Regulatory Policy Committee

REGULATORY OVERVIEW

JUNE 2018 – JUNE 2019

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FOREWORD BY STEPHEN GIBSON

The year covered by this report – June 2018 to June 2019 – saw the Regulatory Policy Committee (RPC) involved in a number of new areas: we scrutinised a range of EU Exit no-deal impact assessments; started the process of "calling in" measures that had been classified as *de minimis* but about which we had concerns; began a programme of engagement with chief economists in departments and regulators; worked with the Department for International Trade to develop an approach to assessing future free trade agreements and continued to work on our core scrutiny role to improve the quality of evidence and analysis supporting regulatory measures.

We are concerned that the Government's "Better regulation: annual report 2018 to 2019" does not place sufficient emphasis on the BIT and the contribution of regulation towards it - discussion of progress towards the target is limited and we recommend that Government gives a higher profile to the cost of its regulations on businesses. We were pleased to see quantification of wider impacts in the Better regulation report. The report lists the wider impacts of new regulatory measures, however under the current regime these are not validated by the RPC.

Across the 2018-19 Business Impact Target (BIT) reporting period, while we were generally pleased with the Government's ongoing efforts to assess the impacts of their regulatory proposals, there are some elements of the Better Regulation Framework that should be changed to improve the quality of the evidence and analysis underpinning regulatory measures.

Under the current framework, departments are only required to submit impact assessments for RPC scrutiny at the final stage – after the policy decision has been made. We believe that RPC scrutiny should also be required at consultation-stage to allow us to comment on and improve the supporting analysis while the policy is being developed.

We worked with the Better Regulation Executive to attempt to "call in" several key Bills, which we felt had been incorrectly classified as below the *de minimis* threshold. While we welcome the opportunity to focus our resources on the cases with the most significant impacts, it is important that the framework allows us to confirm that the self-classification of smaller cases as *de minimis* is done robustly.

We believe that our role should be expanded to allow us to red-rate on a wider range of issues including: the impact on the environment – to support the achievement of net-zero, the impact on competition – to support innovation, and the impact on trade – to support UK competitiveness.

Stephen Gibson
Interim Chair

EXECUTIVE SUMMARY

Summary: This report covers detailed findings on measures that were in scope of the Business Impact Target (BIT) for the second reporting year of this Parliaments' BIT. It summarises their impacts and comments on the quality of the underpinning impact assessments (IAs).

BIT Score: This year, the Government's "Better regulation: annual report 2018 to 2019"[1] reported that, between 21 June 2018 and 20 June 2019, the Government delivered **£9,296.8m of net increased direct costs** to businesses, when added to the cost savings to business in 2017-18 of £2,603.1m this means the total BIT score in the first two years of the Parliament was **£6,378m of increased costs** to businesses compared with the Government's target of **reducing burdens on business by £9,000m** over the Parliament. This impact resulted from a total of **20** qualifying regulatory provisions.

When the 2018-2019 BIT score and the 2017-2018 BIT score are summed, the total cumulative BIT score towards the current Parliament is **£6,378.6m** of net costs to business**.**

Of those measures introduced during 2018-2019, 13 were introduced by government departments, whilst 7 came from government regulators. A further four measures from regulators had impacts on business, however at the time of the Government's Better Regulation annual report, the impacts of these regulations had not yet been validated by the RPC. These measures will be reported on in the Government's final report for the 2017 to 2019 Parliament".

Of the impact on business incurred during this reporting period, the majority of burdens, **92 per cent (£8,560.5m)**, came from the four largest measures.

Other observations: We have concerns about the operation of the "call in" system that supports the *de minimis* threshold. Having called in the Agriculture and Fisheries Bill, the Environment Bill and the Immigration Bill, we are not persuaded that the call in system is yet in a place where it is ensuring appropriate scrutiny of the IAs associated with some proposals with significant impacts on the economy.

