



Regulators' Pioneer Fund 2 Evaluation

Final case studies

April – June 2022



Department for
Business, Energy
& Industrial Strategy

The high-level objectives of the Regulators' Pioneer Fund

The Regulators' Pioneer Fund (RPF) round two is the second round of funding of an initiative set up by the Better Regulation Executive (BRE), part of the Department for Business, Energy and Industrial Strategy (BEIS). The RPF aims to help create a UK regulatory environment that encourages business innovation and growth by giving innovative businesses the confidence to invest, innovate and deploy emerging technologies for the benefit of consumers and the wider economy.

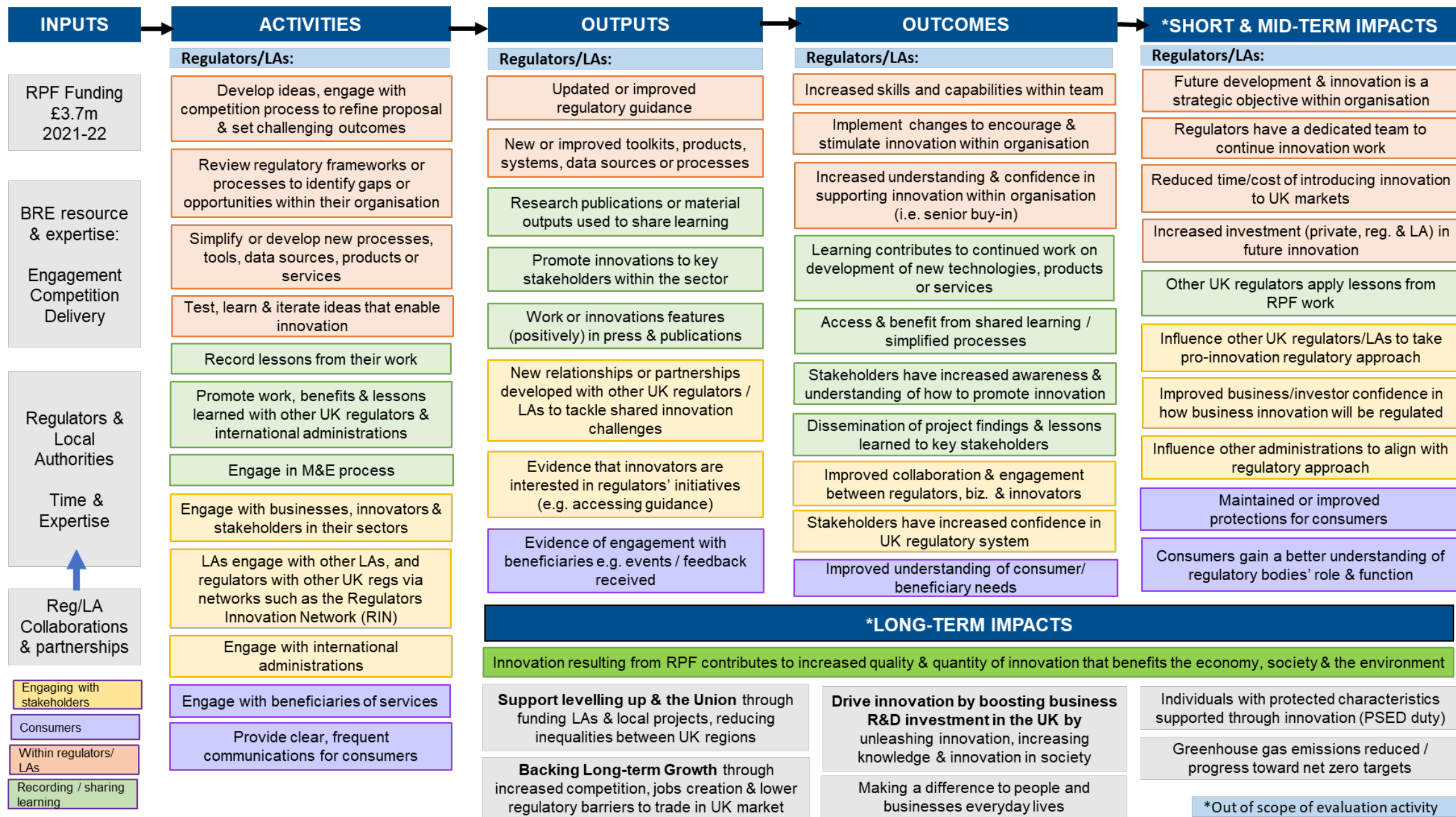
Key aims of the funding (which will invest up to £3.7 million over 6 months in 21 regulator-led projects across 16 sectors) are:



Aims of the RPF programme evaluation

- Assess the extent to which projects **delivered** against their aims and objectives and how these align with the **overall programme goals**
- Understand the **process of delivering** the fund and projects
- Evaluate the **lessons learned** from the projects for BEIS and wider stakeholders
- Enable BEIS to **improve the RPF design and competition process** for any future funding rounds

The Theory of Change for the RPF round two is set below:



Ten case studies from 21 projects were selected to draw lessons from the programme

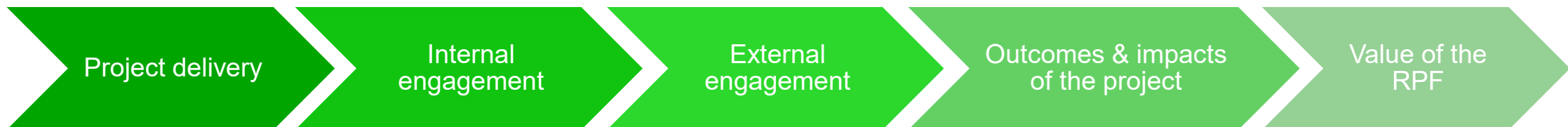
The ten case studies selected represent regulators and local authorities of different sizes and geographical spread, from a range of sectors with differing priorities (e.g. levelling up, net-zero etc), and varying in the size of project and amount of funding awarded by the RPF. Project progress and ability to contribute learning and examples was also considered. 60-minute qualitative interviews were conducted with projects and external stakeholders to explore perspectives on progress, impact and lessons learned.



- A strategic lead on the project e.g., project lead
- Two external stakeholders, identified by projects as involved in delivery and/or benefiting from the project

Case studies were conducted between April and June 2022, following the conclusion of the 6-month project delivery period in March 2022.

For each case study, early lessons have been captured from the following phases and themes discussed:



Case studies methodology

Participants' selection and data collection

- Projects interviewed for the case studies were selected by BEIS and Kantar to reflect a range of regulators and local authorities of different sizes and geographical spread, from a range of sectors with differing priorities and objectives (e.g., levelling up, net-zero), and varying in the size of project and funding awarded by the RPF.
- For each project, the research team conducted: 1x 60 mins semi structured qualitative interview with the strategic lead overseeing the project, e.g., the project lead and/or project manager; and 2x 60 mins interviews with nominated stakeholders (e.g. businesses, other regulators or delivery partners, other organisations in the sector) identified by the regulators.
- Fieldwork was conducted between April and June 2022 (once projects had finished delivery). Topics explored are included below:

Strategic / Project lead	Stakeholders
<ul style="list-style-type: none"> • Regulators' understanding of the RPF and motivations to apply for funding; • Aims and objectives for the project; intended activities, outputs and outcomes • Experiences of main stages of work (e.g. set up, internal and external engagement, delivery of project specific activities); • Expected and unexpected challenges encountered; • Lessons they learnt about enabling innovation in their sector, engaging with businesses, regulators and other stakeholders; • Any outcomes and impact of their project on innovation in their sector (in relation to focus outcomes agreed with BRE); • Perceptions of RPF support, any impact the Fund had on their ability to enable innovation in their sector, and ways the RPF could be improved for the future. 	<ul style="list-style-type: none"> • Stakeholders' involvement in and perspective on regulators' work; • Nature of their involvement and views on their engagement with regulators; • Ways in which regulators can more effectively engage with stakeholders to enable innovation in their sectors; • Any perceived outcomes, impacts and benefits deriving from regulators' projects; • Views on future outcomes and how regulatory activity could be improved to encourage innovation

Analysis of the information collected through the case studies interviews

- Material collected in interviews (e.g. audio files, notes) were organised through a thematic framework developed in Excel, informed by evaluation objectives.
- Individual and joint brainstorming sessions were carried out by researchers in the Kantar team to review and consolidate insight and draw key overarching themes.



Cross cutting lessons

Topline overarching lessons across the case studies

- All regulators and local authorities interviewed felt that the RPF had allowed or supported them to conduct innovation projects that they would not otherwise be able to deliver without the ringfenced funding provided through the RPF. They explained that the Fund allowed them **resources and capacity to test and develop innovative solutions to sectoral issues, and to build or strengthen relationships and collaborations within their sectors.**
 - **Sector-wide expertise and appetite for innovation** as well as supportive governance from BRE were key facilitators of delivery.
 - **Short project time-frames** and time required for **procurement and onboarding** of consultants and sub-contractors were considered to be the main barriers or challenges to delivery.
- Almost all regulators and local authorities were able to successfully deliver their intended **outputs** including developing **new or improved toolkits, products, systems, data sources or processes; updated or improved regulatory guidance; new relationships or partnerships are developed with other UK regulators / LAs to tackle shared innovation challenges** and producing **research publications or material outputs to share learning.**
- For many, continued work is required to see outcomes develop in full. Three key early outcomes were reported consistently across regulators and local authorities, specifically:
 - **Increased and/or improved collaboration between regulators and sector stakeholders** – The level of collaboration developed through the projects is expected to lead to long-term change in relationships and stimulate greater ongoing collaboration.
 - **Dissemination of learning and innovation developments** - Many projects had begun or had plans to disseminate learning and innovation developments, both within their organisations and across their sectors to raise awareness and the profile of their outputs internally and externally, with a view to encouraging and inspiring other colleagues and sector stakeholders including other regulators.
 - **Increased confidence in the regulatory system** – As a result of the collaborative nature of projects, sector stakeholders reported greater trust and confidence in regulation and the role of the regulator in encouraging innovation, and in some cases, greater openness and transparency in the regulatory process, leading to improved confidence and compliance.

