

Government response to the Office for Environmental Protection review of Environmental Inspections and their implementation in England

December 2025



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Presented to Parliament pursuant to section 29(6) of the Environment Act 2021

We are responsible for improving and protecting the environment. We aim to grow a green economy and sustain thriving rural communities. We also support our world-leading food, farming and fishing industries.

Defra is a ministerial department, supported by 34 agencies and public bodies.



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Context

The Office for Environmental Protection (OEP) laid before Parliament a report 'Environmental Inspections in England- case studies on selected laws and their implementation', under section 29 of the Environment Act 2021. This is the statutory response of the Secretary of State for Environment, Food and Rural Affairs statutory to that report pursuant to the Act.

Government response to the OEP's recommendations

The government welcomes the Office for Environmental Protection's (OEP's) detailed report 'Environmental Inspections in England - Case studies on selected laws and their implementation'.

Inspections are a vital part of the regulatory system, helping to ensure compliance and enforcement, build public trust and deliver environmental outcomes. This report rightly highlights the importance of transparency, consistency and evidence-based practice in inspection regimes. These themes align closely with many of the 29 recommendations set out by the Corry Review, published in April 2025, which the government commissioned to examine how regulation can better support both nature recovery and economic growth. Nine of these recommendations are already being fast-tracked, including recommendations relating to updating regulatory compliance guidance, appointing a lead environmental regulator for major projects and improving digital permitting systems.

In addition, the final report of the Independent Water Commission led by Sir Jon Cunliffe, published in July 2025, set out 88 recommendations, including some which relate to these themes. The government has already responded to a number of Sir Jon's recommendations, as set out in the statement made by the previous Secretary of State on 21 July, including committing to ending operator self-monitoring and to introduce Open Monitoring to increase transparency and help restore public trust. The government will respond to Sir Jon's recommendations in full via a White Paper shortly. The White Paper will outline the Government's vision for the future of the water sector, marking the most fundamental reset to our water system in a generation.

Responding to each of the OEP report's recommendations in turn:

Recommendation 1: Update and enhance guidance

We agree that clear, up-to-date guidance is essential. This aligns with Corry Recommendation 16, which calls for a rapid review and rewrite of the existing guidance catalogue. We recognise the need to streamline guidance, which is why

this has been included in our fast-tracked recommendations. As a result, work is already underway across Defra and our arm's-length bodies (ALBs) to review, streamline and modernise regulatory compliance guidance where needed, with a focus on clarity, accessibility and alignment with risk-based principles.

Recommendation 2: Improve transparency through public registers

We recognise that transparency is key to building public trust. Work is underway to improve transparency in line with Corry Recommendation 26, which calls for making live monitoring data from regulators available to the public. This will help the public identify improvements in their area and hold regulators accountable. It is part of a wider effort to increase the Defra Group's digital capabilities and tackle inefficiencies and transparency challenges.

The Independent Water Commission's final report also highlights the need for reforms to the transparency of inspection data. The Independent Water Commission Recommendation 25 focuses on reforming the Operator Self-Monitoring system. It suggests a more transparent approach to monitoring that includes third-party assurance and intelligence-led inspections. The recommendation aims to embed transparency by making performance and compliance data more accessible. This is further supported by the Independent Water Commission Recommendation 30 which also focuses on accelerating digital programmes, such as increased use of AI, to support transparent enforcement and compliance activities.

The government will end the era of water companies marking their own homework by ending operator self-monitoring, and we will introduce Open Monitoring to increase transparency and help restore public trust. We plan to align implementation of these recommendations in a way that efficiently improves transparency and maximises the impact of our digital transformation.

Recommendation 3: Publish information relating to compliance checks

This recommendation aligns closely with Recommendation 17 of the Corry Review, which includes a call for regulators to publish information on their monitoring approach, and to draw up plans to make detailed, up-to-date monitoring information more accessible to the public. More broadly, Corry Recommendation 17 advises regulators to develop and deliver more frequent risk-based compliance monitoring. Initial work on Corry Recommendation 17 is underway, guided in part by the additional insight provided in this OEP report. Defra is reviewing current monitoring/reporting practices ahead of engaging regulators to agree a plan for implementing Corry Recommendation 17, including reforming how environmental regulators publish monitoring information. We intend to agree next steps in Spring 2026.

Recommendation 4: Review risk-based regulation

The OEP's recommendation to review risk-based monitoring aligns with Corry Recommendations 17 and 18, which highlight the importance of more frequent monitoring and a consistent approach to enforcement and sanctions. We agree that this is an area that warrants further attention, so will explore a potential phased approach to reviewing Defra inspections and enforcement regimes. This includes considering how digital tools and risk-based principles can support more effective and transparent regulation.

Further work is underway to implement Corry Recommendation 15, also part of Corry's findings on regulatory compliance, which encourages regulators to take a more risk-based approach to monitoring and enforcement. This recommends extending more flexibility to environmental partners who have a strong track record and have "earned autonomy". Significant progress on this recommendation has already been made, with a pilot launched in the Peak District and in Devon between the National Trust and Natural England. Work is ongoing to expand this approach and apply risk-based regulation to other areas and environmental partners.