In our view, the Government's "Better regulation: annual report 2018 to 2019" does not provide sufficient focus on progress towards the BIT. At the end of this second reporting period, the score towards the business impact target is **£6,378.6m net cost** (increase in burden on business), which does not suggest that the Government is on track to reach the £9,000m cost saving target (decrease in burdens on business) set at the start of the Parliament. The report shares the Net Present Values (NPVs) of the four largest measures that contributed to the BIT score this year, however these values were not among those scrutinised by the RPC.

The Government's report focusses on its White Paper and the Better Regulation Executive's wider work rather than the BIT. The majority of the numbers relating to the Business Impact Target are not raised until the end of the second annex. The main report focuses on high-level policy commentary and the four most impactful measures and their wider impacts receive more commentary than the target as a whole. Finally, the report should have referenced the work of the Regulatory Policy Committee given our statutory role in verifying the BIT. When commenting on the NPVs of the most costly (to business) regulatory measures, the Government takes no consideration of comments we made on the quality of analysis underpinning these wider impact metrics. The RPC does not validate any of the wider impact figures, and has only validated the BIT score and EANDCB of the measures presented in the Government's report.

The report does not address explicitly a number of other challenges faced in last year's BIT reporting period. Most notably, we worked on scrutinising a range of EU-Exit related measures, which are not discussed in the Government's report.

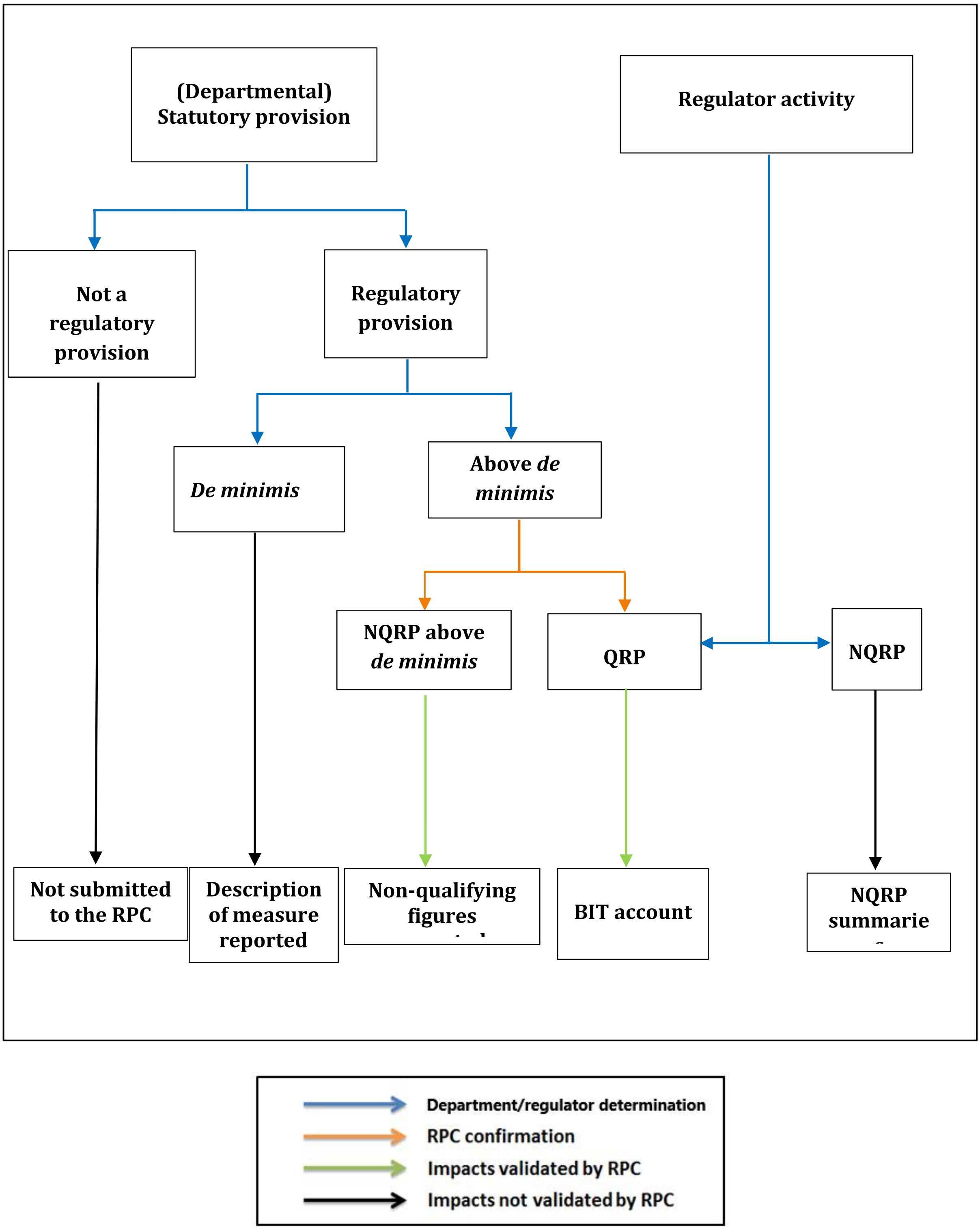
The report discusses a range of mitigations for small and micro businesses in Annex D, as it is required to do under the Small Business, Enterprise and Employment Act 2015. These do not appear to have been systemically analysed, and focus only on small businesses, making no distinction between small and micro businesses. We hope that this section will be more detailed in the next report. The five measures that are discussed did not meet the Government's *de minimis* threshold, and we advise that the next report should focus on those measures that the Government considers significant (specifically those with an impact on business above *de minimis*).