Topline overarching lessons across the case studies - continued

- The longer-term impacts of the RPF second round funding will materialise **beyond the time-frame of delivery and evaluation**. However, project leads and stakeholders were confident that some short-term impacts were already showing signs of emerging.
 - **Sustaining innovation focus within the regulatory sector** – Regulators and local authorities recognised the value in having an ongoing focus and objectives relating to innovation. They also recognised the need for further investment of their own time and resource in future to ensure that the momentum created by the RPF is sustained.
 - **Influencing wider regulatory practice** – Some projects reported that they are confident that the success of their work will influence other regulators. They hope that other regulators will look to their project as an example as to what can be achieved, and that this will encourage and challenge them to innovate in their own work.
 - **Increasing wider investment** - Some regulators and local authorities reported that they will be dedicating their own funding from core budgets to continue their RPF second round projects. There is already also some evidence that regulators have been able to secure further funding to continue their existing project and/or start new or different innovation projects from alternative funding bodies and sector stakeholders.
 - Most regulators and local authorities reported that, although there is more work to be done, what they have already delivered is on the right trajectory to contribute to longer-term impacts in the future.

A more comprehensive description of the overarching lessons and findings from individual projects can be found in the evaluation report.

Case study 1

**Security Industry Authority
Simplifying regulatory compliance in
the private security industry**



Project at a glance – Simplifying regulatory compliance in the private security industry



Organisation and project background

One of the key regulatory requirements that is overseen by the SIA is to ensure that the relevant people who work in the industry hold a personal licence.

Although it is possible to carry out a check of licence online, the current process is not user-friendly. The project aimed to deliver new capability within the SIA's existing regulatory function, creating a new channel for the SIA to share its data.

The project **aimed to create an API tool to make checking a license less labour intensive** by allowing use of a mobile phone to check licenses.

This would have a **significant impact on the industry, improving efficiency and ease** of checking personal licences.

The project is seen as the **beginning of the SIA's innovation journey** in this area. There are hopes to **further develop the tool** to add additional capabilities, such as linking licence cards to the SIA system to create additional efficiencies for the industry.

The SIA **met with core users and key stakeholders** to understand the current situation within the industry, and to **identify areas of improvement**. The **requirements of the API tool were identified during these workshops and tested during a pilot**.



Motivations for RPF bid

The SIA has **no fixed budget for investment in digital services**. The RPF funding **allowed them to launch the API tool in a faster timescale** and removed their dependence on the Home Office for the digital services element of their budget.

The SIA currently also has to compete for capital with other bodies, which often have more pressing problems. This means that funding is often unavailable for projects viewed as inessential.

The SIA hopes that this initiative will **add value** to their offering and **give the UK a leading-edge capability** that may well be of interest to other regulators in the UK and abroad who operate a licensing regime based on physical ID cards.



Main activities involved

- Engage with businesses, innovators & stakeholders in their sectors
- Test, learn & iterate ideas that enable innovation
- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Engage with beneficiaries of services
- Record lessons from their work



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- Evidence of engagement with beneficiaries e.g. events / feedback received



Potential impacts resulting from project

- Future development & innovation is a strategic objective within organisation
- Improved business/investor confidence in how business innovation will be regulated
- Maintained or improved protections for consumers

"Our aim is that people can no longer say that this is too bureaucratic to comply (...) a regulator that is not a burden but adds value to the industry." (SIA)

"When we normally compete for funding we are competing with people who have got urgent essential requirements. What we are doing with this fund is not essential but it is highly desirable." (SIA)



Project set up

Overall, **project set-up was successful** for the SIA. **One stakeholder who intended to pilot the tool was unable to participate** due to an inability of the SIA to pay costs due to compliance reasons.

However, this **did not adversely impact the project**, and delivery of the project was completed as planned.

The SIA identified some **initial concerns** during the project:

- A **potential for interface to be misused**. This was addressed by building in the ability to cut off connection with the tool instantly to ensure any reputational damage would be limited
- **The tight timeframe** was an additional concern flagged at the start of the project

To maximise the outcomes and outputs, the SIA plan to extend the project to increase the API tool’s capabilities, for example setting up license cards with QR codes.

SIA engaged:

Information Commissioners Office (ICO)

Competitions and Marketing Authority (CMA)

APS and Version 1

Orka Works

Who was engaged?

SIA engaged with a number of stakeholders to deliver the project:

- ICO and CMA: Engaged to discuss data protection and GDPR requirements of API output from the project
- APS and Version 1 (IT developer): Helped develop the final product. APS produced mock-ups of licence cards, while Version 1 provided the programming element of the product
- Orka Works (security provider and beneficiary): Piloted the product in a live trial

How were stakeholders engaged?

There was a **strongly collaborative approach** to stakeholder engagement. For example, following input from the ICO, **elements of the final deliverable were altered**, such as adding a data-sharing agreement. Likewise, experiences of stakeholders working with the SIA were very **positive**, echoing the sense of collaboration. For example, Orka Works, whose role was to pilot the product, were engaged frequently, ensuring that *“everyone was on the same page”*.

Lessons learnt on stakeholder engagement

The key learning from stakeholder engagement was **need and benefit of clear and regular communication**. Stakeholders identified this as a **strength of the project**, noting how the overall project management was a key driver for success: *“[the project manager] nailed it”*.

‘We don’t want to build this as a one-off technology, but to be an enabler for our overall strategy. We built this so we can start creating the API management layer.’ (SIA)

“The project was tested and passed every test, so the technological part of the project was a walk in the park. As far as the innovation was concerned in the project, it was a success in every measure.” (SIA)



Initial positive outcomes and achievements

All stakeholders involved considered the project to be a success. Outcomes and achievements included the development of a tool that represents “a big step in the right direction” to increase efficiency within the security industry.

In the longer term, it is hoped that industry stakeholders will be completely integrated with the SIA’s new system.

As a result of the project, the **SIA has developed its offering** to “be modern, [and to] offer different options for organisations”. This has **improved the SIA’s reputation** in the industry, including creating a perception of a **willingness to engage with the industry**, which is sometimes made difficult by the need for neutrality.

The project was felt to have “**opened the eyes**” of stakeholders to the capabilities and strengths of the SIA.

The SIA hopes the project will have the impact of **demonstrating their capacity for better regulation**.

In the longer term, it is hoped that the tool will allow **new products and services to enter the market**, a key aim of the RPF, by supporting the creation of new apps to make it easier for private security workers to find work.

As such, there is a **hope that this tool will strengthen relationships** between the SIA and the industry, and increase **confidence within the industry as to how regulation is approached**.

Stakeholders noted how the outcomes from the project are mutually beneficial for both the SIA and the wider industry, improving quality and efficiency of the SIA’s regulatory activities, saving time, cost for business and improving public safety and security.



Beneficiaries of the project



Industry stakeholders

The development of the tool is expected to **make compliance with SIA regulations far easier, saving time and costs for businesses**.



SIA

There is a hope that the success of this project **leads to future initiatives** to innovate



International organisations

A longer term aim may be to **share the tool** and any key learnings from its roll out with international organisations



Consumers

More efficient and effective regulation of the industry, identifying those with invalid licenses in real time, improving public safety and security

The RPF has provided value in a number of ways:



Demonstrated the **value of innovation to the SIA**, who are now looking to further develop the tool created during RPF2

“We don’t want to build this as a one-off technology, but to be an enabler for our overall strategy. We built this so we can start creating the API management layer.” (SIA)



Strengthened relationships between the SIA and the industry

“Our strategy is not to change the world with a single strike, but to be a reliable, safe, that delivers what we say will do. This is an example of how we can be a better regulator.” (SIA)



Improved regulatory compliance within the security industry

“With this advance [in regulation], along with saving time, the security officers that companies deploy would be more compliant” (Orka works)

An aerial photograph showing a vast expanse of ocean water. The water is a deep blue in the upper left, transitioning to a lighter blue and then a bright, almost white-green color in the lower right, indicating a massive algal bloom. The bloom's texture appears dense and slightly rippled. The text is overlaid on the left side of the image.

Case study 2

Cornwall Port Health Authority (CPHA)

Harmful Algal Blooms – Artificial Intelligence

Project at a glance – Harmful Algal Blooms – Artificial Intelligence



Organisation and project background

Harmful Algal Blooms (HABs) can produce toxins, which accumulate in shellfish and can cause a danger to consumers.

Under current regulations shellfish toxin monitoring is reported retrospectively, which leads to inefficiencies at all stages of the regulatory chain.

CPHA aimed to refine and validate a computer model for predicting HABs up to 6-8 weeks ahead. The target output at the end of the project was a proof of concept that could be used by industry stakeholders. This was in the form of a predictive modelling system that could identify a future problem. This would:

- **reduce the overall frequency** of regulatory sampling;
- **give the industry the tools they require** to place food upon the market in a safe manner without the worry of a retrospective recall;
- **aid planning decisions** for harvesting which could save costly recalls and protect human health;
- develop an **understanding of willingness across the industry** to follow the advice of this concept compared with what is being done now.

To do this, CPHA took samples of shellfish and worked with project stakeholders, using results from testing these to develop a quantitative PCR device (q-PCR). Used alongside a predictive modelling tool being simultaneously developed, this would help predict harmful algal blooms within shellfish waters.



Motivations for RPF bid

Due to **budget constraints** within Cornwall Council and stakeholders, the project **would not be able to proceed without RPF funding**. There were **cost implications for all stakeholders** in the project such as the practice of sending vessels out to collect samples.