Defra recognises that in taking a more risk-based approach there is an important balance to be struck between extending earned autonomy to trusted partners and ensuring appropriate scrutiny and transparency is maintained.

Recommendation 5: Record and publish inspection financing data

There are some practical challenges with clearly separating out the funding for inspections from other regulatory costs, particularly because staff – who make up the bulk of the costs – typically undertake a mix of income-funded and grant-in-aid funded activities. That said, we recognise the importance of providing clarity and will consider what can be done to improve transparency on the funding of regulatory costs including inspection activity. We will consider the need to maintain a proportionate approach to reporting which supports the direction of travel recommended by Corry and ensures efficiencies and service transformation.

Recommendation 6: Include inspection evaluation in Post Implementation Reviews (PIRs)

We welcome the OEP's assessment that the quality of environmental PIRs is improving and acknowledge the importance of evaluating inspection effectiveness in a proportionate way. We will update the central advice and resources provided on PIRs to prompt teams to include inspection evaluation in PIRs where appropriate for the regulation under consideration, noting that the Better Regulation framework states that the level of detail in PIRs should be proportionate to the impact of the regulation.

Recommendation 7: Establish periodic review system for inspections

We agree that clearer oversight is needed. This aligns with Corry Recommendations 1 and 4, which call for stronger accountability frameworks. We will consider how inspection oversight can be strengthened within these workstreams.

Recommendation 8: Undertake research on inspection effectiveness

We support this recommendation and recognise the need for a stronger evidence base. This aligns with Recommendation 28 of the Corry Review, which advocates for evidence-based regulation and the use of data and AI to increasingly inform, enhance and improve practice around regulation. It also aligns with Corry Recommendation 11 to scope a rolling programme of reform for specific regulations and identify quick wins – many of which may be achievable through greater utilisation of data and AI.

We will use the momentum of the Defra Group AI Strategy 2030 to identify three high-ambition applications of AI to (1) build Defra's role as a digital regulator, (2) support both economic growth and nature recovery outcomes, and (3) realise economies of scale across regulators. This also supports Mission 3 of the <u>Defra digital and data transformation strategy</u> to make better use of data to power decision-making and services.

Following the Corry Review, these applications have been generated from a cross-organisational 'bottom-up' approach led by environmental regulators. Regulators are expected to implement and invest in technology to increase efficiency and facilitate digital transformation in line with best fit for their organisational context and the identified needs of their customers. The work required to deliver these objectives is already underway and Defra Group now have a range of projects applying AI to various inspections programmes. We are supporting these centrally through incubating functions and streamlined governance which enables us to identify high-ambition opportunities at pace and productionise them at scale across Defra Group.

Conclusion

Defra welcomes the OEP's focus and expertise in this area. We note that the OEP received information from many bodies to inform this report, including the Environment Agency, Fish Health Inspectorate, Health and Safety Executive, Marine Management Organisation, Animal and Plant Health Agency, and local authorities. We understand that the OEP intends to engage with individual ALBs on the report's detailed findings and are pleased to support this. The Government is considering further steps to address the issues raised and will continue to engage with the OEP and other stakeholders as we develop our approach to improving inspection and enforcement systems.

Annex: OEP Environmental Inspections monitoring report recommendations

The OEP made eight recommendations for how environmental inspections regimes might be better implemented.

Recommendation 1. Defra (and other government departments which have environmental regulatory responsibilities), should review existing guidance and ensure that it is fully up to date. Where appropriate, updated and new guidance might be enhanced by including more detailed information on expected inspection levels and their expected contribution to compliance with relevant laws.

Recommendation 2. Environmental regulators should ensure that details about inspections they have undertaken are regularly published on improved and accessible public registers.

Recommendation 3. Environmental regulators should publish the information outlined at paragraph 6.2(c) of the Regulators' Code (i.e. information relating to their approach to compliance checks) in a more detailed, consolidated, easily identifiable, and accessible standalone document, such as a 'compliance monitoring policy'.

Recommendation 4. Defra, working with environmental regulators, should review whether risk-based regulation is still being implemented appropriately, and delivering sufficient inspections to achieve effective compliance with environmental laws, and to secure necessary environmental protections.

Recommendation 5. Environmental regulators should record and periodically publish data about how inspections for each regulatory regime are financed, and containing details about how much was spent in relation to inspections under each regime.

Recommendation 6. Defra should examine whether future Post-Implementation Reviews (PIRs) of environmental laws could include an improved evaluation of the inspections carried out under those laws.

Recommendation 7. Defra should introduce a system for periodically reviewing the practice and adequacy of inspection regimes in relation to those environmental regulations for which it is responsible, with the results of such reviews made public.

Recommendation 8. Defra should consider research to examine more closely the influence of inspections on environmental performance and environmental risk. Such research should be made available publicly and be used to strengthen the evidential basis for the regulatory approaches adopted across the Defra Group.