INTRODUCTION (THE REGULATORY LANDSCAPE)

THE ROLE OF THE RPC

1. Within the first year of a new parliament, the Secretary of State has a statutory duty to publish a Business Impact Target (BIT) and to set the framework surrounding the BIT. For the 2017-22 Parliament, the BIT metric is the equivalent annual net direct cost to business (EANDCB) of qualifying regulatory provisions (QRPs) implemented during the Parliament. The savings target that was set was £9,000m.
2. The Government is also required to appoint an "independent verification body" (IVB) for the Parliament to verify savings as counting against the BIT. The RPC was appointed as the IVB for the 2017-2022 parliament in addition to its wider role scrutinising impact assessments and post implementation reviews.
3. The RPC has two key roles in relation to the exercise of statutory functions: First, after government has determined a measure to be a regulatory provision, the RPC confirms departments' assessments of regulatory provisions as either qualifying or non-qualifying in relation to the BIT. Chart 1 on the next page provides a guide to what counts as a regulatory provision, and of those which count towards the BIT. Second, the RPC validates the EANDCB of the qualifying regulatory provision.
4. Outside its statutory functions, we aim to improve the quality of impact assessments by scrutinising departments' consideration of wider societal impacts and options, including non-regulatory options. We also aim to do this by providing frequent training, and by engagement with policy teams and departments.
5. An important non-statutory role of the RPC is validating the EANDCB figures of significant departmental non-qualifying regulatory provisions (over +/- £5m). Ministers and the RPC recognise that this enhances the credibility of the BIT report and government regulatory decisions. This function applies only to non-qualifying measures implemented by government departments. Regulators provide the RPC with summaries of their non-qualifying regulatory provisions. Our non-statutory role is to highlight if any measures might, in fact, qualify for the BIT. We do not validate the EANDCB of regulators' non-qualifying measures, as regulators are not required to provide this information.