A second key enabler from the funding was the **ability to bring stakeholders on board** such as the University of Exeter and University of Glasgow. One stakeholder noted that they have to “*justify everything*” with regards to their funding which limits their ability to fund participation in projects like this themselves.

CPHA hoped the **project would build confidence** in the use of qPCR tests and lateral flows and **reinforce the strong stakeholder relationships** that already existed.

The RPF fund **ensured CPHA could work collaboratively** with a number of stakeholders who were able to contribute to the project with their own objectives. For example, for one stakeholder, the project meant they were able to “*change and move with the times*”.

“What the Regulators’ Pioneer Fund is trying to achieve and what we are trying to achieve is quite connected. The way the regulatory system is structured at the moment could be improved if there is good evidence to prove that shellfish monitoring in the UK is structured” (CPHA)



Main activities involved

- Simplify or develop new processes, tools, data sources, products or services
- Record lessons from their work
- Promote work, benefits & lessons learned with other UK regulators, stakeholders & international administrations
- Engage with beneficiaries of services (e.g. shellfish industry)



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- Research publications or material outputs used to share learning



Potential impacts resulting from project

- Influence other administrations to align with regulatory approach
- Improved business/investor confidence in how business innovation will be regulated
- Maintained or improved protections for consumers



Project set up

CPHA encountered no issues with the project set-up, building on strong **pre-existing relationships** with stakeholders to ensure a smooth project inception.

However, some **challenges** were initially identified:

- **Timelines:** with the fund needing to finish within the financial year, the ability to maximise the data yield was limited due to the seasonality of the algal blooms;
- **Collecting the sample:** uncontrollable elements such as weather changes had the potential to make sample collection challenging, however sufficient contingencies were in place to ensure this was avoided, for example having multiple dates for sample collection
- **Initial recruitment efforts for a research data partner** to carry out the data modelling.

Despite the emergence of these challenges, **strong communication between teams meant they did not materialise:** *“challenges have been non-existent”*.

CPHA engaged:

University of Glasgow

University of Exeter

Centre for Environment, Fisheries and Aquaculture Science (CEFAS)

National Oceanography Centre (NOC)



Who was engaged?

CPHA **engaged with a number of stakeholders** to deliver the project. The University of Glasgow and University of Exeter provided the expertise to generate the predictive modelling tool and resources to support sampling logistics. They were also used to provide academic support for publishing the scientific results of the project.

CEFAS provided the technical support and facilities (including laboratory services) to provide the data used to develop the predictive modelling software. NOC provided the q-PCR device used to gather the data in-field.



How were stakeholders engaged?

Throughout the project there was a **strong working relationship across all stakeholders**. Stakeholders were **engaged through regular project meetings**, held fortnightly to monthly depending on need. Likewise, a Microsoft Teams group was created to ensure data and issues were quickly shared and addressed.

This regular communication meant that each stakeholder was acutely **aware of the common challenges** faced by everyone involved in the project, and were able to contribute to overcoming these.



Lessons learnt on stakeholder engagement

The overall organisation and structure of the project has ensured it was a success, demonstrating to stakeholders the **importance of regular and clear communication**.

“the contributing factors to the success of the project lie in the organisation, technical capabilities, and enthusiasm of the people involved” (CEFAS)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Initial positive outcomes and achievements

CPHA and project partners successfully developed a predictive modelling tool to model the growth of harmful algal blooms. This tool provides greater accuracy in predicting toxin concentrations in shellfish and whether these are likely to exceed the regulatory threshold. This would aid business planning decisions for harvesting and will save cost for recalling large amounts of shellfish as well as building consumer confidence. CPHA identified a number of positive outcomes as a result of the project:

Improved collaboration and communication across industry stakeholders and regulators to create a “less confrontational” relationship by **ensuring parties understand each other’s work** and the challenges they face. *“Things can really accelerate forward when everyone involved is communicating”.*

Stakeholders also noted how the project had lead to an increased awareness among industry stakeholders as to the roles each organisation plays.

Confirmation that the **new technologies tested during the project add value** to regulation and operation in shellfish farming in southwest England.

Port health authorities have also realised that some current techniques are not suitable for the average shellfish grower. Receiving this feedback is **valuable for future developments**.

Stakeholders were able to **clearly identify benefits for the industry:**

- Organisations would be able to control their business, for example being able to more effectively organise their production and costs
- Other industry stakeholders are seeing indirect benefits, such as being better prepared to face the consequences of a toxin exceedance



Beneficiaries of the project



Organisations within the industry

The relationship between the Port health authorities and the industry is already well-established. Both parties understand their respective role and see it as mutually beneficial.



Consumers / Businesses

An effective predictive modelling tool will help businesses better plan for harmful algal blooms, with knock-on impacts on retail, restaurants and consumers

“Seeing something like this [predictive modelling tool] can help improve food safety and the viability of the business” (CPHA)

The RPF has provided value in a number of ways:



Provided an **opportunity to test a new process** in a relatively ‘risk-free’ environment



Encouraged collaboration among industry stakeholders including Cefas, NOC, CPHA and the shellfish industry (farmers and suppliers)



Provided funding needed to **allow external engagement** (esp. with universities)

“If industries have a predicting tool to better control their business, then they can organise their production and costs making their business more economically viable, which would also impact retail, restaurants, and all seafood-related industries” (CPHA)

“Things can really accelerate forward when everyone involved is communicating”. (CEFAS)



Case study 3

Civil Aviation Authority (CAA)

**Crash Protected Containers to Carry
Dangerous Goods in Drones**

Project at a glance – Crash Protected Containers to Carry Dangerous Goods in Drones



Organisation and project background

The use of drones to provide public and private services is increasing, a trend which is expected to continue in volume and frequency into the future. **The CAA is responsible to make sure that drones are built and flown safely by setting rules and minimum performance requirements for the aircraft, their remote pilots, and supporting equipment or services.**

In 2021, the CAA's Innovation Hub identified compelling use cases for drones carrying 'dangerous goods', such as the distribution of high-value chemotherapy drugs within minutes instead of hours, ensuring that the short-life drugs are still viable when they reach their destination.

The carriage of dangerous goods by air must be approved by the CAA due to the additional safety risk that it poses, such as preventing the leakage of potentially harmful substances from a drone's cargo hold if the drone were to crash.

New drone regulations, which came into effect at the start of 2021, included a reference to a "crash protected container" as one possible way to mitigate this risk, but without specifying any performance criteria or standards.

There was therefore a need to explore exactly what the CAA would accept as being a safe crash protected container.



Motivations for RPF bid

The CAA's proposal for the RPF was to establish a test and approval regime for crash-protected containers.

To achieve this, **the CAA worked together with the Vehicle Certification Agency (VCA) Dangerous Goods Office**, who are global experts in dangerous goods packaging, testing, and inspection.

Providing the industry with this test and approval regime offers another possible mitigation to the safety risks, and is therefore expected to make these types of operations accessible to more operators and end users across the UK.

The financial motivation for the RPF bid rests on the funding model of the CAA.

As the CAA relies on income from charges levied on the airline industry but not on drone operators, there is no expectation from airlines that these funds should be invested in areas that have no impact on them.

During the pandemic, the CAA's income was minimal, resulting in the CAA requiring government support in the short term, creating additional pressure on how the CAA spends its limited budget.

RPF funding allows the CAA to dedicate time to an innovative and collaborative project with the industry.

"It felt like the right place to be doing all of that activity" (CAA)



Main activities involved

- Develop ideas, engage with competition process to refine proposal & set challenging outcomes
- Simplify or develop new processes, tools, data sources, products or services
- Test, learn & iterate ideas that enable innovation
- Engage with businesses, innovators & stakeholders in their sectors



RPF programme outputs

- Updated or improved regulatory guidance
- New or improved toolkits, products, systems, data sources or processes
- Innovators are interested in regulators' initiatives (e.g. accessing guidance)



Potential impacts resulting from project

- Increased investment (private, reg. & LA) in future innovation
- Improved business/investor confidence in how business innovation will be regulated

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Project set up

The CAA **encountered limited issues with the project set-up**, working effectively with partner organisations. This was made easier because the two main partners, CAA and VCA, were familiar with each other's roles and expertise.

There were however a few challenges identified in the early stages of the project:

- **Lack of clarity on regulation.** Stakeholders did not agree with each other on regulation requirements which stalled communications between them
- **New challenges** arose when they started to work on the objectives, such as the great variety of different drones and types of goods to test, but they managed to overcome these issues by establishing a comprehensive test procedure
- **Scheduling** with the different stakeholders was initially found to be a challenge

"I think they've done an extraordinary job of reaching out to all the different parts of the huge jigsaw and getting a dialogue going. It's been very interesting."
(CP Cases, manufacturer)

CAA engaged:

Vehicle Certification Agency (VCA)

Dangerous Goods RPAS Challenge Group

Medical and Healthcare Devices Regulatory Authority (MHRA)

UKRI Innovate UK Future Flight Challenge



Who was engaged?

Although the CAA had one main partner, the **VCA**, they also engaged with different organisations, such as the Medical and Healthcare Devices Regulatory Authority (**MHRA**), and the **UKRI Innovate UK Future Flight Challenge**. One of the main project outputs was the establishment of the **Dangerous Goods RPAS Challenge Group**. The group (which totalled 19, including 5 from the CAA and VCA) included industry stakeholders such as CP Cases (who manufacture the cases used by CAA) and aimed to assist in providing feedback on the test procedure and to assist the CAA and VCA with understanding the potential market demands for drones carrying dangerous goods.



How were stakeholders engaged?

