

Attendees

Committee

Anthony Browne, **Chair**

Committee Members

Laura Cox

Jonathan Cave

Alex Ehmann

Stephen Gibson

Jeremy Mayhew

Martin Traynor

Sarah Veale

Andrew Williams-Fry

RPC Secretariat

Hiroko Plant, Head of Secretariat (HoS)

RPC Secretariat

Better Regulation Executive (BRE) officials

Carl Creswell

Joanna Rodin

Jim Foudy

BRE officials

Apologies

Sheila Drew Smith

Brian Morgan

A. Minutes of last meeting and Matters arising

Minutes of April Committee meeting

1. The minutes of the May meeting (paper 1) were **agreed** with no changes

Welcome to the new committee members

2. The Chair welcomed three of the five new members. They were Laura Cox, Stephen Gibson and Andrew Williams-Fry. The other two new members sent their apologies. The Chair said that that there would be an opportunity for all the new members to meet up at their induction day on 19 June when they would be introduced to the Minister for better Regulation, Lord Henley.

Matters arising

3. The committee agreed to the change in the order of the Agenda.
4. Action points – Secretariat reported on progress against the actions from the previous meeting. All action points from 1 to 11 and 13 had been completed or were to be discussed at the meeting. There were two outstanding action points. Action 11 for RPC and BRE to finalise guidance on proportionality was nearing completion. Action 14 for BRE to provide a remit letter to RPC clearly setting out its roles and responsibilities would be provided soon after the BIT was announced.
5. Register of declaration of interest and potential conflicts. The Chair explained the register was an important part of the process in protecting the committee members from dealing with cases where there could be a conflict of interest. It was important that the register be kept up to date, and that members advise the Secretariat of any changes to their interests.
6. Some members noted that there was an inconsistency in the range of potential conflicts shown on the register for different members, possibly because there had been some evolution over

time in the understanding of what should be captured. For instance, some members had been asked to declare family interests, while others had not. It was agreed that the Secretariat would collect data on a basis consistent with the latest central requirements and revise the register accordingly. **Action: (GM) Secretariat.** It was also agreed that members who had not yet declared their interests or checked their current entries on the register should do so. **Action: committee members.** Andrew Williams-Fry declared that he advised IATA and so should be excluded from aviation IAs; the register should be updated accordingly. (**Action: (GM) Secretariat**)

Thanks to retiring committee members

7. The Chair thanked Martin Traynor and Sarah Veale the two committee members who will stand down at the end of June for their considerable contributions to the work of the committee and to better regulation policy. He noted that they would be sorely missed

B. Updates

Notes of Chair's Activities since the previous meeting

8. The Chair reported on his activities and meetings since the 19 March committee meeting:
 - Glen Hall, Special Advisor (SPAD) to SoS for Business. A friendly meeting - GH noted that SOS's focus was on industrial strategy and innovation and was keen that RPC should consider these areas in its work.
 - Bronwen Maddox, Director, Institute for Government: She was very interested in the RPC and its work, and was impressed by the quality of its scrutiny
 - Reform Round Table Discussion on Innovation Friendly Regulations: The Chair said he attended a meeting in which the BRE Director gave a presentation on the work that BRE was doing on innovation friendly regulation.
 - Robert Jenrick – Exchequer Secretary with responsibility for better regulations: The Chair said that Robert Jenrick was very supportive of the RPC and took a strongly deregulatory stance. He had noted that the RPC did not take a position on deregulation as such but had welcomed the support.
 - Stephen McPartland MP (Chair of the RRC): The Chair explained that both RPC and BRE have submitted written evidence to the RRC's enquiry; Stephen McPartland was less interested in the detailed workings of the system than previous RRC chairs, but took a strongly deregulatory stance.
 - Stephen Martin (Director, Institute of Directors): The Chair explained that this was a positive meeting. He was keen to develop a working relationship with the RPC and to see how we can support each other. He was also keen to find out more about any changes to the framework.
 - Regwatch Europe (RWE), Stockholm: The Chair had attended the RWE meeting in Stockholm. He explained for the benefit of new members that that RWE is an informal network, made up of 7 European independent scrutiny bodies from Germany, Sweden, Czech Republic, UK, Netherlands, Finland and Norway; a number of scrutiny bodies from other EU nations including France, Denmark and Portugal are discussing membership with the group. The UK

and Germany are the biggest and most influential members of the group, and the UK will maintain its membership after EU exit, making the group a useful channel for influence.