Chart 1: The scope of RPC scrutiny in BIT reporting



WIDER CONTEXT

6. Across the period covered by this report, we continued to focus on improving the analytical capability across Government when writing impact assessments and post-implementation reviews.
7. We did this by arranging a variety of training events and tailored support for departments. We expanded our engagement with departments on specific impact assessments, offering early engagement with the Secretariat, the Committee's Methodology Sub-Group, and individual committee leads as appropriate and it also offered informal opinions on a range of impact assessments that were not required to be submitted to the RPC under the Better Regulation Framework.
8. Across the past BIT year, we have been especially focused on working with departments on EU Exit related measures, and no-deal impact assessments. We are proud that we met agreed deadlines – in some cases offering a 24- or 48-hour turnaround – in order to ensure that the quality of analysis is maintained and Parliamentary processes are not delayed.
9. Our focus on developing relationships with departments has led to an improvement in the quality of our engagement, which is made clear in our survey. We received a 7.3/10 satisfaction rating from our stakeholders. 100 per cent of respondents thought our opinions were correct; and 93 per cent thought our opinions were clear. These metrics are all encouraging.
10. This new department-focused approach has also led to fewer red ratings being issued, as we have provided detailed Initial Review Notices (IRNs) and met with policy teams frequently to provide advice and guidance on submissions.
11. Our informal opinions have had a clear impact on their respective final-stage IAs, and our formal opinions have influenced debate on a number of EU exit measures, as noted in Hansard.
12. Across the year, we have widened our stakeholder engagement, especially with small business groups and with civil society organisations, as well as across Europe, where we have continued to work with equivalent European scrutiny bodies in RegWatchEurope.
13. We have also redeveloped our website, issued more guidance (notably on proportionality and analysis of impacts on small businesses), and published more opinions.
14. We have issued new case histories, trained over 300 people in regulatory appraisal, and contributed to the Treasury's new Green Book.
15. We have worked through the changes to the framework, which are covered in detail later in this report. In particular, we have developed processes to support the calling in of measures incorrectly assessed as *de minimis*, and have subsequently called in several key measures. As we note elsewhere, we consider that there is more work to be done before this process is fully fit for purpose.
16. Working with the Department for International Trade (DIT), we developed scrutiny standards for trade IAs and for trade elements of IAs. Working with BRE and BEIS, we have developed new, stricter standards on Small and Micro Business Assessments (SaMBA).

THIS REPORT

17. This report provides details on this the make-up of this year's BIT total. It also provides information on the specific regulations that contributed to the BIT.
18. The current BIT year, 2018-19, is the second year of the current parliament. Last year, the Government's Annual Report on Better Regulation [1] reported that between 9 June 2017 and 20 June 2018, the Government delivered £2,937.4m of net savings towards the BIT (against a stated target for savings across the parliament of £9,000m). This number was revised in the Government's annual report, 2018-19 to £2,918.2m of net savings.
19. In this year's Better regulation: annual report 2018 to 2019[1] , the Government reported that it had regulations that had contributed £9,296.8m of net costs towards the BIT. We are able to verify this figure, as all the measures included in this figure had validated RPC opinions. The report also confirms four measures were not validated at the time of publication. These will be reported on in the Government's "Business impact target (BIT): final report for the 2017 to 2019 Parliament".

[1] https://www.gov.uk/government/publications/better-regulation-annual-report-2017-to-2018

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REGULATORY IMPACT IN THE 2018-19 BUSINESS IMPACT TARGET REPORTING PERIOD

MAJOR CHANGES IN SCOPE OF THE BUSINESS IMPACT TARGET

2018-19 CHANGES TO THE SCOPE OF THE BIT

IMPLEMENTATION OF THE CALL-IN PROCESS AND PIPELINES ACROSS 2018-19 BIT REPORTING PERIOD

20. In response to the *de minimis* introduced in 2017, the better regulation system introduced a pipeline system. This system asked departments to submit a planned timetable of regulatory proposals to the Better Regulation Executive. Departments then decided to share these pipelines with the RPC.
21. By looking at the pipelines submitted by departments, we were able to request that the Better Regulation Executive trigger the call-in process for proposals that looked to have significant impact. This process requires that departments submit measures for RPC scrutiny, where they had not previously been submitted. In 2018-19, of the measures included in departmental pipelines, four measures were called in in this way. Departmental pipelines and measures that were called in will be covered in more detail later in this chapter.