Engagement was **early and continuous** with the different stakeholders, especially with the VCA, cooperating through several meetings throughout the development of the project. The Dangerous Goods RPAS Challenge Group helped the CAA and VCA to better understand the potential challenges and outcomes in applying the procedure and using the containers. Periodic meetings between the RPAS Challenge Group, the CAA and the VCA allowed the latter to **quickly adapt** in response to the increasing volume of intelligence and feedback gathered.



Lessons learnt on stakeholder engagement

The project allowed the stakeholders to **better understand each other's positions and interests in the industry, and subsequently, adapt to them.**

"The industry wants to do things much quicker than the regulator can allow. We have very good reasons, they have very good reasons, but there has to be a meeting in the middle, so education of the industry as to what our reasons are for taking as long as we do and what the challenges are that we can share with them. And actually sharing those helps us to work through them together" (CAA).



Initial positive outcomes and achievements

The CAA made a significant achievement for their industry through successfully producing **the world's first test procedure for crash protected containers** which will allow drones to carry sensitive or dangerous goods such as medical products to remote areas.

Similarly, the **CAA developed a market study which provides key insights for the sector** and will help develop future policy roadmaps.

As a result of this:

- The **use of drones has been made more accessible** for end users such as the NHS and those remote and disconnected communities across the UK
- The **industry is more likely to be able to provide safe and compliant drone services** by being more informed of the associated risks
- The **industry has a formal mechanism to challenge and influence CAA policy** on the carriage of dangerous goods by drone, therefore reducing the chance of regulation restricting innovation
- The project could catalyse the **creation of a new market** in the UK and internationally for safe and compliant crash-protected containers

Beneficiaries of the project



Regulators and industry

By better understanding each others position, the industry is more compliant and can better influence CAA regulations, and at the same time, the CAA can better adapt to the industry.



General public

The ability for health services to use drones to deliver dangerous goods means that members of the public who may be in remote areas will be more likely to receive medical equipment.

The project allowed the regulator to understand the importance of *“balancing the interests and stances of the different people we work with”* (CAA).

The RPF has provided value in a number of ways:



Provided funding for a project that had **no internal alternatives**.



Encouraged collaboration among industry stakeholders



Provided an opportunity to innovatively approach the difficult and persistent endeavour of **regulating a changing industry**.

“It has certainly opened my eyes and my colleagues’ eyes who have been involved in this to some of the things that are actually flying over our heads even now. There are really some quite large remotely piloted aircraft that are being used and I was unaware of. It’s opened my eyes to the advancement of the technologies and the innovation that’s happening in the field.” (VCA)

A photograph of an offshore wind farm at sunset. The sky is a mix of blue and orange, with scattered clouds. Several wind turbines are visible in the distance, silhouetted against the bright horizon. The water in the foreground is dark with some whitecaps. The overall mood is serene and industrial.

Case study 4

Environment Agency

Teesworks Greener Freeport

Project at a glance – Teesworks Greener Freeport Environmental Permitting Hub



Organisation and project background

The Environment Agency (EA) and Natural England (NE) are regulation advisers of the Department for Environment, Food and Rural Affairs.

Their main goal is to protect the environment and support sustainable development. The project brought these regulators together to work in partnership with regulated operators and developers in the Tees Valley to **co-design systems that support the sustainable economic growth in the new Teesside Freeport.**

The EA investigated how environmental regulation, including the **planning and permitting regimes, can be a positive tool** to reduce emissions to air and water as part of an ambition to develop the first UK Net Zero Carbon industrial cluster.

The **aim was to review and test ways of working within and between Defra regulators** to improve the pace, certainty, alignment, efficiencies, and value for money of environmental permitting in the new Freeport policy environment. This port, settled in a complex environment, accelerated the scale and pace of remediation and redevelopment of the area.

"It was the time to do the thinking, and the testing and the learning in order to be clear what kind of the recommendations could be for us... this was a chance to really up the pace and hopefully design a more sustainable model". (EA).



Motivations for RPF bid

The current funding structure of the EA and NE responds mainly to either:

- **government grants to develop specific projects**, such as monitoring of the environment, enforcement of regulations, or investments in equipment to reduce flood risk.
- Or **fees and charges** to customers for specific services or regulatory activities.

As such, **the EA finds it difficult to identify funding streams for new projects** that go beyond one specific goal, such as Teesworks Greener Freeport.

The project intended **to test the interface of two key pillars of the post-EU exit policy** – the levelling up agenda and the recently adopted Environment Act. By participating in the RPF, the EA aimed to achieve the dual benefits of supporting environmental regulators and low carbon business and operators, and produce learning that can be replicated for emerging Freeports across the UK.

"The overall goal is to get better environmental outcomes from the freeport. I think that the junior outcomes below that, reputation management, improving efficiencies in the way we regulate both ourselves and for applicants". (EA)



Main activities involved

- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Record lessons from their work
- Engage with businesses, innovators & stakeholders in their sectors



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges
- Evidence of engagement with beneficiaries e.g. events / feedback received



Potential impacts resulting from project

- Other UK regulators apply lessons from RPF work
- Improved business/investor confidence in how business innovation will be regulated

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Project set up

Key activities carried out by the EA included:

- A baseline survey to understand how regulatory interactions are currently happening and identify areas for improvement
- Setup and testing of a Caseload Hub, which allows different regulators in the sector to communicate more effectively

The **EA experienced some difficulty with initial project set-up**. The key barriers faced were primarily internal and reflected their lack of experience in delivering projects such as these.

Challenges faced included:

- **Resourcing:** the size and complexity of the EA meant that it took longer than hoped to internally assure and appropriately resource the project
- **Project delivery in a short time frame**

However they were able to **effectively work with partner organisations to manage risks**.

- For example managing concerns that local organisations may view the project as a form of deregulation through regular communication

The EA **adapted their approach to focus on specific areas of environmental regulation issues** arising from site preparation to respond to applications coming through their caseload hub

EA engaged:

Natural England (NE)

Teesworks

Freeport Partners

Scottish Environment Protection Agency (SEPA)



Who was engaged?

The EA engaged with a number of different stakeholders across the project.

10 organisations subject to environmental regulation (e.g. Teesworks staff, consultants and agents) and 20 staff members working for a Defra regulator on the development of the Freeport site were contacted for the survey.

Other regulators, the Scottish Environment Protection Agency (SEPA) for Grangemouth and Environment Agency for the Humber Estuary, were also engaged to assess understanding of the problem and identify solutions.

The EA, together with NE, also set up the 'Caseload Hub' as a new working arrangement between staff from different regulatory functions.



How were stakeholders engaged?

The level of engagement with the different stakeholders varied. For the survey, communication was one-off with the respondents. However, the EA established good relationships (through remote meetings) with the SEPA.

A formal framework of communications, the Caseload Hub, was established between staff from different regulatory functions within the EA and with NE. The Caseload Hub met weekly during the project and should continue to meet in the future.



Lessons learnt on stakeholder engagement

For the EA, the regulation process can be considerably improved by investing in the relationships between Defra regulators and customers. Such stronger relationships allows not only for better coordination but also for a better understanding of the perspectives of the different stakeholders. For example the noted how the Freeport Status was driving an "astonishing pace" and as a result of the project recognised the need for regulation to be reflective and understanding of this.

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Beneficiaries of the project

The RPF has provided value in a number of ways:



Initial positive outcomes and achievements

The EA created an effective Caseload Hub which was tested across three technical areas that they regulate: land remediation, biodiversity protection and alignment of carbon capture/utilisation. As a result of this, regulators in the sector are able to coordinate regulation of site applications.

They had built strong relationships with SEPA and the Humber Estuary team, leading to **improved collaboration and engagement** between regulators, businesses and innovators.

- As a result of this, all stakeholders have developed a **better understanding of where each other is coming from** and are bridging the “gap around a shared vision for the local environment”.
- This was also noted by stakeholders, who recognised that they have benefited from a better working relationship that has led to “a better understand all-round of individual organisation’s interests and motivations”.

The Caseload Hub that has been developed has already started to **lead to shared learnings and simplified processes** by allowing easier communication and collaboration between the EA, planning teams and Defra regulators.

However, there is a **concern that a lack of future funding** will limit the long-term impact of this.

Stakeholders also noted how there is an **increased confidence in the regulatory system** as a result of the project. This is due to an increased visibility in how industry stakeholders and regulators work together



Regulators and environment organisations

Organisations can better coordinate to make the regulatory process more agile. The survey and the Caseload Hub complement each other to identify and work on this goal.



Local businesses and industry

Businesses will benefit from the efficiencies of a more streamlined approach, for example greater ease in accessing planning permits because regulators have a clearer line of sight applications.



Provided an opportunity to work on a project that was needed.



Strengthened relationships between regulators and customers.



Provided a refreshed image of the regulator’s role.

“It’s definitely added value and allowed us to do a lot more a lot faster than we would have done with core funding” (EA).

“It’s gained us traction, opened up relationships and channels because we’re delivering an external partner’s funding” (EA).

“I think that has been added value... it’s enabled us to see what we need to do to go along that road, the gaps we need to fill, the processes and cultures that we need to tweak” (EA).

“It’s shone a light on our project so it’s given it more of a focus and its given the EA more of an awareness that more needs to be done. It has also made us realise that we probably need to keep them more up to date.” (Teesworks)



Case study 5

Greater London Authority

**Leveraging the UK's regulatory systems to
unlock the benefits of collaborative streetworks**

Project at a glance – Greater London Authority: Collaborative Streetworks



Organisation and project background

The Greater London Authority set up an Infrastructure Coordination Service (ICS) to drive better collaboration in the planning and delivery of London's Infrastructure. The service aims to reduce disruption caused by maintenance or delivery of new infrastructure across London. It has three interrelated service lines: Streets Service, Development Service, and Planning Service.

Streetworks often occur on a repeat and siloed basis, increasing levels of disruption which translates into congestion and wellbeing impacts (noise, air quality, carbon emissions) for businesses and residents.