- Regwatch Europe has applied to join the OECD RPC with an observer status. OECD is supportive of this. The Chair explained that he recently gave a presentation to the OECD and concluded by saying that RWE and OECD are very useful bodies the Committee should continue its international engagement.

Future planned meetings:

The Chair informed the committee of some forthcoming meetings, with: Paul Morton (Office of Tax Simplification); Mike Cherry (Federation of Small Businesses), EEF and the British Chamber of Commerce. The committee will as usual receive notes of these meeting.

C. BRE/Policy Updates

Innovation-Friendly Regulation

9. The Head of Strategy introduced BRE's work on innovation-friendly regulation. The Secretary of State for Business had set up a Ministerial Working Group on Future Regulation, which the Chair had been invited to join. The Head of Strategy also noted the forthcoming establishment of the Regulators' Pioneer Fund – a £10 million fund to support regulators to develop innovation-enabling approaches.
10. SA noted that the evidence base for this work was key, as the relationship between innovation and regulation is complex. His team had recently completed a literature review on the topic, which they were happy to share with the Committee (**Action BRE**). They also planned a round table with academics in the field.
11. JM asked how the team was engaging regulators, who could strongly affect businesses by their approach to regulation. SA said that the Regulators' Pioneer fund had been set up for this reason and that BRE expected that the fund would be oversubscribed. CC noted that BRE were also running regular quarterly events for regulators – the last one had had 70 attendees. AF asked how BRE planned to ensure that the fund's outputs were innovative for business, rather than regulators. SA responded that building in a sense check from businesses and from experts was important: the fund would have a panel including business representatives to judge bids. JC asked how much of a role regulatory technology and algorithmic regulation were playing in the forward look, and noted that it might be useful to join up with other initiatives such as the National Analytics Capability strategy. He suggested that the best generic regulatory approach was to try to be within, but not completely constrained by int'l frameworks – avoiding the "gravity effect". He also suggested speaking to Alison Harcourt (Oxford).
12. SA responded that BRE were, in parallel, thinking about new technologies as opportunities to enhance regulatory efficacy. There was a GovTech catalyst fund to support the development of new technologies to address public sector challenges, which provided excellent opportunities to promote regulatory technology. AB noted that regulatory technology could reduce the cost of regulation too.

13. JM suggested that “within but not constrained” was an excellent approach to thinking about EU exit.
14. CC noted the link to regulatory onshoring work (which would be discussed later) in this context.
15. AE suggested that it was also important to think about wider impacts – for example bicycle schemes which had disadvantages for LAs and residents in some areas – and that considering policy in the round was important. CC agreed, and noted that the work had raised some interesting questions around certainty as a driver of business gains. AE noted that certainty enables businesses to scale up, which is good for business but might not be good for individuals.
16. MT asked whether the work drew on the learning from BFoE, which had provided a good interface with businesses and regulators on the ground; CC noted that it did.
17. JM noted that it was important to engage with new and emerging businesses as well as incumbents, and JC suggested that BRE could draw on networks of funders/helpers to do so.
Action Jonathan Cave to follow up with BRE (SA).

EU Exit onshoring

18. JF gave a presentation on EU exit and onshoring. He said that the project is focused on the transfer of regulatory functions, in relation to business, that are currently vested in the European Commission and UK agencies and need to be operationally transferred to a UK Government ALB regulator by March 2019 (this is known as ‘onshoring’). The objective is to onshore such functions, or achieve some other transition, without imposing unnecessary new burdens on business.
19. JF noted that the project team provides support and challenge to colleagues across Government, working closely with DExEU, Cabinet Office and other government departments. The team also works closely with domestic regulators to understand their preparedness for EU Exit and to ensure that common concerns are addressed through the identification of possible solutions on a cross-government basis. He said that he particularly wanted to reach out to regulators, and had developed the Regulatory Onshoring Network, or RON, to do so. The group provided a challenge function, to bring out shared issues.
20. SV asked whether they were covering standards as well as regulation, as these should be developed in parallel with regulation. JF replied that regulators felt these were conversations and issues that need to be handled further down the line as the work evolves. JC was positive about the developments saying that there were a number of EU regulations which would have direct impact and others which might have regulation relevant standards some of which may not emerge until much later.
21. AWF asked what would happen to regulators in the transition – would more be created? CC explained that the tendency so far was to keep existing regulators and assign new functions to them, rather than create new ones.
22. JM noted that there might be a tendency – which should be addressed early – to layer regulations rather than think about opportunities for reduction. JC agreed, and noted the need to avoid the burden of resolving regulatory clashes further down the line.

