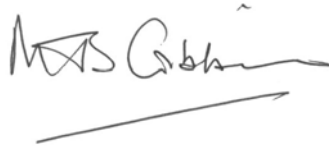
 Regulatory Policy Committee	OPINION
Impact Assessment	Impact Assessment of Proposal to Revise the Toys (Safety) Regulations 1995
Lead Department	Department for Business, Innovation and Skills
Stage	Consultation
RPC Opinion date	3 December 2010
Background and Context <p>The proposal will modify the 1995 Toy Safety Directive (TSD) to improve the level of safety, enforcement and clarification of scope and concepts. This opinion is based on the Impact Assessment (IA) submitted on 16 November 2010.</p>	
Overall Assessment <p>The costs and benefits of the proposal cannot be considered reliable at this stage and the analysis and evidence should be strengthened significantly during the consultation process.</p>	
Identification of costs and benefits, and the impacts on small firms, public and third sector organisations, individuals and community groups and reflection of these in the choice of options <p><i>Benefits to consumers.</i> The lower bound of the estimated benefits (£40.3m) is based on a low-ingestion/ low-damage scenario, the upper bound (£1.7bn) is based on a high-ingestion/ high-damages scenario. However, the IA provides little indication of the current level of injuries to UK consumers as a result of the use of toys. Also, as the IA does not provide any estimate of the likely reduction in these injuries from the proposed regulation it is difficult to assess which scenario is most likely to occur in the UK. In addition, the net benefit range provided in the IA is so large that it is difficult to determine with any certainty what the effects of the policy are.</p> <p><i>Costs.</i> It is not clear that all the costs of the proposal have been presented. Costs are likely to fall on UK manufacturers and UK consumers, but the level of costs for each sector are not presented. The presented estimates of the total costs also have not been discounted and so are not in PV terms.</p> <p><i>Impact on Small and Medium Sized Enterprises (SME).</i> The Small Firms Impact Test is inadequate. As the IA says that compliance with this proposal will typically have a disproportionate effect on SMEs more evidence and analysis should be provided in the Small Firms Impact Test.</p>	
Have the necessary burden reductions required by One-in, One-out been identified and are they robust? <p>Not applicable, as the origin of the proposed UK regulations is European legislation.</p>	

Other issues with the IA

The Summary: Analysis and Evidence page is incomplete (Price Base Year, PV Year, Time Period Years).

Signed

A handwritten signature in black ink, appearing to read "Michael Gibbons". The signature is written in a cursive style with a long horizontal stroke at the end.

Michael Gibbons, Chair