Regulatory Policy Committee	Validation of the Net Direct Impact on Business
Title of the 'Validation' Impact	Repeal of s63- 67 of the Control of
Assessment (IA)	Pollution Act 1974 (NAZs)
Lead Department/Agency	Department for Environment, Food and Rural Affairs
IA Number	DEFRA 1484
Expected date of implementation	6 April/1 October
Origin	Domestic
Date IA submitted to RPC	07/03/2013
Date of RPC Assessment	N/A
Date of Regulatory Triage Confirmation	27/03/2013
Regulatory Triage Assessment reference	RPC13-DEFRA-1704(2)
Departmental Assessment	
One-in, One-out (OIOO)status	OUT
Estimate of the Equivalent	-£0.032m
Annual Net Cost to Business (EANCB)	
RPC Validation	
Direction of Impact	OUT
Estimate of the Equivalent	VALIDATED
Annual Net Cost to Business Validated by RPC	

RPC comments

The main issues raised in our previous Opinion (28/02/2013) have been adequately addressed, in particular an estimate of the direct benefit to business has been provided. The categorisation of the measure with regard to One-in, Two-out (OITO) has been revised and the proposal is scored as an OUT with an Equivalent Annual Net Cost to Business (EANCB) of -£0.032m. In view of the deregulatory nature (and size) of the proposed measure, this appears reasonable.

However, the IA could have provided a clearer explanation as to why so few NAZs can be considered 'active' and whether there are underlying inhibiting factors, for example difficulty in enforcing the regulation. Also, the IA assumes in the baseline that local authorities would incur the costs of revoking inactive NAZs, when to date most have chosen not to. There is no evidence provided to justify this contention and therefore the NPV figure may be incorrect.

Signed	^	Michael Gibbons, Chairman
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