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Regulatory Policy Committee publishes collated Opinions for the first time alongside the final departmental ratings for 2012

The Regulatory Policy Committee (RPC) today published its complete departmental performance data for 2012. At the same time, the RPC has published the Opinions issued by the Committee in 2012 where these relate to impact assessments for proposals which have been taken forward by the Government. In doing so, the RPC is seeking to enhance the transparency of its work, and the impact of independent scrutiny.

The RPC provides the Government with balanced, independent Opinions on the impact assessments within its scope, and scrutinises the estimated net costs to business of regulatory measures that feature in the Government's Statements of New Regulation. The published data shows departmental performance on the quality of the impact assessments produced, showing the proportion which are considered 'fit for purpose' or not.

Michael Gibbons, Chairman of the RPC, said:

"There has been a significant improvement in the quality of impact assessments produced by departments. In 2012 81% of main Opinions were rated 'fit for purpose', compared to 56% in 2010. We believe that our independent scrutiny has played a significant part in driving this improvement. However, while a greater proportion of impact assessments are now rated 'fit for purpose' nearly 1 in 5 are still not fit for purpose. There remains clear room for improvement.

We take the view that high quality impact assessments can support effective engagement and steer regulatory policy decision making, and we believe it is vital that the quality of impact assessments continues to improve to enable them to be used effectively.

At the same time as publishing these results, we are also - for the first time - making publicly available in a single place, the Opinions issued by the Committee in 2012, where these relate to impact assessments for proposals which have been taken forward by the Government. I believe an important next step in enhancing the impact of independent scrutiny is providing access to the Committee's Opinions, at a meaningful time such as during consultations, and for the future we are exploring how to ensure our Opinions are publicly available as early as possible."

Notes to editors

1. 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. In 2012 the RPC became an independent advisory Non-Departmental Public Body.
2. The RPC does not comment on the Government's policy objectives. It comments on the analysis and evidence supporting new regulations.
3. The RPC is a group of independent experts, including businessmen, academics, trade union and consumer representatives. The Committee is supported by a secretariat of officials with a mixture of analytical, policymaking and economic expertise. Further information on the Committee can be found on the RPC website: <http://regulatorypolicycommittee.independent.gov.uk/>
4. Departments submit impact assessments (IAs) accompanying regulatory proposals to the RPC, and a RPC Opinion must be given before Ministers on the Reducing Regulation Committee, the Cabinet sub-Committee set up to vet all new regulatory proposals, will consider the proposal. 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. The traffic light system is explained in greater detail, alongside departmental performance, in the published document.
5. Each IA is tested against standards for Government appraisal set out in the Better Regulation Executive's Better Regulation Framework Manual and guidance for impact assessments along with HM Treasury's Green Book.
6. The RPC is tasked with ensuring that the claimed costs and benefits of regulatory proposals are more than just 'claims', and that the costs and benefits to business have been identified and are a realistic and credible estimate of their potential impacts. As such, the RPC plays a key role in the government's One-In, Two-Out (OITO) policy through validating the estimated impacts on business and civil society organisations. External quality assurance is essential for OITO to operate credibly.
7. The RPC has also been asked to provide an independent opinion on whether regulatory proposals meet the Small and Micro Business Assessment (SMBA), which requires robust evidence that all possible steps have been taken to mitigate any disproportionate impact on small and micro businesses. The RPC will provide their assessment of departmental SMBAs before the proposals are sent for Cabinet agreement. If the RPC is not satisfied with the quality of the SMBA the impact assessment for the proposal will receive a 'not fit for purpose' rating. Ministers expect to only be asked to clear proposals with a 'fit for purpose' impact assessment.