



**Corporate Plan 2017-2022
&
Business Plan 2019-2020**

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1. Executive summary

1.1 The Regulatory Policy Committee (RPC) provides the Government with external, independent scrutiny of new, or amended, regulatory and deregulatory proposals to ensure that ministers can make decisions based on a robust evidence base. The RPC reviews impact assessments (IAs) and post-implementation reviews (PIRs) relating to regulatory proposals and, subsequently, when the related regulation is reviewed; and rates the quality of evidence and analysis provided to assess the impact on business, including small and micro businesses (SMBs), and civil society organisations (CSOs). In May 2018, the RPC was appointed under the Small Business, Enterprise and Employment Act 2015 as the independent verification body for business impact target (BIT) accounting purposes in the 2017-2022 parliament. This role places the responsibility on the RPC to confirm whether regulatory provisions qualify for inclusion in the BIT account, and validating the assessed impact of those that do. The RPC's work on this provides Parliament, businesses, CSOs, and the wider British public with confidence that the Government's claims on regulatory reform are credible.

1.2 Against the backdrop of the Government's priorities, the UK's decision to leave the EU, and recent significant changes to the better regulation framework which we work within, this document updates our corporate plan for the 2017-2022 parliament and sets out our business plan for 2019-2020. It describes our **long-term vision and objectives** over the parliament, including a high-level delivery plan for the coming year. More background on the RPC, its secretariat, and its work is set out in Annex A.

1.3 The RPC has several important priorities for the 2017-2022 parliament:

- **Applying the new better regulation framework guidance** to the RPC's scrutiny of IAs and PIRs in an effective and proportionate manner.
- **Validating the assessment of a complete BIT account** of the impact of regulatory changes on business and civil society organisations, alongside the measures delivering EU exit.
- **Preserving credibility of the system** to all stakeholders by ensuring effective and proportionate independent appraisal of the impact of regulatory proposals to assist ministerial decision-making, including: promoting transparency on wider societal impacts and risks; encouraging PIRs of significant regulatory changes; and reviewing significant regulatory actions of regulators.

1.4 The RPC has identified a number of risks, and actions to mitigate these, to enable it to continue to deliver independent advice to ministers, to meet its statutory duties and to ensure that it is able to deliver high-quality scrutiny of IAs relating to regulatory changes, including EU exit measures, in a timely manner. As part of our

work in scrutinising EU exit measures, we continue to work closely with the Better Regulation Executive (BRE) in the Department for Business, Energy and Industrial Strategy (BEIS), and with government departments and regulators across Whitehall to develop appropriate processes for handling the specific sensitivities associated with leaving the EU.

Stakeholder engagement

1.5 We actively engage with business groups, sectoral associations, representatives of wider civil society, and stakeholders to understand the impacts of regulations from their perspective. Stakeholders are encouraged to submit all relevant information to the responsible department/regulator to inform the IA. We also welcome any evidence that stakeholders can share with us, in addition to sharing it with the department/regulator, which may assist with our scrutiny and help us to fully understand the evidence base, particularly following the publication of consultation stage IAs.

Our recent achievements

1.6 A key part of the RPC's independent approach is its commitment to working openly and transparently. We are committed to continuing to provide a transparent and public account of our scrutiny work, including through the publication of our opinions and a statement of verification of all assessments accounted for under the business impact target. The RPC also publishes an annual report on the quality of departmental analysis in IAs and PIRs, with particular reference to impacts on wider society, and small and micro businesses; and considerations of options, including non-regulatory options. Over the past year, the RPC has retained support from key stakeholders during a time of upheaval and uncertainty resulting from changes to the regulatory framework. This has been essential to ensuring that we continue to play a credible role in assisting businesses by assessing the impacts they face from government regulation.

1.7 During the past year, we have been developing into a centre of excellence on the evidence and analysis supporting proposals for new regulatory and deregulatory activity affecting business and civil society. Our work in this area includes:

- providing thought leadership and publishing expert advice on regulatory analyses and related issues;
- providing regular training to departments on preparation of IAs;
- developing online training material on cost-benefit analysis, consultation stage IAs and PIRs;
- updating the RPC's case histories document, to assist departments in preparing IAs; and

- publishing guidance on both proportionality and on small and micro business assessment, to assist and improve departmental analysis.