CHANGES TO THE NATIONAL MINIMUM WAGE IN 2018-19

22. For the current Parliament, as last year, the Government have continued to remove from the BIT exclusions changes to the national minimum wage (NMW) and the national living wage in line with the Low Pay Commission's recommendations. The regulations are, as last year, a QRP and count towards the BIT score.
23. Periodic changes to the NMW have been some of the largest regulatory provisions in terms of EANDCB value. This change in exclusions from the BIT means that around **£303.6m** will be scored against the BIT from the 2019 changes. This year's BIT score reflects the impact of these regulatory changes.

CHANGES TO THE SCOPE OF THE BUSINESS IMPACT TARGET – EU EXIT CASES

24. Under the current BIT framework, EU Exit measures are out of scope of the BIT. As a range of EU Exit measures did not quantify the majority of the impacts of their regulations, we are

unable to provide an estimate of how significant these impacts might be. EU Exit measures will be discussed in further detail later in this section.

CHANGES TO THE SCOPE OF THE BUSINESS IMPACT TARGET – GRENFELL EXCLUSION

25. For the current Parliament, an administrative exclusion was introduced relating to the safety of tenants, following the Grenfell tragedy. The Better Regulation Framework Guidance defines this exclusion as being *“for measures related to ensuring the safety of tenants, residents and occupants in buildings that stem from, or relate to, the government’s response to the Grenfell tragedy, reviews, inquiries or working groups.”*[2]
26. One measure was captured by this exemption. This was the ban on combustible materials, which had a published EANDCB estimate with a range of £24.9m to £33.7m.

OUR IMPACT ON THE TARGET

27. Through our scrutiny process we can, when appropriate, issue initial review notices (IRNs). The key areas of concern for the RPC are those underpinning the calculation of the EANDCB and the Small and Micro Business Assessment (SaMBA). When the EANDCB of a measure could be improved following an IRN, this has often led to a change in a measure’s EANDCB on final submission. This section discusses the impact our scrutiny has had both on measures in scope, and out of scope, of the BIT.
28. Of the 20 measures in scope of the BIT, four received initial review notices. These measures were:
    - Government response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures;
    - Extending the Mandatory Licensing of Houses in Multiple Occupation (HMO);
    - Rules applicable to firms which are within the scope of the insurance distribution directive; and
    - The Business Contract Terms (Assignment of Receivables) Regulations 2018.
29. In the table below, each measure’s initial EANDCB is listed in the second column, whilst the measure’s final validated EANDCB is listed in the third column. Ignoring the “direction” of the corrections, our corrections had a ‘gross’ impact on EANDCB figures contributing to the BIT of **£74.4m**. This equates to a gross impact on the accuracy of the BIT of £371.8m.

[2] https://www.gov.uk/government/publications/better-regulation-framework p.24, para 2.5.1

Table 1: the RPC's impact on the BIT

Measure	Initial EANDCB (in £m)	Final EANDCB (in £m)	Variance (in £m)
Government response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures	470.0	494.1	24.1
Extending the Mandatory Licensing of Houses in Multiple Occupation (HMO)	23.5	20.1	-3.4
Rules applicable to firms which are within the scope of the insurance distribution directive	9.4	8.7	-0.7
The Business Contract Terms (Assignment of Receivables) Regulations 2018	-93.6	-47.4	46.2
Total gross variance for qualifying measures for which RPC issued an IRN			**74.4**

VOLUME OF MEASURES

30. We validated the estimated impacts of 20 measures that came into force during the 2018-19 BIT reporting period (20 June 2018 to 21 June 2019) of which 13 were departmental measures and seven were regulator measures. A further four measures were not validated at the time of the Government's Better regulation: annual report 2018 to 2019 (below).

