

<b>Minutes of 15 March 2021 Committee meeting (public)</b>	
<b>Attendees</b>	
<b>The Committee</b> Stephen Gibson (SG) – Interim Chair (Chair) Jonathan Cave (JC) Laura Cox (LC) Sheila Drew Smith (SDS) Brian Morgan (BM) Andrew Williams-Fry (AWF)	<b>RPC Secretariat</b> Stuart Sarson – Head of Secretariat (HoS)
<b>Apologies</b> Jeremy Mayhew	<b>BRE</b> Chris Carr (CC) – Director of BRE
	<b>British Chamber of Commerce</b> Dr Adam Marshall (AM) James Martin (JM)

#### **A. Introduction and matters arising**

1. The Chair welcomed everyone to the meeting.
2. The minutes of the January Committee Meeting were agreed. The public minutes have now been published on the RPC website.
3. The Chair provided an update on the recruitment of the Chair vacancy. He had met with the BEIS Select Committee who questioned him on his approach and strategy as Chair of the RPC. The select Committee will produce its report and the final decision will be made by the Secretary of State.
4. The recruitment of the five Committee members whose term of office is about to end will start. A six month extension will be offered to the five committee members to allow for a hand over period. The intention will be to stagger the appointment terms of the new members to ensure a more gradual turnover of members in future.
5. **Register of Interests:** The Register was updated to include the changes in declaration of interests reported members. It has now been published on the RPC Website.
6. **Gifts and Hospitality Register** – The Register was updated to include declarations of gifts and hospitality. It has now been published on the RPC website.

#### **B. Engagement update**

7. Committee members reported the following engagements:
  - BM informed the Committee he has been meeting with think tanks. He also explained he has spoken to the Institute of Economic Affairs on how to improve the RPC's perception as a centre of excellence.
  - SG stated that he had attended the pre-appointment hearing for the Chair at the Select Committee and was now waiting for formal confirmation of his appointment. Also, that he

is being represented by two members of the Secretariat at the 15 March Regwatch Europe which is being held at the same time as this Committee meeting.

- AWF informed the Committee that he and JC had spoken with the DWP Chief Economist. Although few IAs are received from DWP the measures are substantial

### C. MSG Updates

8.AWF provided the Committee with a summary of the February MSG meeting.

8. AWF explained that the MSG is making good progress through the issues that have been identified. The Committee acknowledged the work of the MSG and agreed that the forthcoming review and possible changes to the Better Regulation Framework that it would be sensible to await the outcome of that before making significant changes to any of the existing guidance.

### 8. BRE Update

9. The BRE Director (CC) provided the BRE update which covered the following areas:

#### Better Regulation Framework review

9.CC updated the RPC on developments with the new Better Regulation Cabinet Sub-committee who were to meet later that day for the first time to agree a work programme.

### 9. Handling Conflicts of Interest in the RPC

10. SG informed the RPC that when he appeared before the Select Committee, they were especially interested in the RPC's policy on handling conflict of interest and in its independence. This had been discussed at length in the previous Committee meeting and it was important to finalise the paper and publish it on the RPC website as soon as possible to show the integrity and transparency of the RPC.
11. LC explained that the conflicts of interest policy had evolved significantly since the last draft. The definition of a conflict of interest now used was from the National Audit Office, to whom she had looked for best practice to expand on the process for identifying and mitigating conflicts and the process for decision making when a conflict is identified. The paper now explains that the need for judgement in a conflicts of interest policy is unavoidable and includes a section explaining how potential conflicts of interest are dealt with when identified by a third party (covered under point 8.2 of the policy).
12. Consideration was given to when there was a disagreement between the Chair and a member on whether the member is conflicted on particular issues. The Chair stated that he is not at all seeking to exclude members of the Committee from participating, and suggested that a three-person group of Committee members could be set up to make a decision if an issue becomes contentious.

13. The Committee discussed a recent media report relating to possible breaches of conflicts of interest at the Bank of England and in the Advisory Committee for Climate Change when it appeared that full interest of a relative was not disclosed in one and in the latter the full business interest. The committee concluded that due to the ambiguous nature of the subject matter that conflicts of interests was a difficult area to manage. The Committee also agreed that conflicts of interest need to be considered not only when recruiting candidates but also in identify sector expertise. The chair stated that as the RPC deals with the whole economy it is inevitable that some conflicts will arise.
14. The Committee agreed that they should not over-engineer the document as they will not be able to account for all eventualities. SS explained that the conflicts of interest policy would be reviewed on an annual basis and this process could reflect on any cases from the past year. The Chair said that any further comments should be sent to the Secretariat by the end of the week for the paper to be finalised. It will be signed off by the Chair and LC. The Committee thanked LC for her work on the document, agreeing it was a great improvement on the previous version.

#### **10. British Chamber of Commerce Presentation**

15. Dr Adam Marshall (AM) presented to the Committee the perspective of the BCC on the current regulatory situation in the UK. He thanked the Committee for the critical work they do for business, describing how he sees the RPC as a “bulwark against poor and overly politicised regulation”. He then discussed the following areas:
  - How regulatory discipline has been undermined and that the Government is not considering how the large quantity of regulation they are introducing adds together.
  - How the COVID-19 public health regulation that persists increases fixed costs for business, in some cases by an additional 7%.
  - How business wants the proposed regulation scrutinised so that it provides the maximum benefit for the minimum burden.
  - That the burden from regulation stems not only from the regulation itself but often also from poor communication.
  - That he would like the BRE and BEIS to champion joined up thinking about regulation across Whitehall.
  - That the business perspective is that regulatory flow is currently of greater concern than stock as business have already adapted to previous legislation. Therefore, amending the stock of regulation would likely lead to short run costs.
16. The Committee thanked Adam and James for their input and wished Adam well.

#### **11. AOB**

17. JC apologised for joining the meeting late explaining that he had an engagement meeting scheduled with the Europe and Welcome Trust as well as a regulator round table on innovation which he will report to the Committee at a later date.