1.8 We have consistently received positive feedback from departments on our training and guidance. The RPC's work is recognised internationally, and is supported stakeholders across the UK, including the Confederation of British Industry, the Institute of Directors, the Federation of Small Businesses and the Trades Union Congress.

2. Corporate plan 2017-2022

2.1 This section sets out the RPC's vision, objectives and priorities for the 2017-2022 parliament. Our vision is derived from the duties placed on us in the RPC remit letter of 20 July 2018 issued by the Secretary of State for Business, Energy and Industrial Strategy.¹

The RPC's vision has three core elements:

- 1) **To provide business and the public with confidence** that the Government's claims on regulatory reform are robust and credible, particularly in relation to the statutory business impact target.
- 2) **To provide government and ministers with independent, expert advice with the aim of becoming a centre of excellence**, on the evidence and analysis supporting proposals for new regulatory and deregulatory activity affecting business and civil society organisations.
- 3) **To function as an effective and high-performing organisation** to ensure efficient management of internal processes and to promote high performance.

2.2 The three elements are complementary. Citizens and businesses alike gain confidence as a result of independent, high-quality scrutiny of government claims and evidence, while ministers are provided with evidence-based advice. An effective and high-performing organisation helps to deliver on these commitments. A key part of the RPC's independence is that its work is transparent and published.

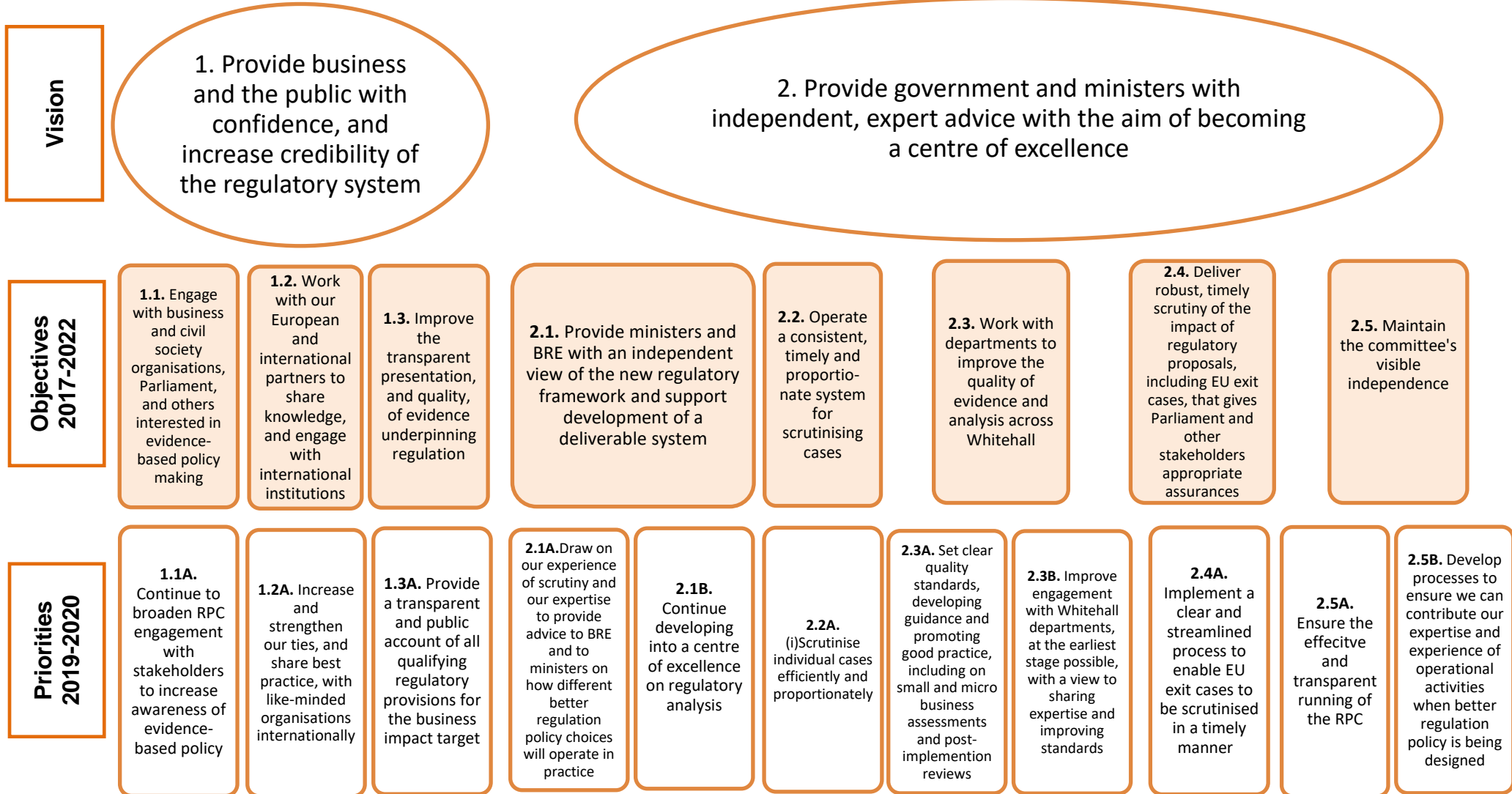
¹RPC remit letter, RPC Framework Document 2019 (Annex 1),
<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/789216/RPC_Framework_Document_2019.pdf>