Table 2: Breakdown of total number of regulatory provisions that came into force in 2018-19

	Number of measures	
	Departmental measures	Regulator measures
Total number of Regulatory provisions that have come into force (above *de minimis*)	16	11 (of which 4 not validated)
Of which IAs/BIT assessments validated by the RPC	15	7
Of which qualifying regulatory provisions	13	7
Of which Non-qualifying regulatory provisions	3 of which: *2 of EU or international origin* *1 relating to the safety of tenants*	0

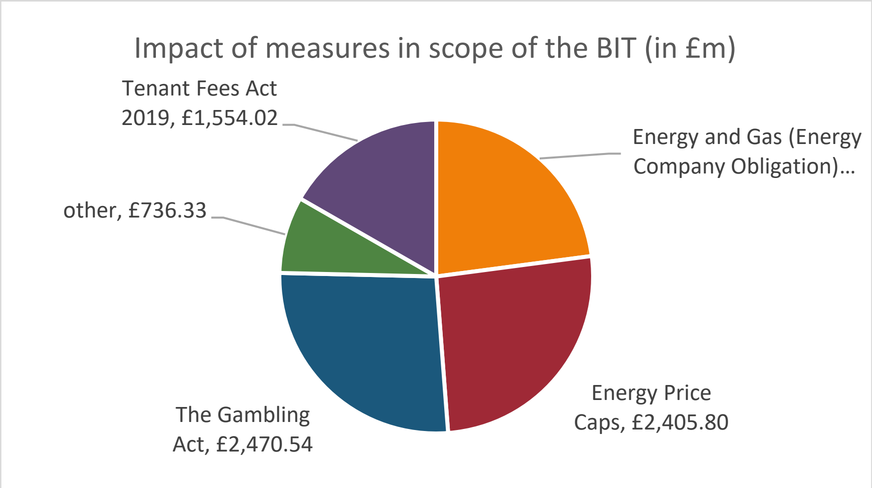
31. The terms of the BIT were set out in a written ministerial statement.[3] Measures have a BIT score equal to five times the EANDCB of the measure, to reflect the length of a fixed-term parliament, or otherwise multiplied by the number of years the measure will be in force if fewer than five.
32. During the BIT reporting period, the Government implemented a greater volume of significant measures that brought a net direct cost to business, than those that brought net direct benefits to business. There were five measures that brought net direct benefits to business, while there were 17 measures bringing net direct costs to business.

Most Significant measures

33. As was the case in the 2017-18 Regulatory Overview, the majority of the value of the BIT came from a few measures. In the 2018-19 BIT reporting period, 85 per cent of the value of gross BIT scores contributed by all departments came from just four measures. These were:
    a. the Energy and Gas (Energy Company Obligation) Order 2018;
    b. the Government response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures;
    c. the Tenant Fees Act 2019; and
    d. the Default Tariff Cap.

DISTRIBUTION OF IMPACT

Chart 2: Distribution of the impacts of qualifying regulatory provisions



[3] Written ministerial statement can be found at: https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-06-20/HCWS776/

34. As can be seen on Chart 2 above, the overwhelming majority (92 per cent) of the impacts on business were incurred by the largest four qualifying regulatory provisions. The remaining twelve had relatively small impacts on business.

DEPARTMENTAL QUALIFYING REGULATORY PROVISIONS

IMPACT OF DEPARTMENTAL QRPS ON THE BIT

35. Table 3, below, provides a breakdown of the impacts of departmental QRPs. Five out of the 16 departmental QRPs reduced costs to businesses by £442.2m, while the other 11 increased costs to businesses by £7,608.5m.

Table 3: Impacts of departmental QRPs

Qualifying regulatory provisions	Number of measures	EANDCB (£m)	BIT score (£m)
Net beneficial measures	5	-88.4	-442.2
Net costly measures	11	1,795.0	7,608.5
Not yet validated by the RPC	0	–	–
Net total impact	16	1,706.6	7,166.3

SIGNIFICANT DEPARTMENTAL QUALIFYING REGULATORY PROVISIONS

36. Table 4, below, lists the three largest departmental QRPs. These three are three of the four most impactful measures introduced during the parliament. These three measures combined accounted for £6,154.7m of costs, 81 per cent of impact of the measures that introduced net costs during the reporting period by departments.