D. Engaging External Stakeholders/ Stakeholder Guidance

Engaging External Stakeholders

23. The Secretariat (DN) set out RPC's existing approach to engaging external stakeholders and identified options for improvements such as guest blog posts, better use of Twitter and intelligence led engagement. The members were asked to consider taking ownership engagement with specific stakeholder groups, for example acting as committee leads on civil society or **Action: Committee members**. The committee were also asked to flag any stakeholders that they thought were missing from the list. **Action: Committee members**.
24. The members welcomed the paper. AWF felt that all meetings should at least have two individuals from the RPC side attending. The Chair confirmed that committee members are usually accompanied by a member of the secretariat. On social media AWF said that in his experience social media engagement via LinkedIn rather than twitter was likely to produce higher-quality engagement. SG asked about the RPC website and asked whether we could use platforms other than GOV.UK for the RPC website. The Secretariat confirmed that although the committee is independent it is still a government organisation and is required to use the GOV.UK site. SV commented that getting guest blogs in the past had been problematic. It was agreed that:
- The Secretariat (DN) would establish a LinkedIn account for use in social media engagement [Post meeting note. The RPC had had a LinkedIn account, and this has now been re-established],
 - The Secretariat would redevelop the website (Action DE/GW/DN)
 - AWF and SG would meet with DE/GW/DN to discuss further engagement with regulators.

Stakeholder Guidance

- The Secretariat presented a draft guidance note setting out the RPC's approach to its work, how stakeholders could engage with the Committee, and why they should. It was noted that the document would require some further revision once the BIT and the Committee's role as IVB had been defined. The committee were asked to comment on the note. **Action: Committee members to provide comments to Secretariat (GW)**

E. Small and Micro Business Assessment (SaMBA)

25. The paper on SaMBA provided an initial understanding of the quality and use of Small and Micro Business by Departments. The requirement was introduced in 2013. It applied to all domestic measures regulating business unless the measure was less than £1million gross per year. The default option was for small and micro business to be exempted from new regulatory measures. If the assessment was that full exemption was not variable, it must be supported with appropriate analysis. The quality of SaMBA assessments had varied over the years and from department to department. The committee were asked to consider what further actions could be taken to improve SaMBA analysis. This is an area where there was Ministerial support and so the RPC may find it easier to deliver real progress in this area.

26. The Chair had concerns that SAMBA was not as good as it should be, and government was not paying enough attention to it. He sought volunteers from the Committee to help AE develop some thinking in this area; JM and JC volunteered. **[Action: JM and JC to engage; Secretariat to include them in development work alongside AE]**
27. During the discussion it became apparent that there was some difference in the interpretation of the SaMBA guidance between BRE and RPC, specifically around whether there was a test for disproportionate impact to be applied before considering an exemption for SMBs. It was agreed that RPC and BRE should work together to clarify the approach to SaMBA and circulate a paper for the committee to consider. **Action: RPC (GI, RG) and BRE (IB)**, by Friday 18 June
28. AE noted that small and micro businesses could be very different, and the impacts of exempting them might be different also. He advocated separate analysis for each group as a minimum requirement. He also felt that there was inconsistency in the Committee's treatment of SaMBA's and advocated an immediate move to a clear higher standard. It was agreed that the Secretariat should set out clear revised standards for agreement by AE, and then communicate these to BRUs. **(Action AE, GI, RG)**

F. Fit for Purpose (FFP)

29. An analysis had been carried out to identify the trends in the fall in quality of submissions from Departments to the RPC in Q4 2017. The paper suggested that the drop in FFP might be an anomaly resulting from smaller numbers of submissions, and that in view of this the committee should consider whether any immediate action needed to be taken or whether to monitor the situation so that early corrective action could be taken if necessary. The Committee tasked the Secretariat to monitor the trend over the next few months and report back to the committee if the tendency appears downwards **(Action: Secretariat (KR))**

G. Faster Turnaround time

30. The HoS set out proposals for managing increasing numbers of requests for faster turnaround of cases. She explained that the RPC has become more flexible and responsive to demands for dealing with faster turnaround. The demand is likely to increase in the foreseeable future. There was concern amongst some departments that the RPC might not be handling such requests flexibly – which was not true, but could be reputationally damaging. She set out several options for managing speedy turnaround, and suggested setting clear criteria, agreeing with PBL a low-effort approach to cross departmental prioritisation, setting upper limits per department, and managing pressures more effectively based on the limited upstream information available. The committee expressed concern about the pressures created by the approach, but recognised the political realities. It was agreed that the HOS should implement all the actions except setting upper limits, and monitor to see if further action was needed. AE suggested that it might be possible to link fast turnaround to availability of pipeline information, and it was agreed that BRE and Secretariat should explore this possibility. **(Action RPC and BRE (HP, IB))**