Priorities 2017-2022

2.3 The RPC has identified 15 core long-term priorities. These priorities may change as the Government's approach to better regulation develops, and in light of available resources, but they are largely consistent with our objectives for earlier parliaments. We will issue updated priorities and plans at a later date as necessary.

2.4 The following diagrams summarise our three high-level visions for the 2017-2022 parliament and sets out the objectives and priorities needed to achieve these. The plans also describe the activities that the RPC is prioritising in order to meet those objectives.

RPC corporate plan 2017-2022 - summary



Vision

3. Function as an effective and high-performing organisation

Objectives
2017-2022

3.1. Improve organisational effectiveness

Priorities
2019-2020

3.1A. Ensure transparency and accountability

3.1B. Ensure effective financial management according to the Managing Public Money guidance

3.1C. Ensure compliance with NDPB requirements

3.1D. Ensure data protection and compliance with GDPR

3. The RPC's work in 2018-2019

3.1 The written ministerial statement of 20 June 2018 relating to the business impact target, and the better regulation framework guidance of August 2018, set out a revised framework for RPC scrutiny of IAs and PIRs. This has required us to adjust some of our objectives and activities last year:

Adjusting to a changing policy-making environment

3.2 Since implementation in 2017 of a *de minimis* threshold, only regulatory provisions with an equivalent annual net direct cost to business greater than \pm £5 million a year are subject to RPC scrutiny. The full effect of this change has not yet been assessed, as it coincides with other major changes, such as departments no longer being required to submit consultation stage IAs for RPC scrutiny. However, we expect that it will enable us to focus more effectively on the most significant measures over the next year.

The RPC's work supporting preparation for leaving the EU

3.3 One of the greatest challenges the RPC has faced over the past year has been working effectively to review regulatory changes brought about by the UK's decision to leave the EU. The legislative changes required to manage this transition are highly significant for the UK and highly challenging to deliver within the time available. The RPC sees its role in scrutinising the analyses of regulation surrounding EU exit as one of its most important to date. Following the UK's decision to leave the EU, the RPC has provided independent scrutiny of EU exit-related IAs and a number of no-deal and transitional regulatory measure IAs.

3.4 The UK's decision to leave the EU has posed a significant challenge for government departments, and we have provided support to them in ensuring policy decisions are based on appropriate evidence and analysis, while maintaining our standards and reputation as an independent committee. The RPC has committed to provide scrutiny of EU exit IAs within shorter time scales: a maximum on first submission of 20 working days, or an even shorter timescale if agreed with the relevant department². At times, the RPC has managed to deliver time-critical scrutiny in significantly more compressed timescales.