Table 4: Three largest departmental QRPs[4]

Largest departmental QRPs implemented in BIT reporting period	Department	EANDCB (£m)	BIT score (£m)
Government response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures	DCMS	494.1	2470.5
Energy and Gas (Energy Company Obligation) Order 2018	BEIS	608.3	2130.2
Tenant Fees Act 2019	MHCLG	310.8	1554.0

37. The RPC confirms that the figures reported by the Government have all been verified by the RPC. We highlight some noteworthy cases in this report. For example, as noted earlier in this report, the four largest measures accounted for 92 per cent of the value of gross BIT scores.
38. The largest qualifying regulatory provision introduced during the reporting year by departments was the Government response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures.
39. This measure principally reduces the maximum stake on B2 gambling machines (otherwise known as fixed odd betting terminals). This category of gambling machines have the highest maximum stake.
40. The Department argued that government intervention is needed to strike the right balance between socially responsible growth of the gambling industry, and the protection of consumers and wider communities. The ultimate policy aim is to reduce gambling related harm. This measure follows other legislation which takes a behavioural approach to addressing problem gambling.
41. Another large qualifying regulatory provision was Energy and Gas (Energy Company Obligation) Order 2018. The regulations place an obligation on larger energy suppliers to

[4] Figures are different from those in the RPC opinions because of rebasing to 2016 prices and 2017 base year for discounting.

achieve both carbon and bill savings by promoting and installing energy efficiency measures into homes. These regulations are the part of the Energy Company Obligation (ECO), and follow ECO2t. ECO3 is due to run between October 2018 and March 2022.

42. The third large qualifying regulatory provision was the Tenant Fees Act 2019. This measure proposes to ban the charging of fees to tenants (whether by agents or by landlords) except for utilities, Green Deal loan payments and fees arising because of a default or variation requested by the tenant, and to cap deposits charged by landlords at the beginning of a tenancy at a maximum of six weeks' rent.

REGULATORS' QUALIFYING REGULATORY PROVISIONS

IMPACT OF REGULATOR QRPS ON THE BIT

43. Table 5, below, provides a breakdown of the impacts of regulator QRPs. As all seven QRPs were net costly to business, the total impact of all regulator QRPs was net costly. The total impact, £2,702.5m, represents 29 per cent of the total costs to business incurred during the BIT year.

Table 5: Impacts of regulator QRPs

Qualifying regulatory provisions	Number of measures	EANDCB (£m)	BIT score (£m)
Net beneficial measures	0	0	0
Net costly measures	7	1,262.3	2,702.5
Not yet validated by the RPC	3	–	–
Net total impact	7	1,262.3	2,702.5

44. Table 6, below, lists the largest regulator QRP. This measure accounted for 25.9 per cent of the total impacts introduced during the reporting period.

Table 6: Largest regulator QRP

Largest QRPs implemented in BIT reporting period	Regulator	BIT score (£m)
Default Tariff Cap	OFGEM	2,405.8

45. The RPC confirms that the figures reported by government have all been verified by the RPC.
46. Of the 11 regulator BIT assessments submitted to the RPC, seven came from the Financial Conduct Authority (FCA), although one of these had not yet been validated by the RPC. The remaining regulators to bring QRPs into force in the 2018-19 BIT reporting period were the Environment Agency, the Office for Communications, the Office of Gas and Electricity Markets, and the Pensions Regulator. Each of these regulators brought one QRP into force. At the time of publication of the Government's Better Regulation report, only the measure by OFGEM had been validated by the RPC.
47. OFGEM's measure, the Default Tariff Cap, accounts for around 89 per cent of the impacts in terms of the absolute BIT score for regulators' measures.
48. A description of this significant regulator QRP can be found below.
49. The Default Tariff Cap: The Domestic Gas and Electricity (Tariff Cap) Act 2018 created a new duty for Ofgem to design and implement a temporary cap on domestic standard variable and default gas and electricity tariffs ('the default tariff cap').
50. A default tariff cap was introduced on 1 January 2019 at around £1,137 per year for typical single rate dual fuel customers paying by direct debit. Around 10.7m households were expected to benefit from it. A cap will run until at least the end of 2020, at which point Ofgem will make a recommendation to the Secretary of State for Business, Energy and Industrial Strategy regarding any possible extension. For the purposes of this business impact target (BIT) assessment, Ofgem has assumed the policy duration to be two years.