GLA's project aimed to address this by supporting the collaborative streetworks programme as it looks to move to a wider delivery phase.

Key project objectives included:

- Develop a common incentive for utility providers
- Identify alternative ways to encourage collaborative streetworks
- Identify ways of incorporating the various benefits of collaborative streetworks (such as social and environmental benefits) in decision making
- Create a suitable framework for monitoring and evaluation of collaborative streetworks

"It was fairly opportunistic in that the work was there to be done already and the planets aligned in terms of timelines and eligibility" (GLA).



Motivations for RPF bid

The GLA's project aimed to develop a collaborative streetworks regulatory incentive which would see companies being rewarded financially for each collaboration they deliver between 2021-2026.

The project was already in the scope of the GLA, but the budget was not structured to fund the entire project in this form.

While different parts of the project may have been delivered if funding had to come from elsewhere, the RPF fund ensured the project could be delivered in the most effective way.

"The RPF really facilitated bringing all the strands together. We were then able to look at it like an integrated project and bring it off the ground" (GLA).

"The long-term impact at a fundamental level is more collaborative schemes and therefore less disruption to Londoners" (GLA).



Main activities involved

- Simplify or develop new processes, tools, data sources, products or services
- Record lessons from their work
- Promote work, benefits & lessons learned with other UK regulators, stakeholders & international administrations
- Engage with businesses, innovators & stakeholders in their sectors
- LAs engage with other LAs, and regulators with other UK regs via the Regulators Innovation Network (RIN)



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- Research publications or material outputs used to share learning
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges
- Evidence of engagement with beneficiaries e.g. events / feedback received



Potential impacts resulting from project

- Other UK regulators apply lessons from RPF work
- Influence other UK regulators/LAs to take a pro-innovation regulatory approach
- Improved business/investor confidence in how business innovation will be regulated

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Project set up

GLA **did not experience any significant issues** with their project setup, with sub-contracting activities done in a timely manner. As such, GLA were able to “hit the ground running” with the project by promptly engaging with stakeholders at an early stage of the project.

GLA were able to **leverage strong pre-existing relationships** with industry stakeholders, especially those part of the Mayor’s London Infrastructure Group.

- This ensured that the **setup of working groups and stakeholder engagement ran smoothly**, as communication channels were already open.

Similar to other participants in the RPF, **timing was an initial challenge**, which gave GLA “zero room for manoeuvre”

- However, careful planning and awareness of the timelines ensured that risks of falling behind were avoided

GLA engaged:

Sheffield City Council

Mayor’s London Infrastructure Group membership, including:

Thames Water
UKPN
SGN
Cadent
Transport for London
Ofwat
Ofgem



Who was engaged?

An independent project working group with representation from utilities and Sheffield City Council was set up with monthly meetings scheduled throughout the project.



How were stakeholders engaged?

Industry stakeholders conducted a survey and a poll for the GLA.

A stakeholder workshop was also held to assess the need for an incentive for collaborative streetworks, these included sector stakeholders such as SGN, a gas distribution company. Five consultative working groups were conducted over the course of the project, which were identified by both the GLA and stakeholders as being integral to the success of the project.



Lessons learnt on stakeholder engagement

The GLA identified several lessons that relate to working towards a common set of objectives across a number of stakeholders with independent agendas:

- **Ongoing, two-way communication** and the ability for all stakeholders to input regularly. Providing the opportunities for this ensures that stakeholders can buy into the project as they are able to see how their input is influencing outputs and outcomes.
- **Clarity of roles and responsibilities** is essential to regulate input and ensure constructive contribution from all parties.
- **Upfront planning and communication** help stakeholders plan their contribution most effectively.

“The main risks were the tight timeline, the supplier being able to deliver and the procurement risk. But we were able to build time for these into the project plan to minimise these risks” (GLA)



Initial positive outcomes and achievements

The **GLA met their intended aims**, successfully developing:

- A functional tool for evaluating and quantifying the benefits of collaborative streetworks programmes
- An incentive design and strategy to continue to incentive collaborative approaches
- A best practices framework for use across planning and policy development

Improved collaboration and engagement with industry stakeholders resulted from the collaborative nature of the project. Workshops held with industry voices ensured that the **project successfully achieved buy-in** for project outputs.

- The stakeholder engagement has also meant that GLA is **confident the project outputs can be taken forward practically**
- Stakeholders also noted how the engagement with the GLA has been a **positive experience that they hope to continue**, noting how the project was *“a good experience to jointly achieve”*.

Similarly the opportunity for stakeholders to contribute has led to an **increased confidence in the regulatory system**

- One factor in this has been stakeholder’s experiences working with the GLA and how the project was conducted *“in a measured and pragmatic fashion”* which has improved already **positive perceptions** of the GLA.

Beneficiaries of the project



Regulators and industry

The project allowed the stakeholders to collaborate, deliver innovation, and share new technical knowledge across the industry.



Local residents and businesses

In the long-term, residents and businesses will benefit from the minimisation disruption caused by streetworks.

“GLA has done a good job of looking at things in a more granular way of which one can identify the benefits of a collaborative approach” (SGN)

“This project will allow us to build ideas on how to incentivise companies to innovate.” (GLA)

The RPF has provided value in a number of ways:



Allowed the project to be executed to its full extent.



Supported the transition of the collaborative street work programme from initial pilot projects in phase one to wider delivery and embedding of practices going forwards.



Identifying suitable regulatory mechanisms beyond the current gas-sector incentive to encourage this activity.

Case study 6

**Scottish Environment Protection
Agency (SEPA)**

Industrial Net Zero Regulatory Hub



Project at a glance – Industrial Net Zero Hub



Organisation and project background

SEPA's role is to make sure that the environment and human health are protected, and to ensure that Scotland's natural resources and services are used as sustainably as possible and contribute to sustainable economic growth.

As part of its goals, SEPA monitors and assesses air, water, and soil quality, advising on environmental regulation compliance, and providing best practices to Scotland's government, businesses, and the public.

SEPA sought to develop an Industrial Net Zero Regulatory Hub ('Regulatory Hub') to explore in partnership with business and industry how best to achieve their goals, addressing the lack of clarity and stability in regulatory policy through a whole system approach.

The project focuses on the area of Grangemouth, Scotland's largest industrial cluster, where the three main regulators are SEPA, Falkirk Council and the Health and Safety Executive (HSE). As such, **the project was collaborative by nature**, with the **additional objective of creating a combined approach across the three regulators and developing stronger relationships between regulators and the industry.**

"I think the funding gives a real sense of an opportunity. It needed to happen and it would have happened but the fund gives that additional kind of backup that is the right thing to do and it gives you that conversation starter. We all know it's the right thing to do, but it gives us the strength that this is something worthwhile because you're getting money for it" (SEPA).



Motivations for RPF bid

RPF funding **allowed the project to be executed more rapidly**, as it ensured the stakeholders could engage beyond their normal remit and provided a *"sense of opportunity"* that motivated regulators and businesses to participate.

While it is likely that the project would have happened SEPA noted how the **RPF funding provided the impetus to do so, for example by providing a clear deadline.** This led to a push across SEPA and stakeholders: *"we have to do something about it now"*.

The **financial contribution of the RPF was also key**, as it provided the onus to focus things beyond what they would have to deliver through normal funding i.e. fully resourced stakeholder engagement.

"Without the RPF we wouldn't have had the collective conversations. The fund allows you to have that collective conversation, and means stakeholders really see that this is a credible thing that we've got to deliver. We wanted to deliver it anyway but we've now got more of a time frame to deliver it in, where it's kind of all 'let's rally together' rather than having those separate conversations which would have been taken" (SEPA)



Main activities involved

- Develop ideas, engage with competition process to refine proposal & set challenging outcomes
- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Promote work, benefits & lessons learned with other UK regulators, stakeholders & international administrations
- Engage with businesses, innovators & stakeholders in their sectors
- LAs engage with other LAs, and regulators with other UK regs via the Regulators Innovation Network (RIN)



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- Research publications or material outputs used to share learning
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges
- Evidence of engagement with beneficiaries e.g. events / feedback received



Potential impacts resulting from project

- Increased investment (private, reg. & LA) in future innovation
- Other UK regulators apply lessons from RPF work
- Improved business/investor confidence in how business innovation will be regulated



Project set up

Overall setup process went well. However there were some challenges experienced, specifically resourcing and timings.

- As a result of the tight timelines the project outputs were revised, transitioning from a general framework of the hub to an implementation plan of it instead.

The project was divided into three ‘work packages’:

- Initial scoping and discovery exercise:** This involved setting out the key components to inform a detailed route map towards the creation of the Regulatory Hub. The focus here was on understanding priorities among stakeholders and finding opportunities for stakeholder engagement. SEPA also mapped current and future legislation as well as any other programmes and initiatives.
- Baseline, validation and engagement:** SEPA engaged with key stakeholders to validate the scoping exercise and discuss in detail what the future could or should look like.
- Developed the Hub framework:** In the third work package, SEPA developed the implementation plan for the creation of a Regulatory Hub. The objectives of this were to grow better relationships with the industry by taking more shared responsibilities; creating more resilient infrastructures and smart systems, and identifying relevant regulation and enabling practices.

SEPA engaged:

Health and Safety Executive (HSE)

Falkirk Council

Business and other stakeholders in the area inc. University of Stirling.

Climate Sense, Ahead Business Consulting and Fuel Change (consultancy)



Who was engaged?

Different stakeholders were engaged by work package.

For the regulatory mapping outcome, SEPA engaged with key individuals from regulatory organisations within Grangemouth including **Falkirk Council, Scottish Government, and HSE.**

The stakeholder engagement work package identified the businesses and organisations in Grangemouth that were relevant to the hub. While the **level of engagement with these organisations varied**, four businesses from various industries including logistics and chemicals were selected to understand their preparedness for climate adaptation.



