock positive actions rather than just aiming to prevent negative ones.

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