NON-QUALIFYING REGULATORY PROVISIONS

51. The section below discusses non-qualifying regulatory provisions, which did not count towards the BIT, but which still impacted businesses above the *de minimis* threshold. We therefore wish to discuss these in the report.
52. For departmental measures above the *de minimis* threshold, the RPC confirms which are non-qualifying and validates the costs and benefits of significant non-qualifying regulatory provisions, although the latter is not a requirement of the Small Business, Enterprise and Employment Act. As these measures do not qualify for the BIT, their impacts are validated and presented only in EANDCB terms, not BIT scores.
53. For regulators' activities, the RPC offers to provide assurance regarding summaries of non-qualifying regulatory provisions. This provides oversight of the high volume of regulatory provisions conducted by regulators and transparency. For departmental measures, through a scrutiny process, the RPC can identify any regulatory provisions that might have been incorrectly classified as not qualifying for the BIT, thus ensuring that any necessary BIT assessment is submitted for validation. The following tables and discussion report government departments' non-qualifying regulatory provisions above the *de minimis* threshold.

Table 7: NQRPs scrutinised by the RPC

Business impact target exclusion	Number of measures	Combined EANDCB
EU	2	£87.2m (This came from costs of £99.5m and benefits of £12.3m)
Pro-competition	0	N/A
Safety of tenant	1	£27.2m
Total	3	£114.4m

SIGNIFICANT NON-QUALIFYING REGULATORY PROVISIONS

54. Table 8, below, lists the largest NQRPs. These three measures combined accounted for 100.00 per cent of all the impacts of NQPRs.

Table 8: three largest non-qualifying regulatory provisions

Largest NQRP implemented in 2018-19 reporting period	Department	EANDCB (£m)
The Package & Linked Travel Arrangement Regulations 2018	BEIS	99.5
Building (Amendment) Regulations 2018 SI 2018/1230	MHCLG	27.2
The Banks and Building Societies (Priorities on Insolvency) Order 2018	HMT	-12.3

55. A particularly interesting significant NQRP can be found in the case study below.|

The Package & Linked Travel Arrangement Regulations 2018

Package travel holidays involve the pre-arranged combination of a number of components of a holiday that are sold together. These holidays were previously regulated by the EU Package Travel Directive (PTD 1990). PTD 1990 is being updated to take account of innovations in the package travel market.
These regulations expand the scope of protection to include dynamic packages and, to a lesser extent, linked travel arrangements. Packages bought for business travel through travel management companies are excluded from scope. Packages brought into scope by the regulation will have to comply with most of the previous requirements of PTD 1990. In addition, the proposal introduces changes to:

- information on provisions that sellers of packages are required to supply;
- restrictions on alterations in price after a package has been booked;
- liability for package performance and obligations to provide assistance;
- terms on cancelling packages, refunds and compensation;
- the ability for the consumer to contact the organiser of a package through the retailer; and
- mutual recognition of insolvency protection and administrative co-operation.

EU EXIT MEASURES

56. In the 2018-19 reporting period, we continued to scrutinise EU Exit measures. As the UK did not leave the EU within this period, many of these measures did not come into force. Some elements of some measures were, nevertheless, implemented. As the elements of these measures were part of wider IAs, it is not possible to quantify the impacts of EU Exit measures that were implemented within the time period.

DE MINIMIS MEASURES AND THEIR POSSIBLE IMPACT ON THE TARGET

57. We have, across the year, worked with departments to provide them with assurances around their *de minimis* assessments. This work has been carried out in a variety of ways, but has primarily been through the scrutiny of departmental casework pipelines. This process has been helpful for all involved, and we look forward to future pipeline discussions. We are very pleased that a range of departments will be having trilateral BRE-RPC-Departmental pipeline discussions in the future.
58. We are pleased with how many departments have engaged in the pipeline process, and how departments have been proactive in sharing these with BRE.