3.5 Another of our key EU exit activities has been the development, and application, of an appropriate framework and process to scrutinise EU exit measures. We have applied central government guidance from the BRE and the Department for Exiting European Union on the appraisal of EU exit measures.

² The relevant timescale for business as usual cases is 20 working days for consultation stage IAs and 30 working days for final stage IAs or PIRs, or a different timescale agreed with the relevant department, whichever is the shorter. Delivery of a final response (should an initial review notice be issued first) within relevant timescales (45 working days or timescale agreed with the department, whichever is the shorter).

4. Business plan 2019-2020

4.1 The RPC has identified key priorities for the 2019-2020 year, which are derived from our long-term objectives; each objective has at least one priority associated with it.

The RPC's focus for the year ahead

4.2 Over the next year we expect to continue focusing on reviewing regulatory changes arising from EU exit, in addition to those generated by other government policy-making initiatives, while supporting the better regulation agenda. We expect our key activities to involve:

- **adjusting to changes after the UK has left the EU.** The UK's exit from the EU will cause changes in the policy-making environment, which could pose a challenge for departments. The RPC will continue to offer support and independent advice to departments to ensure that new policies are based on quality evidence and analysis, and provide businesses and public with confidence in the regulatory system;
- **continuing to develop the analytical framework and expertise to scrutinise IAs relating to international trade deals.** As the UK leaves the EU, the Government expects to establish and develop a number of new trade deals, and may seek the RPC's scrutiny of the evidence that supports decisions on these. The RPC is working closely with the Department for International Trade to ensure that the RPC is ready to provide effective independent advice and scrutiny on the evidence supporting trade policies;
- **developing into a centre of excellence.** The RPC aims to improve the quality of government analysis by continuing to develop into a centre of excellence on IAs and PIRs, and by demonstrating best practice through workshops, online training courses, and RPC case histories. Last year, the RPC developed guidance on proportionality, small and micro business assessments; and it has contributed to improving the IA template;
- **developing and promoting international cooperation in regulatory processes.** The RPC will continue to work with like-minded organisations, including the Organisation for Economic Co-operation and Development and RegWatchEurope, to promote international cooperation and cohesion across the regulatory landscape.

4.3 The diagrams on the following pages presents these priorities against the three elements of the RPC's vision, and the specific actions that will help the RPC achieve these goals; these actions form the RPC's business plan for the 2019-2020 year. In addition to the key priorities from our 2018-2019 business plan, which are all external-facing, the RPC has developed some key internal priorities, which are summarised in the diagram on page 13.

RPC business plan 2019-2020 - summary

Vision

1. Provide business and the public with confidence and increase credibility of the regulatory system

Priorities
2019-2020

1.1A. Continue to broaden RPC engagement with stakeholders to increase awareness of evidence-based policy

1.2A. Increase and strengthen our ties, and share best practice, with like-minded organisations internationally

1.3A. Provide a transparent and public account of all qualifying regulatory provisions for the business impact target

Actions
2019-2020

1.1A(i) Review RPC engagement with its stakeholders – expanding our reach to a wider range of key trade associations and civil society organisations, Parliament and bodies with an interest in better regulation

1.1A(ii) Deepen engagement and maintain a positive working relationship with business groups by organising meetings and stakeholder panels

1.1A(iii) Make our opinions and comments on the quality of government analysis more visible, in particular through better use of digital media

1.1A(iv) Work within the call-in process to ensure that all significant measures are properly scrutinised, and the BIT accounting is visibly fit for purpose

1.2A(i) Work closely with other RegWatchEurope members and the OECD to exchange best practice and influence EU and international better regulation agendas

1.3A(i) Report regularly on the Government's progress towards achieving their business impact target

1.3A(ii) Improve the accessibility of RPC opinions and corresponding impact as well as RPC guidance via the RPC website