How were stakeholders engaged?

As part of the regulatory mapping, SEPA **conducted workshops and personal interviews**, while during the stakeholder engagement work package, different engagement sessions were planned including an **engagement film.**



Lessons learnt on stakeholder engagement

Increasing the level of engagement between stakeholders allowed SEPA to **realise the benefits of partnership working**, encouraging a sense of collaboration that **included new and old partners.**

“What’s worked well is how we’ve all been able to work together on a common issue – that’s been evident. Bringing all the right people to the table to solve issues rather than all the regulators working in isolation”. (SEPA)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Initial positive outcomes and achievements

SEPA and project stakeholders agreed that the project was a success, achieving their key deliverables:

- A regulatory mapping report
- Case studies
- A stakeholder engagement plan and scenario planning
- Workshops and a report to ensure continued collaboration between the Regulatory Hub and SIEC and to consolidate learnings for 'next steps'

A key outcome identified by participants was **improved collaboration and engagement with stakeholders**. The implementation plan for the regulatory hub has brought stakeholders together by building scenarios for engagement.

- SEPA also noted how the project has allowed them to **compare how they regulate the sector with other regulators** such as HSE. This in turn allowed a relationship to be developed between the two regulators that previously did not exist.
- By engaging in case studies, stakeholders also noted how the project has helped to *“break down barriers”* and change perceptions of SEPA as a regulator that wants to support innovation.

SEPA's **dissemination plans** will also ensure that key lessons and project findings will be shared with key stakeholders.

- Presentations, reports and a film commissioned for an engagement session will be used as a conversation starter with the industry.



Beneficiaries of the project



Regulators and industry

The project helped SEPA to better understand the challenges faced by industry and work with other regulators and stakeholders to address these



Local residents

Local residents are expected to benefit in the long-term, for example through potential new “green jobs”



Increased the regulators confidence in their perceptions of what they can achieve and develop implementation plans



Stimulated relationships, collaboration and improved perceptions of the regulator, among other regulators, business, and the public.



Provided funding for a project that had no specific funding allocated

“I think a great outcome from this is we’ve changed the perception in the future industry board of what regulation could be and how we can help facilitate” (SEPA).

“The project has set us up with a really strong working group. It has facilitated a relationship between ourselves and HSE that we didn’t really have before” (SEPA).

“It will be a new way of working and will deliver on the net zero goals. In its widest sense it’s got quite an international focus because of the proportion of Scotland emissions in the Grangemouth area. So if we can get this right, it’s certainly going to have a national level impact. It may then lead to green jobs in the area and impact on universities and education sector, health and wellbeing impacts for communities in the area, as well as day to day beneficiaries in regulators who have different working relationships with businesses. And of course preventing environmental degradation. It goes far beyond just improving regulation.” (University of Stirling)

Project at a glance – Supporting innovation in health and social care



Organisation and project background

Health inequalities cause significant costs to the NHS each year. As part of their strategy, the CQC is developing ways to consider how the innovative approaches and work being done within General Practices to address these inequalities can be evidenced.

The CQC's regulatory processes are currently predominately patient outcomes-based. This creates difficulties in disentangling the quality of care being provided by a practice from the impact of stubborn and wider community and socio-economic factors affecting health outcomes.

Partnered with the Yorkshire and Humber Academic Health Science Network (YHAHSN), the CQC aimed to create a resource to make it easier for practices to demonstrate innovation and impact being made within their communities even while poor long-term health outcomes and inequalities persist.

There are currently very few ways that practices can demonstrate innovations. Encouraging and recognising innovation in regulatory processes could support practices to evidence their impact on local communities, secure funding to continue innovating to improve health outcomes, address inequalities and contribute to improving the nation's overall health and the Government's levelling up agenda.

The aims of the CQC's project were to:

- Identify examples of innovation that help to reduce health inequalities
- Share these examples so that others may implement similar strategies among their own populations, which would reduce health inequalities nationwide
- Explore ways in which GP practices can show evidence of their innovation to reduce health inequalities that can be recognised as part of CQC's regulatory process.



Motivations for RPF bid

The CQC recognised the importance of evidencing innovation as a mechanism to encourage further innovation, while also supporting collaboration across providers by sharing good practice.

RPF funding allowed the CQC to pursue an innovative project to review their regulatory assessment and provided encouragement to health network partnerships and practices, facilitating buy-in and participation from the sector.

There is also recognition within the CQC that innovation is vitally important, especially in the healthcare sector where stubborn inequalities exist. As such, the CQC wanted to ensure they had the appropriate structures in place to recognise the innovative practices being adopted by GPs.

"We were fortunate that GP providers understood the importance of the project... Reducing health inequality is huge now, I think it was a really good topic." (CQC)

"This project has identified new ways of working, in an integrating way, not only between regulators and operators but also with the community and staff." (CQC)



Main activities involved

- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Simplify or develop new processes, tools, data sources, products or services
- Promote work, benefits & lessons learned with other UK regulators, stakeholders & international administrations
- Engage with beneficiaries of services



RPF programme outputs

- Research publications or material outputs used to share learning
- Work or innovations features (positively) in press & publications
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges



Potential impacts resulting from project

- Future development & innovation is a strategic objective within organisation
- Reduced time/cost of introducing innovation to UK markets
- Improved business/investor confidence in how business innovation will be regulated



Project set up
 Key activities and deliverables were:

- Literature review to identify key innovations
- Fieldwork to understand the experiences of undertaking and evidencing innovation among GPs in 79 practices across 9 regions
- Identifying and sharing case studies of innovation projects across 57 practices
- Developing a resource to allow innovation to be evidenced and recognised through regulatory frameworks
- Identifying ways that findings can inform CQC's regulatory processes

Primary fieldwork was central to the project to understand what GPs wants and needs in developing the main outputs. Practices said they would not use the roadmap to evidence their innovation if it made no impact on their CQC regulatory outcome, and so the initial approach for the CQC was amended to reflect this.

The project **encountered some challenges including:**

- External pressures on GPs, particularly the 2021 winter wave of COVID made scheduling case studies challenging as some practices entered business continuity
- During the roundtable event, the use of the innovation and application of the project was unclear to GPs

CQC engaged:

Yorkshire and Humber Academic Health Science Network (YHAHSN)

GP practices

Industry stakeholders inc. NHS England, NICE

Users of GP services (patients and carers)

Who was engaged?

YHAHSN: partnered with the CQC to deliver the project. They carried out a literature review to develop understanding of the context of issues facing GPs and conducted the project fieldwork

GP practices: Participated in working group, fieldwork and case studies

Industry stakeholders and users of services: Participated in roundtable events

How were stakeholders engaged?

Working group meetings helped coordinate workstreams and discuss fieldwork with YHAHSN.

- Case studies were conducted as a part of the fieldwork with innovative GP practices
- Roundtable events and reference groups were also held with inspectors, patients and carers
- Blogs, bulletins and a podcast also drove engagement, generating traction across the sector.

Lessons learnt on stakeholder engagement

The key lesson learned by CQC was how to adapt to other stakeholders ways of working. There was a recognition that this could lead to better ways of working within the CQC.

- The importance and usefulness of collaboration was also a key learning, with the CQC noting how the project would not have had the same impact without collaboration.

"When you work with different organisations you need to understand that they work differently... We can't have a huge impact without collaboration" (CQC)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Initial positive outcomes and achievements

CQC were able to successfully create an innovation roadmap to better support GP practices to evidence innovation.

In the longer-term, learnings from the project are expected to help the CQC review and revise their regulatory assessments and training for assessors to ensure they are looking out for and recording innovative practice in regulatory assessments.

Learning about how innovation can be evidenced was in part driven by a recognition of what GPs did not want, with GPs reluctant to use a 'toolkit' as they perceived it as "static" and leading to "more papers and bureaucracy".

As such, the CQC **changed their expectations** of the output they would develop. A toolkit for practices to help them show evidence of innovation was initially planned and was subsequently **changed to a roadmap** and interim toolkit that the CQC recognised requires further development to meet the wants and needs of GPs.

CQC are **continuing the development of the innovation roadmap** as an online source and on developing their single assessment framework.

Learning gained through consultation with GPs ensured the roadmap reflects **the needs of GPs** as it provides an online resource containing simple advisory guidance that doesn't add to the pressures GPs already feel.



Beneficiaries of the project



GP practices

It is hoped that GP practices will feel more confident that their innovations will be recognised by the CQC. In turn, this is expected to increase confidence in the adoption of innovative practices in the sector.



Users of GP services

Users of GP services will benefit from the innovations adopted in the sector that lead to a reduction in health inequalities.

The RPF has provided value in a number of ways:



Given an impetus within the sector to continue to identify ways of driving and supporting innovation.



The CQC has developed stronger relationships with the sector, by demonstrating its willingness to encourage innovative practices.



Funding provided by the RPF ensured the CQC were able to provide appropriate resources to the project.

"There is no reason regulation has to be the stick kind of approach. If we all work together with a patient-centric system, then we are all striving for the same outcomes. As long as the CQC has this focus on patients, it's a really good thing." (YHAHSN)

"The fact that these conversations were being held, with the CQC wanting to make a difference, and practices were engaging, I believe that the perception [of the CQC] has changed." (YHAHSN)

"This project has identified new ways of working, in an integrating way, not only between regulators and operators but also with the community and staff. We are really connecting the services and the community, and seeking feedback. You have your outcomes but these is the things that are happening in the background." (CQC)

Project at a glance – How could Costs Lawyers reduce the costs of legal services?



Organisation and project background

Costs Lawyers play a **particularly specialist role in the legal sector**, providing services in relation to a variety of issues relating to legal costs but without any exclusive rights in relation to any of the services they provide.

