

**12 July 2011**

**RPC publishes first Opinions since new strengthened remit**

The Regulatory Policy Committee (RPC), tasked with providing external, independent challenge to Government on proposals to regulate, today publishes its first Opinions since its remit was strengthened last summer.

Established in late 2009, the RPC previously published Opinions resulting from its scrutiny of publicly available Government impact assessments (IAs) between November 2009 and May 2010.

However, since August 2010, the RPC's role has been significantly strengthened and it now reviews the evidence supporting new regulatory proposals prior to when final ministerial decisions are made with the aim of improving regulatory outcomes. Until now, none of these opinions have been made public.

The Government has publicly said that Departments should only submit regulatory proposals for Ministerial agreement once the RPC has agreed that the associated impact assessment is 'fit for purpose'.<sup>1</sup>

However, if Ministers do decide to proceed, the relevant RPC opinion should be published<sup>2</sup>.

Chairman Michael Gibbons said: "The Government has charged the RPC with providing independent challenge to improve regulatory outcomes and to alert Ministers when the evidence and analysis is insufficient. Ministers have the right to proceed with proposals regardless of what the RPC says. But in view of Government statements concerning our role and so that the RPC position can be quite clear, we think it right that our opinions in these circumstances are made public".

The first two opinions published concern a consultation-stage IA on the Dartford-Thurrock River Crossing charges and a final-stage IA on the Directive on Promotion of Clean and Energy Efficient Road Transport Vehicles.

Going forward, any further Opinions will be issued on the RPC's website as and when appropriate.

Notes

1. The RPC is a group of independent experts, including businessmen, academics, trade union and consumer representatives. The Committee

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<sup>1</sup><http://www.bis.gov.uk/assets/biscore/better-regulation/docs/r/10-1155-reducing-regulation-made-simple>

<sup>2</sup> <http://www.bis.gov.uk/news/speeches/mark-prisk-fsb-2011>

is supported by a secretariat of civil servants with a mixture of analytical, policymaking and economic expertise.

2. Departments submit draft IAs accompanying regulatory proposals to the RPC, and a RPC Opinion must now be given before Ministers on the Reducing Regulation Committee will consider the proposal. Each IA submitted for RPC consideration is allocated to a Member who leads on the analysis for the Committee, supported by members of the secretariat, who work together to scrutinise the analysis and evidence presented in the IA. The assessment is then reviewed and agreed by the full Committee. Under the RPC's traffic light system, if it is 'Fit for Purpose', it is classified as either 'Amber' or 'Green'. 'Amber' is used to denote an IA with areas of concern that should be corrected but which is still 'Fit for Purpose'. If an IA is classified 'Red' it is 'Not Fit for Purpose' – the RPC has major concerns over the quality of evidence and analysis.
3. Each IA is tested against well-established standards set out in the Better Regulation Executive's toolkit and guidance for impact assessments<sup>3</sup> along with HM Treasury's Green Book<sup>4</sup>.
4. The RPC was set up in 2009 to provide, for the first time in the UK, real-time independent scrutiny of proposed regulatory measures put forward by Government. The RPC does not comment on the Government's policy objectives. It comments on the analysis and evidence supporting new regulations.
5. The RPC will be issuing its third report later this month covering its work over the January – June 2011 period – during which it has reviewed over 230 Regulatory proposals.
6. Opinions will be published on the following website; [www.independent.gov.uk/regulatorypolicycommittee](http://www.independent.gov.uk/regulatorypolicycommittee)

For further information please contact Sue Youngman, Compass Rose & Co on 07768 283162

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<sup>3</sup> <http://www.bis.gov.uk/assets/biscore/better-regulation/docs/i/10-1269-impact-assessment-guidance.pdf>

<sup>4</sup> [http://www.hm-treasury.gov.uk/d/green\\_book\\_complete.pdf](http://www.hm-treasury.gov.uk/d/green_book_complete.pdf)