H. Any other Business and Date of next Meeting

31. There was no further business considered.

Annex 1 A – Outstanding and ongoing actions grid All action points will be redacted in the public version of the minutes)

Actions arising from meeting	Date of meeting when raised	Lead	Completion dates and Progress
<p>1. The Register of interests to be revised to make the entries consistent for all members.</p> <p>2. Members who have not supplied any information on the Register of conflicts of interest should do.</p> <p>3. Once the revised register is circulated members should check that the entries against them are correct</p>	11 June 2018	<p>Gordon Manickam</p> <p>Committee members</p> <p>Committee members</p>	To be finalised by end July
<p>4. BRE's best practice principles for PIR. The final draft would be shared with RPV and then published.</p>	11 June 2018	Ian Bishop (BRE)	<p>Draft to be shared with RPC mid-July.</p> <p>Final to be published mid-August.</p>
<p>5. BRE to share the Literature Review on Innovation Friendly Regulations which they agreed to share with the Committee</p>	11 June 2018	Stephen Almond (BRE)	To provide by end June
<p>6. With regard to Innovation Friendly Regulation it was agreed that it was important to engage with new and emerging business as well as incumbents. Jonathan agreed to work with BRE on network of funders and helpers</p>	11 June 2019	Jonathan Cave (RPC) and Stephen Almond (BRE)	To complete by end July

<p>7. Volunteers from the committee to lead on various stakeholder engagements e.g. Civil society, Parliamentary etc</p>	<p>11 June 2018</p>	<p>Committee members to volunteer, Dermot Neligan to manage.</p>	<p>Volunteers and Comments by mid-July</p>
<p>8. Committee to advise the Secretariat of any stakeholders missing from the list.</p>		<p>Committee members. Dermot Neligan to manage</p>	
<p>9. RPC to investigate establishing a LinkedIn account</p>	<p>11 June 2018</p>	<p>Dermot Neligan</p>	<p>The RPC had a LINKEDIN account and this has now been re-established</p>

10. To consider further opportunities for engagement with the media and Parliament	11 June 2018	Dermot Neligan	By September meeting
11. Andrew Williams-Fry and Stephen Gibson to meet with team 3 to discuss further engagement with regulators.	11 June 2018	Andrew Williams-Fry Stephen Gibson	By September meeting
12. The committee were asked to comment on the Stakeholder Guidance paper with attention to: <ul style="list-style-type: none"> • How the RPC can improve its 'pitch' to stakeholder. • The proposed updated guide for stakeholders, so that it can be agreed by correspondence and published 	11 June	Committee to comment and Gary Watson to manage	Mid-July
13. RPC and BRE urgently clarify the approach to the SaMBA guidance and circulate a paper for the committee to consider.	11 June 2018	Gazi Islam(RPC) Kevin Lam (RPC) Ian Bishop (BRE)	18 June
14. Jonathan Cave and Jeremy Mayhew volunteered to work with Alex Ehmann and Secretariat on strengthening SaMBA		Alex Ehmann, Jonathan Cave, Jeremy Mayhew and Kevin Lam	End July
15. Trends in the fall of the quality of IAs should be monitored and reported back to the Committee	11 June 2018	Katie Rosen	Report to committee by January 2019

OUTSTANDING ACTIONS FROM PREVIOUS COMMITTEE MEETINGS

16. RPC to develop a guide for the third sector to engage with RPC once the BIT and the processes have been finalised.	March 2018	Dermot Neligan (see also actions above)	Once the metrics and IVB has been announced Target date- End May
17. BRE and the Secretariat to work to finalise accuracy guidance, so that the Secretariat could build on it to provide clear guidance on proportionality.	March 2018	BRE (BL) and RPC DHoS)	Nearing completion. New revised date July
18. BRE to provide a Ministerial remit letter to the RPC setting out clearly the role of the RPC.	February 2018	Carl Creswell and Ian Bishop	Once IVB formally announced

Key

	Actions completed
	Actions not completed

RPC Use only

SV, SA, KR, IB