1.3A(iii) Improve transparency and raise awareness of our work by reviewing and redesigning the RPC website

Vision

2. Provide government and ministers with independent, expert advice as a centre of excellence

Priorities
2019-2020

2.1A. Draw on our experience of scrutiny and our expertise to provide advice to BRE and to ministers on how different better regulation policy choices will operate in practice

2.1B. Continue developing into a centre of excellence on regulatory analysis

2.2A. Scrutinise individual cases efficiently and proportionately

2.3A. Set clear quality standards, developing guidance and promoting good practice, including on small and micro business assessments and post-implementation reviews

2.3B. Improve engagement with Whitehall departments, at the earliest stage possible, with a view to sharing expertise and improving standards

2.4A. Implement a clear and streamlined process to enable EU exit cases to be scrutinised in a timely manner

2.5A. Ensure the effective and transparent running of the RPC organisation

2.5B. Develop processes to ensure we can contribute our expertise and experience of operational activities when better regulation policy is being designed

2019-2020

2.1A(i) Provide input for advice to ministers about the design of the new better regulation framework and BIT and, in particular, about operability in the context of EU exit

2.1B(i) Provide thought leadership and publish systematic expert advice on regulatory analysis and related issues, including SaMBAs PIRs, trade and innovation-friendly regulation

2.2A(i) Continue to implement appropriate scrutiny for a new regulatory framework, in partnership with BRE and in a post-EU Exit world

2.3A(i) Publish regular updates to our case histories, ensuring that it is relevant to the better regulation framework and address the areas of most interest to departments

2.3B(i) Improve clarity of opinions as well as engagement and collaboration with departments

2.4A(i) Identify potential efficiency gains in current RPC procedures and implement changes to internal systems to enable such gains

2.5B(i) Continue to develop our engagement with BRE on better regulation policy and casework, and information management systems to support these

Actions

2.1A(ii) Providing advice to ministers on better regulation policy development, and especially on developing regulations which encourage innovation and help SMEs

2.1B(ii) Review and provide comments on specific aspects of the regulatory framework as appropriate

2.2A(ii) Scrutinise at least 90% of cases within 30 working days (20 working days for EU exit cases) and decrease average turnaround times

2.3A(ii) Work closely with departments to improve performance, and report yearly on performance on how we work with departments to improve it

2.3B(ii) Engage with departments to allow them to track the progress of cases

2.4A(ii) Continue to ensure that the RPC's work supporting EU exit is appropriately resourced

2.3A(iii) Continue delivering training for both analysts and policy-makers

2.3B(iv) Demonstrate best practice through workshops, online training courses and the RPC case histories document

2.4A(iii) With DExEU, continue to implement processes and guidance for managing EU-exit sensitivities

2.5A(i) Develop effective systems to manage the RPC, which support our transparency and independence objectives

Vision

3. Function as an effective, high-performing organisation

Priorities
2019-2020

3.1A. Ensure transparency and accountability

3.1B. Ensure effective financial management according to the Managing Public Money guidance

3.1C. Ensure compliance with NDPB requirements

3.1D. Ensure data protection and compliance with GDPR

Actions
2019-2020

3.1A(i) Continue to improve FOI performance and ensure turnaround time is within 20 working days to comply with the Freedom of Information Act

3.1B(i) Work with BEIS finance to ensure effective forecasting and profiling, along with procurement procedures and to report regularly on the RPC's budget and to ensure compliance with the Managing Public Money guidance

3.1C(i) Publish annual reports, corporate plans and other standard materials on the RPC website in a timely manner, as set out in the RPC's framework document and relevant guidance

3.1C(ii) Develop a plan to ensure compliance with NDPB requirements as set out by the Cabinet Office

3.1D(i) Work with the government Knowledge and Information Management team to promote knowledge transfer and information management

3.1D(ii) Ensure compliance with all security and GDPR requirements

5. Key performance indicators

5.1 The RPC has defined key performance metrics against which it measures performance against priorities for 2019. Some metrics have associated targets, while others are used as management information. These metrics and targets are set out in the following tables. Where delivery dates are not specifically stated, actions will be delivered by the end of the 2019-2020 financial year. Table 1 lists our external key performance indicators (KPIs) which are essential to our core objectives. We have separately identified a list of tracking KPIs, which would bring improvements to our work but are not essential to our core objectives; these indicators are managed and measured internally.