The current legal regulatory framework for the Costs Lawyer Standards Board (CLSB) in the UK is based on reserved activities which can unnecessarily restrict competition and leave a regulatory gap, with some areas of the Costs Lawyer profession being currently unregulated.

The project aimed to develop a more detailed understanding of the market in which Costs Lawyers work in, including how the demand for, and supply, of their services is changing.

The CLSB sought to address the following questions:

- How might a different regulatory set-up support Costs Lawyers in helping to control the cost of legal services?
- Does the current shape of regulation help or hinder the emergence of innovative services provided by advisors specialising in legal costs?



Motivations for RPF bid

Key stakeholders within the industry have suggested that legal costs are currently out of control.

CLSB noted how terms such as “Wild West” were used to describe charging practices within the legal services sector, with “*shocking tales*” of poor conduct by claimant lawyers.

The CLSB therefore aimed to use the funding to address this and provide Costs Lawyers with a greater influence in controlling legal costs, or at least contribute to preventing poor conduct.

The CLSB is a very small organisation with limited capacity or funds to embark on innovative projects, with only two employees. As such the RPF provided an opportunity for them to do so.

The RPF also provided the opportunity for the CSLB to engage with the sector outside of their immediate remit as regulator, about an issue that is important to those working in the sector, many of whom are individuals and small businesses. This allowed the CLSB to strengthen the relationship between themselves as regulator and industry.



Main activities involved

- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Test, learn & iterate ideas that enable innovation
- Engage with businesses, innovators & stakeholders in their sectors



RPF programme outputs

- Updated or improved regulatory guidance
- Research publications or material outputs used to share learning



Potential impacts resulting from project

- Other UK regulators apply lessons from RPF work
- Influence other UK regulators/LAs to take pro-innovation regulatory approach
- Improved business/investor confidence in how business innovation will be regulated
- Maintained or improved protections for consumers

“The findings of the project have allowed us to develop an expansive new programme of work, deeply rooted in evidence, that will look afresh at the way we regulate Costs Lawyers, with the aim of bringing the maximum benefits to end users of legal services. The project has also highlighted a need for all legal services regulators to focus on how legal costs can be better controlled, and the CLSB will play its part in that.” (CLSB)



Project set up

There were three key phases during the project:

1. Defining how Cost Lawyer services worked, mapping the size, types of services, functions and skills of Costs Lawyers in England and Wales
2. Conducting a programme of desk research and interviews with lawyers and consumers. A survey distributed on LinkedIn gathered responses from approximately 50% of the entire industry. 15 interviews were then conducted with the most high profile customers and other regulatory bodies.
3. Discussing findings of the research and interviews with two challenge boards to put forward recommendations for how to better regulate the sector.

Due to the size of the CLSB (only 2 employees), two consultants were used to help deliver the project. This helped provide additional support to engage Costs Lawyers in the project. Although the project was successfully delivered and CLSB received a positive response from the sector, CLSB reflected that they had significantly under-estimated the amount of time required to engage the sector and conduct fieldwork and that the support of the consultants in giving additional hours was critical to successful completion.

CLSB engaged:

Association of Costs Lawyers

Costs law firms and individual practitioners

Professional and corporate clients

"The project will enable us to know what the ideal direction of regulation is" (CLSB)

Who was engaged?

Association of Costs Lawyers, costs law firms and individual practitioners, professional clients (such as solicitors firms) and corporate clients (such as litigation funders and insurers) were engaged during the fieldwork period by the CLSB and partner consultants.

How were stakeholders engaged?

- Survey distributed on LinkedIn
- Qualitative interviews conducted with 15 stakeholders

Lessons learnt on stakeholder engagement

CLSB recognised how they were able to more effectively engage with the sector by going beyond their normal regulatory role.

CLSB also noted they were fortunate to have benefitted from significantly more work from their partner consultants on the project as they conducted significantly more days than had been budgeted. They also noted the benefit of the consultants in encouraging engagement and positive response from Costs Lawyers themselves.

"I was so taken by how the consultants [that the CLSB partnered with] got a brilliant response... it really gave me pause for thought. I actually think what they were doing was talking to Costs Lawyers about something that was really interesting to them. It made me think that Costs Lawyers probably hear far too much from the regulator about things they're not interested in, about things we're doing because we have to do them" (CLSB)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Initial positive outcomes and achievements

The surveys and interviews conducted demonstrated to the CLSB that Costs Lawyers felt that there were areas in which the regulatory framework could be improved to potentially generate significant gains. It identified the need for improved awareness and understanding of costs, the role, remit and skills of regulated Costs Lawyers, and allowing Costs Lawyers to act more independently of solicitors firms.

As a result of the project CLSB were able to identify a number of recommendations to improve the legal costs market:

- A new approach to regulation in the sector based on a deeper understanding of Costs Lawyers actual and potential client base
- Creation of regulatory actions to strengthen the position of Costs Lawyers to act as independent costs advisers in entities or firms (e.g. solicitors) that employ them

The project also **demonstrated to CLSB that the advantages of empowering Costs Lawyers** to act as independent agents are compelling. 88% of those interviewed felt that impacting costs was a part of their role, not just to move costs between parties.

The CLSB recognised **the value of innovation within the sector** and the willingness of stakeholders to contribute to the development of policies to improve regulation.

The RPF project provided the Legal Services Board (LSB) with a platform to **communicate the achievements** of the CLSB with other legal regulators, and to **encourage other legal regulators to undertake innovation work** within their own parts of the legal sector.



Beneficiaries of the project



Costs Lawyers

Costs lawyers will be able to have more of an impact to control costs of legal services.



CLSB

As a result of the project, the CLSB will have greater confidence in how they can engage with the sector.



Consumers

By ensuring that regulation in legal cost services is improved, consumers will be better protected.

The RPF has provided value in a number of ways:



Provided the funding and resources required for CLSB to conduct the project that would not otherwise be possible.



Created incentive within the sector for other legal regulators to adopt innovative approaches.



Enabled CLSB to develop a better understanding of how the Costs Law sector is operating in practice

“A representative from one of our other smaller regulators was on the challenge panel. I expect this would have provided them with insights into ways their organisation might be able to innovate in the future.” (LSB)

“We hope that other regulators note that CLSB has obtained this evidence, and then see the actions it takes as a result. If the data gained enables the CLSB to change its approach, it should have a positive impact on our shared regulatory objectives.” (LSB)

“The data is really important for the CLSB. It has provided it with a much better understanding of its regulated community. This information will aid the CLSB in its activities for the future, alongside the core aim of what Costs Lawyers might actually be able to do to reduce the cost of legal services, which could provide enhanced access to justice.” (LSB)

Project at a glance – MODDEST



Organisation and project background

The UK is a world leader in Connected and Autonomous Vehicles (CAVs) thanks to both its technological advances and regulatory framework.

The aim of the project is to monitor the fitness of CAVs on public roads using existing data sources.

Operation Design Domains (ODDs) specify the conditions that a CAV may or may not be able to operate in (such as weather, or road layout). Currently no tool exists to classify the ODD in a region at a specific time.

OCC's project, *MODDEST*, aimed to create a tool to allow regulators and local authorities to understand whether CAVs can perform in specific conditions. The project aimed to combine data feeds from UK organisations (mapping from Ordnance Survey, weather from Met Office, traffic information from a local highways authority) as well as expertise from other public sector organisations such as National Physical Laboratory (NPL) to create an ODD digital map which could be tested in a live trial.

This tool would help developers know when they conduct trials while also provide a policy and regulatory baseline to help make their area and the UK the best place for testing CAV technology.

It presents a tool which actually helps those people operating systems make better decisions. It will also help those looking to purchase self-driving transport in the procurement process because it gives them more information. OCC can start to paint a better picture of what its ODD looks like, they can start to say 'well if we want a bus to go down this route, we need the bus that has these requirements on its ODD' " (NPL)



Motivations for RPF bid

Due to significant steps forwards taken in the industry, including new standards needed to allow the CAV industry to grow, **there is a need for regulatory bodies to adapt to possibilities that deployment of CAVs could happen in the near future.**

The data generated as a result of the project is **hoped to reduce barriers for trialling CAVs**, allowing the industry to trial autonomous vehicles on public roads.

RPF funding was required to resource the project team. Only a small number of the posts in the team are funded internally, with the remainder paid for through funding applied for via various bodies. As such, **the RPF allowed the OCC to have a dedicated project team**, as well as bring partner organisations such as the Met Office and NPL on board.

"We saw this as an aspect of research that hasn't really been covered yet and really felt that it was, It was an important challenge to take forward." (OCC)

"Basically, if we hadn't got funding the work wouldn't have happened." (OCC)



Main activities involved

- Review regulatory frameworks or processes to identify gaps or opportunities within their organisation
- Simplify or develop new processes, tools, data sources, products or services
- Test, learn & iterate ideas that enable innovation
- Promote work, benefits & lessons learned with other UK regulators, stakeholders & international administrations
- Engage with businesses, innovators & stakeholders in their sectors



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges



Potential impacts resulting from project

- Reduced time/cost of introducing innovation to UK markets
- Increased investment (private, reg. & LA) in future innovation
- Improved business/investor confidence in how business innovation will be regulated



Project set up

The set-up of project went smoothly overall, however some challenges were experienced, namely:

- Project resourcing was initially challenging with a key member of the project team changing roles
- Traffic data to be built into the toolkit was initially hoped to come from the council, however an alternative source was required due to timeline challenges
- Timeline challenges also provided additional resourcing issues, including subcontracting

Overall, the OCC developed a proof of concept tool that will be available for all subcontractors for disseminating and working with over the next year.

- Additional funding is being sought to turn this into an actual product

Stakeholders noted how the project allowed them to explore the issues identified during the project in more depth, while the knowledge exchange will help them on other, related projects.

