

RPC meeting 4 July 2022 - minutes

Attendees

The Committee

Chair: Stephen Gibson
Jonathan Cave
Daniel Dalton
Stephen Gifford
Hilary Jennings
John Longworth
Derek Ridyard
Andrew Williams-Fry

BEIS (Market Frameworks)

Caleb Deeks – Director General

Better Regulation Executive

Rhiannon Harries – Director
Sarah Montgomery – Deputy Director

RPC Secretariat

Stuart Sarson – Head of Secretariat

A. Minutes of committee meeting 9 May and matters arising

1. The **minutes** were agreed [and have since been published on the RPC website].
2. **Register of interests:** committee members confirmed the accuracy of their entries in the RPC register of interests [which is available on the RPC website].
3. **Gifts and hospitality register:** committee members confirmed the accuracy of their entries in the gifts and hospitality register [again available on the RPC and BEIS website].

B. BRE update

4. Caleb Deeks (CD) introduced himself as one half of the new job-share Director General for the Market Frameworks Group within BEIS [with Gavin Lambert]. He thanked the members of the RPC for their collective efforts and welcomed the members that had recently joined.
5. CD explained the current resourcing context for government departments and BEIS. CD was grateful for RPC input in the process to date and was keen to allow further views to feed in, getting the right balance between recognising independence but allowing input as policy was developed.
6. The Chair thanked CD for his input and said the committee would continue to offer input and support. CD said he would consider further what input would be most helpful.

C. Engagement update

7. A list of engagements in which the chair and the committee members were involved had been circulated in advance to the committee. The committee welcomed these engagements as an effective way to understand the concerns of stakeholders and to raise the profile of the RPC.

D. External presentation – Federation of Small Businesses (FSB)

8. Martin McTague (MM), National Chair of the FSB, explained the complexity of the landscape currently facing small businesses and how FSB receives feedback from its members that their main concern above all other issues is taxation. Whilst FSB recognised the importance of regulation to its members, they are not focused on any specific pieces of regulation sufficiently to provide comments.
9. On the expected Better Regulation framework restructuring, MM emphasised FSB's views on how the "British Columbia model" could be a strategic driver for deregulation and had said as much in its response to the consultation on the framework. He saw that the focus within this policy area was Brexit-led and suggested that, to assist this, a stock take of regulation would provide a good platform to move the policy onwards. He suggested that use of a departmental league table could be a useful and effective management tool to incentivise departments to assess their stocks of regulation.
10. MM recognised the importance and use of IAs in assisting with the design of regulation but there were too many of them and consideration should be given to reducing their number going forward. The focus should be on quality, rather than quantity. He returned to his point on taxation in that digital taxation was providing an additional and difficult burden upon small business – a point made to the HMRC by FSB – and considered that such taxation burdens would benefit from being considered as a regulatory burden and thereby possibly within scope of the framework's redesign.
11. As one of the business groups which proposed it, FSB still strongly support the continual inclusion of the small and micro business assessment as part of the RPC's scrutiny process and thereby wished to see this maintained within the revised framework. Another issue was clarity within regulation.
12. Looking forward, he saw that policies, such as Net Zero, needed to be clear and tightly defined in order not to place a disproportionate burden on small businesses. One way to provide clarity within the regulatory landscape could be the streamlining of the number of regulators that were able to enforce regulation and how, therefore, regulations need to be more aligned with each other, as opposed to, currently, where it is more likely for them to conflict causing confusion for businesses.
13. In summing up, MM said he would ensure that strong ties with the RPC were continued by his policy successor Tina McKenzie. The Chair thanked Martin for his input.

E. RPC methodology sub-group (MSG) update

14. Jonathan Cave provided a report on the June meeting of the MSG. The meeting considered issues raised during recent RPC scrutiny of sanctions IAs and the suitability of the RPC opinion template for these. The sub-group discussed how the RPC might treat future sanctions IAs, and identified three options. Stephen Gibson asked the MSG chair and the secretariat to produce a short paper on these options for full committee consideration.

F. External presentation: charity – WWF

15. Jake White, head of legal (advocacy and campaigns) described how the use of evidence in policy making can be hit or miss. A ‘hit’ was the forest risk commodities (palm oil etc) policy area – WWF published a report that was used as evidence for government amendment to Environment Bill in this area. But the consultation for this was narrow and had series of leading questions – government was pushed by NGOs on this and backtracked on this, but it came late, and the public was not informed. A ‘miss’ for Jake was the lack of an evidence base/IA in consultation for the Environment Act (March 21) – NGOs had to call for publication, which came in late April but, by June, the consultation was closed. Generally, consultations undertaken like this, slow things and it looks like *ex post facto* justification.
16. The following points were made in discussion:
- Trade agreements are a big area for WWF – it is worried about downward pressure on standards. They found the RPC’s opinion on the Australia FTA IA very useful [in this regard].
 - WWF described how DEFRA blocked the River Wye Water Protection Zone due to an alleged cost on business but there is no published evidence base – and what about cost of not acting/active benefit of a WPZ? More generally, WWF believes that regulation is too often seen only as a cost, and rarely seen as benefit. The Retained EU Law (Reform) Bill, using Henry VIII powers, is a big concern in his area.
 - On IAs generally, WWF thinks it would be useful if the RPC had a higher profile. IAs need to be included in wider climate work (which is incredibly urgent). There is also a real need for evaluation (PIRs). An excuse of Brexit and Covid, as to why they are not undertaken, should not stand.