Table 1 – Essential KPIs

Table 1A – strategic and operational KPIs:

5.2 These KPIs are external-facing and reflect our priorities for the first two visions, which are to provide business and the public with confidence and increase the credibility of the regulatory system; and provide government and ministers with independent, expert advice as a centre of excellence.

Table 1A lists our strategic priorities (1.1A, 1.3A, 2.1B, 2.5B) and our operational priorities (2.2A, 2.3A, 2.4A). The former focus on our corporate objectives while the latter focus on the delivery of our core functions in order to achieve those objectives.

Priority	Metric	Target
1.1A. Continue to broaden RPC engagement with stakeholders to increase awareness of evidence-based policy	Deepen engagement and maintain a positive working relationship with business, civil society organisations and regulators by organising meetings and stakeholder panels	n/a
	Work within the call-in process to ensure that all significant measures are properly scrutinised, and the BIT account is visibly fit for purpose	Ensure all significant measures are accounted for
1.3A. Provide a transparent and public account of all qualifying regulatory provisions for the business impact target	Publication of formal opinions on RPC website within one month of publication of relevant impact assessment	100%
	Proportion of cases, where submitted on time, validated in time to support business impact target reporting to statutory deadlines	95%

Priority	Metric	Target
2.1B/2.5B. Continue developing into a centre of excellence on regulatory analysis and develop processes to ensure that we can contribute our expertise and experience of operational activities when better regulation policy is being designed	Provide thought leadership and publish systematic expert advice on regulatory analyses and related issues, including SaMBA, PIR, trade and innovation-friendly regulation	n/a
	Review and provide comments on specific aspects of the regulatory framework as appropriate	n/a
	Committee members to engage with ministers when appropriate and to continue the RPC contribution to the better regulation agenda	Engagement with ministers as appropriate
2.2A. Scrutinise individual cases efficiently and proportionately	Delivery of opinion/initial response to business as usual cases within relevant timescales (20 working days for consultation stage IAs and 30 working days for final stage IAs or timescale agreed with the relevant department, whichever is the shorter) AND delivery of final response within relevant timescales (45 working days or timescale agreed with the department, whichever is the shorter)	90%
2.3A. Set clear quality standards, developing guidance and promoting good practice, including on small and micro business assessments and post-implementation reviews	Publication of at least three new or updated sections of the case histories document ³ per annum.	Three sections per annum
	Request feedback on RPC guidance and case histories document, in follow up surveys	Positive feedback from departments/regulators
	Provide regular training for new analysts and individualised roadshows for departments as requested	Meet 100% of requests from departments
	Request feedback on training from departments and regulators that training, and road shows are helpful, in follow up surveys	Positive feedback from departments/regulators

³ The RPC case histories document provides practical guidance, and case study examples, of how the better regulation framework methodology has been interpreted (<https://www.gov.uk/government/collections/rpc-case-histories>).

Priority	Metric	Target
	Agreement by NAO that our opinions are proportionate and appropriate	90% of sample
	Increase the number of final stage IAs that are rated as fit for purpose and were submitted to the RPC for review at the consultation stage	5% increase from last year
	Average satisfaction score in departmental survey (out of 10) -Q2-2019	7
	Proportion of departments agreeing, in departmental survey for Q2-2019 that RPC opinions are (a) clear and (b) accurate	80%
	Publish the minutes of RPC meetings within two months of meetings (to allow time for sign off)	100%
2.4A. Implement a clear and streamlined process to enable EU exit cases to be scrutinised in a timely manner	Delivery of initial response to EU exit cases within relevant timescales (20 working days or timescale agreed with the relevant department, whichever is the shorter) AND delivery of final response within relevant timescales (30 working days or timescale agreed with the department, whichever is the shorter)	90%

Table 1B - Internal management KPIs:

5.3 Table 1B lists our internal management KPIs, it reflects the priorities set out for the third vision, which is to function as an effective organisation and as a high performing team.