“This is one of the challenging things about a six-month project, someone being off sick for a couple of weeks knocks everything out, especially when it was towards the end.” (OCC)

OCC engaged:

Met office

Ordinance Survey

National Physical Laboratory (NPL)

Urban Traffic Management and Control (UTMC)

Industry stakeholders

Who was engaged?

Stakeholders provided data to be built in to the toolkit including data regarding the weather, terrain and traffic. This data was used to ensure the toolkit modelling was accurate and up-to-date.

NPL provided analysis of the data generated by the ODD to assess its quality and relevance.

CCAV sector was engaged to gather feedback on the ODD tool. The principles of the tool were well received.

Form of stakeholder engagement

Project stakeholders were engaged throughout the project through regular check-ins. While COVID hampered progress slightly, regular meetings and strong relationships across stakeholder organisations ensured there were high levels of trust across the project.

Sector stakeholders including developers and innovators were engaged via a stakeholder event.

Lessons learnt on stakeholder engagement

The project demonstrated the importance of collaboration between sector stakeholders and partner organisations to all participants. The significant role that clear and regular communication played in managing organisations supporting project delivery was also a key takeaway from the project.

“You can’t do these things on your own. You’ve got to collaborate. It sounds cliché, but actually the UK leads the way on collaborating between industry and government organisations and academia.” (OCC)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF

Initial positive outcomes and achievements

OCC were able to successfully develop a proof of concept ODD tool for autonomous vehicles.

While OCC have not been able to fully disseminate the tool or perform full tests, additional funding is being sought to create a fully functioning ODD product. All partners agreed to take the project “up a notch”, addressing the key learnings from this project, such as allowing more time to maximise data collection and effectively test the project.

Multiple outcomes were also identified as being generated from the project:

- Demonstration of how effectively existing data can be used, and how new data can be captured from new sources, which may involve adding additional infrastructure to roads
- Partner organisations such as Met Office have increased their knowledge and understanding of the CAV sector as a result of the transparent knowledge sharing and analysis that was conducted throughout the project
- As a result of this the partner organisations have indicated a willingness to collaborate with OCC on future projects
- OCC and partner organisations have seen senior-level confidence and buy-in. The OCC identified the project as an example for how projects can apply benefits for the UK as a whole.



Beneficiaries of the project



CAV industry

Clearer and more robust regulation of the CAV industry will be enabled as a result of the development of the ODD, providing the structures needed for increased development and trialling of CAVs.

In the longer term, it is also hoped that this project will attract developers and investment from other parts of the UK and potentially internationally



OCC

The success of the project, generating senior buy-in and industry interest, alongside the knowledge and data sharing across partner organisations has provided the OCC with the ability to continue developing the ODD product.

The RPF has provided value in a number of ways:



Given OCC the onus to continue its work in the CAV industry, for example by seeking ways to continue the project further.



Enabled collaboration and knowledge sharing across partner organisations such as Met Office, Ordnance Survey and NPL.



Provided the necessary funding to carry out the project.

“In 5 year’s time I’m hoping that this will be a business as usual type thing and the concept of it and how you do it is being adopted not just in the UK but that we take it to Europe and the rest of the world and say ‘this is how you do it.’” (OCC)

“I think it’s pretty far reaching. If you can demonstrate and explore how to do this kind of stuff then it helps a lot of the players in the CAV sector to centre around this concept and try and figure how they’ll benefit from it and how they’ll utilise it ultimately for their technology to be better, to be safe and more efficient. It’s quite an underpinning concept” (Met Office)

Project at a glance – Innovation one stop shop



Organisation and project background

There are multiple organisations involved in setting policy and regulation for the water sector in England and Wales.

- The industry must therefore comply with a complex array of guidance and legislation and interact with multiple regulators.
- This represents a key barrier for new businesses trying to enter the market to address challenges faced by the sector .

A one-stop-shop currently exists, offered by Ofwat, to provide informal regulatory advice on the areas it regulates for, and signposts other regulators.

The RPF funding would build upon and extend this approach, bringing together three regulators (DWI, Ofwat, Environment Agency) in a one-stop shop to provide faster and more holistic advice to businesses and innovators.

The innovation one stop shop sought to create a single portal that would allow all regulators to be contacted by innovators simultaneously and allow for the regulators to provide a useful response.

This would:

- Allow businesses and innovators to benefit from accessing information, advice and guidance on innovation and regulation.
- Allow regulators across the sector to improve their understanding of regulatory barriers and identify potential innovations early.



Motivations for RPF bid

The UK water sector innovation strategy calls for an open dialogue with regulators to evolve regulation and the regulatory model to enable and encourage long term investment.

The application for RPF funding was driven by initiatives to support the industry by encouraging regulators to work together. The fund gave DWI, Ofwat and the EA the opportunity to appropriately resource their project.

“The narrative of the reply [to queries in the one-stop shop] has to have the added benefit of having a collaborative approach baked into it. It shouldn’t be three standard responses from three regulators. We can do that without this project. We have to make it more than that and we have to learn how to do that because we’ve never done it before.” (DWI)

“Having that wider foresight about what’s happening in the sector will be beneficial in allowing us to be a better regulator through knowing where there are opportunities to focus the sector towards doing things more efficiently.” (DWI)



Main activities involved

- Develop ideas, engage with competition process to refine proposal & set challenging outcomes
- Simplify or develop new processes, tools, data sources, products or services
- Test, learn & iterate ideas that enable innovation
- Engage with businesses, innovators & stakeholders in their sectors



RPF programme outputs

- New or improved toolkits, products, systems, data sources or processes
- Research publications or material outputs used to share learning
- New relationships or partnerships developed with other UK regulators / LAs to tackle shared innovation challenges
- Evidence of engagement with beneficiaries e.g. events / feedback received



Potential impacts resulting from project

- Reduced time/cost of introducing innovation to UK markets
- Improved business/investor confidence in how business innovation will be regulated



Project set up

DWI, Ofwat and the EA established the current number of innovation enquiries within each regulator and the process for answering them.

Using information about how each regulator worked, they then identified a proposed way of working with the 'one stop shop'

- Two industry workshops were used to test this, the first of which was attended by more than 20 representatives from the sector.

DWI, Ofwat and the EA experienced some challenges during the project, but were able to sufficiently address these:

- Recruiting staff took time and slowed project progress at the beginning
- Differences in how regulators worked. The EA had a decentralised way of handling innovation enquiries and had a different approach to communications arrangements
- Regulators had to provide legally distinct responses with each regulator needing to remain distinct, with separate replies inc. data privacy
- Finance and procurement challenges meant there was uncertainty on the procedure for accessing RPF funds, while it was not possible to follow a traditional procurement strategy for IT tenders due to time pressures

DWI, Ofwat and the EA engaged:

Ofgem

Water industry representatives



Who was engaged?

The project was collaborative by nature, involving DWI, Ofwat and the EA working in tandem,

Due to the project budget and timescales, other sector regulators such as Defra were unable to participate.

Ofgem were consulted about the most effective way to ensure regulators can collaborate, advising against a sandbox service due to the length of time required to set-up which would mean this clashed with separate work conducted through Ofwat channels. Instead, a Forum approach was adopted.

Industry stakeholders were consulted to reassure them of the benefits of the new approach to addressing innovation queries



Form of stakeholder engagement

Organisations within the industry were engaged via the industry-led innovation hub "Spring" and through two workshops.



Lessons learnt on stakeholder engagement

The regular fortnightly meetings were a good way to build the cross-regulator team and meant there were routinely opportunities to discuss the project. DWI noted how they learned how to adapt to the different ways of working of partner organisations

"What I'm actually really proud of is the way the three regulators have worked together. It's not just us project leads, it's also the people in the correspondence teams that are going to be doing the work. They helped design the system that they are going to run and they were actually really useful in providing good input into how to run a correspondence system." (DWI)

Project set up

Stakeholder engagement

Enabling innovation

Value of the RPF



Initial positive outcomes and achievements

DWI, Ofwat and the EA were able to adopt the feedback from industry and as such were able to **develop the new One Stop Shop** to:

- Provide a simple and streamlined way to obtain innovation-related regulatory advice - via a web portal
- Publish answers to common questions
- Seek to understand and overcome any regulatory barriers identified
- Aim to answer queries within ten to fifteen days although responses may be faster or take longer if it is complex or we need to seek clarification or face to face meetings
- Signpost other innovation-based services, such as Spring, that may help innovators bring forward their ideas

The project saw **continued collaboration across regulators** within the sector, leading to a better understanding of the way each regulator worked, as well as enhanced understanding between regulators and the sector.

- For example, DWI noted how a risk-averse culture in the sector drives a need for as much data as possible before innovations are pursued

The work from the project is **expected to continue to maximise the impact of the changes made to the 'one stop shop'**.



Beneficiaries of the project



Industry regulators

Regulators (DWI, Ofwat, EA) will be better placed to provide consistent regulatory advice to the industry, while also benefiting from shared learnings.



Water industry

By being able to receive quicker, and unified advice from regulators, innovation efforts from the water industry will be made easier.



General public

In the long term, the general public may benefit from the increased efficiencies and innovations that the improved 'one-stop shop' will encourage.

The RPF has provided value in a number of ways:



Ensured that regulators have a better understanding of innovations in the sector, and as such will be better placed to support these.



Enhanced collaborative efforts across water regulators, ensuring knowledge sharing and collaboration is encouraged in the future.



Provided funding required to carry out the project, without which it would not have gone ahead

"We are hoping it is a nudge we are giving to the industry to say we recognise innovation is an important thing we have to do and as regulators we're here to support that. You don't need to be afraid to do things." (DWI)

"The UK water market is very innovative but at the same time every very risk averse, with some very tough regulations that people have got to comply with. There are new ideas out there and we want to help inform those as they go along while still maintaining all the stuff we need to do as a regulator." (DWI)