Priority	Metric	Target
3.1A. Ensure transparency and accountability	Continue to improve FOI performance and ensure turnaround time is within 20 working days to comply with the Freedom of Information Act	100% within 20 working days
3.1B/C. Ensure effective financial management according to the <i>Managing Public Money</i> guidance, and compliance with the NDPB requirements	Work with BEIS finance to ensure effective forecasting and profiling, along with procurement procedures and to report biannually on the RPC's budget and to ensure compliance with the <i>Managing Public Money</i> and <i>Public Sector Internal Audit Standards</i> guidance. Regular publication on the RPC website of annual reports, corporate plans and other standard materials, within the timescales, as set out in the RPC's framework document	No incidents of non-compliance reported

6. Finance 2019-2020

6.1 The RPC's total budget for 2019-2020 amounts to £1,482,703; key elements of the spend against the objects they support are set out in the table below.

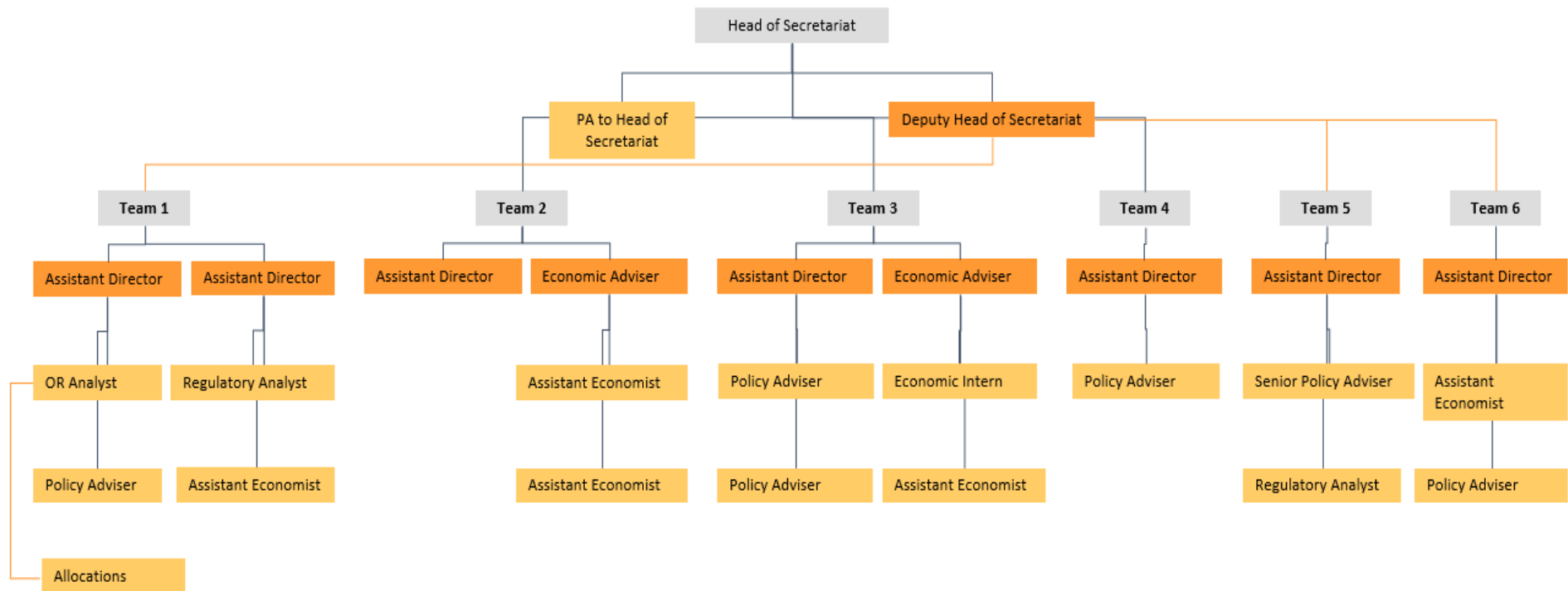
Budget 2019-2020		
		<u>RPC objectives 2017-2022</u>
Pay costs	£561,703 (a 13% frictional vacancy rate has been applied)	2b. Operate a consistent, timely and proportionate system for scrutinising cases. 2c. Work with departments to improve the quality of evidence and analysis across Whitehall. 3b. Promote a high performing team.
Honorarium payments	£172,000	1a. Engage with business and civil society organisations, with Parliament, and with others interested in evidence-based policy-making. 1b. Work with our international partners to share knowledge and engage with European institutions. 2a. Provide an independent view on the new framework for ministers and BRE and support the development of a deliverable system. 2b. Operate a consistent, timely and proportionate system for scrutinising cases. 2e Maintain the committee's visible independence.
Office and travel costs	£23,000	1b. Work with our international partners to share knowledge and engage with European institutions.
Programme costs (communications)	£45,000	1c. Improve the transparent presentation of the evidence underpinning regulation, and its quality.
<u>Total admin budget</u>	<u>£801,703</u>	
EU exit pay and non-pay costs	£655,000	2d. Deliver robust, timely scrutiny of EU exit measures, that gives Parliament appropriate assurances 2b. Operate a consistent, timely and proportionate system for scrutinising cases.
EU Exit additional admin (ROSA licences)	£26,000	Same as above
<u>Total EU exit budget</u>	<u>£681,000</u>	
<u>Total budget</u>	<u>£1,482,703</u>	

7. Personnel

7.1 The committee consists of one chair and seven members, supported by a secretariat comprised of 28 full-time-equivalent staff. The RPC secretariat has undergone a reorganisation to manage EU exit work more effectively and make more efficient use of resources. The organisational structure of the RPC secretariat is set out at Annex A.

Organisational structure of the RPC secretariat

The RPC Secretariat



Annex B

The committee

- **Anthony Browne (Chair)** – Anthony was appointed Chair in January 2018. Anthony brings a wealth of expert business experience to the position, having previously held the roles of Chief Executive of the British Bankers' Association, Head of regulatory affairs at the US investment bank Morgan Stanley, co-founder of the HomeOwners Alliance and Director of the Policy Exchange.
- **Jonathan Cave** – Jonathan has been a senior teaching fellow in economics at the University of Warwick since 1994. For more than 30 years, Jonathan also worked for the RAND Corporation, most recently as senior research fellow at RAND Europe.
- **Laura Cox** – Laura is a lawyer (UK and US qualified), with over 30 years' experience in financial services law and regulation, and retired partner of PricewaterhouseCoopers LLP.
- **Sheila Drew-Smith OBE** - Sheila was a member of the Committee on Standards in Public Life. She is the Chair of the National Approved Letting Scheme, a committee member for SafeAgents and is the safeguarding adviser to the Secretary of State for International Development.
- **Stephen Gibson** - Stephen has over 25 years' experience as a professional economist across a range of regulated sectors including post, water, ports, rail, aviation, energy and telecoms, working as a consultant and from both sides of the regulatory fence. In 2011 Stephen set up SLG Economics, a consultancy providing expert regulatory and competition economics advice to regulators, regulated companies and consumer bodies.
- **Brian Morgan** – Brian is a director of the Creative Leadership and Enterprise Centre at the Cardiff School of Management, Cardiff Metropolitan University and a member of the Cardiff Capital Region Board.
- **Andrew Williams-Fry** – Andrew is a regulatory economist and government affairs professional. He has worked in economically regulated sectors, including energy, water, rail, post, aviation and financial services and most recently has led regulatory and government affairs teams within the Mastercard group.
- **Jeremy Mayhew** – Jeremy has been a committee member at the RPC since 2012. Jeremy is a non-party Common Councilman on the City of London Corporation, where he is Chairman of its finance committee, and a member of the British Transport Police Authority. Previously, his experience was mainly in the media and broadcasting industry, both at the BBC and as a consultant.