

RPC meeting 14 November 2022 - minutes	
Attendees	
<b>The Committee</b> Chair: Stephen Gibson Jonathan Cave (remotely) Daniel Dalton (remotely) Stephen Gifford Hilary Jennings John Longworth Derek Ridyard Andrew Williams-Fry	<b>RPC Secretariat</b> Stuart Sarson – Head of Secretariat  <b>Better Regulation Executive</b> Rhiannon Harries (RH) – Director Sarah Montgomery  <b>Make UK</b> Stephen Phipson, Chief Executive  <b>Confederation of British Industry (CBI)</b> Ellie Goodchild, Principal Policy Advisor

#### A. Minutes of committee meeting 12 September and matters arising

1. The **minutes** were agreed [and have since been published on the RPC website].
2. **Register of interests:** committee members confirmed the accuracy of their entries in the RPC register of interests with further clarification of the November Register provided on 16 January [available on the RPC website].
3. **Gifts and hospitality register:** committee members confirmed the accuracy of their entries in the gifts and hospitality register [available on the RPC and BEIS websites].

#### B. Better Regulation Executive update

4. The following updates were provided by BRE:
  - The appointment of Grant Shapps as Secretary of State has been confirmed, but the portfolio for the new junior ministers had not yet been agreed [Since the meeting the portfolios have been confirmed. Minister Nusrat Ghani MP is responsible for better regulation, retained EU law and Brexit opportunities.]

**Framework**

  - Progress on the Framework has been delayed by the political situation.
  - The committee were informed that the REUL Bill is moving through parliament and, as drafted, included the clauses that would remove the business impact target.

**BIT returns**

  - Work is progressing on the 2022 BIT report. The deadline for returns is 25 November. Publication is likely to be early in 2023.

**SLSC Report**

  - BRE are currently pulling together the Government response to the recent SLSC report.

### C. External Presentation – Make UK

5. Stephen Phipson (SP) gave a summary of the business group's activities and priorities. He explained that it has been a tough time for the sector.
6. On the Government's approach to regulation, Make UK favour smarter/fairer regulation and were not supportive of the proposed divergence that would appear to be likely following the REUL bill. SP cited concerns that UK positions on domestic regulation have not developed as expected following Brexit, for example on UK REACH where the UK has not updated the requirements in line with the EU, and is urging government to do more to bring it up to level with EU's.
7. Whilst they acknowledge that there can be some opportunities as a result of the ability to diverge from EU regs, the focus should be more on equivalence to keep in step with competitors. There is a risk of isolation if a deregulatory divergence is pursued along with the potential for a 3-tier regulatory system with different requirements for domestic, EU and other countries (e.g. US). Alignment of standards is seen as crucial within a regulatory landscape. This is a view supported by the other business organisations.
8. Make UK are also concerned with the changes that might result to employment laws. Their view is that current high standards should be maintained, the same being true for health & safety regs, which are important when dealing with multinationals involved in supply chains.
9. There are currently around 95,000 vacancies in manufacturing with skill shortages that the apprenticeship levy has not helped address.
10. The energy support package was welcomed but will need to ensure high energy using sectors, e.g. steel, remain competitive and maintain energy support for the extended supply chain. Make UK has encouraged support to be maintained beyond the April review of policy.

### D. Engagement Update

11. A list of engagements in which the chair and the committee members were involved had been circulated in advance.

### E. MSG Update

12. Jonathan Cave provided an update from the Methodology Sub-Group which met on October 3rd to discuss two papers.
13. The first paper discussed the analysis of household impacts, which it was noted may be more difficult to estimate than business impacts due to difficulties in estimating accurately the affected population, the time costs imposed on individuals if some business burdens from regulatory compliance are transferred to individuals, and the extent to which costs to business are passed through to consumers in the form of higher prices. It was also noted that impacts on households may need to be weighted across income groups.

14. The second paper focused on how a more detailed assessment of options could be included within impact assessments, ensuring greater consistency with the Green Book in terms of developing both a long and short list of options that adequately made the case for regulatory interventions compared to achieving the policy objectives through alternatives to regulation.

#### **F. External Presentation CBI**

15. Ellie Goodchild set out the CBI's proposal for an Office for Future Regulation (OFR) to explore how the RPC might be part of this.
16. The CBI also have concerns about the impact of deregulation. The CBI believe the focus should be focus on what can be done to unlock innovation and growth.
17. In discussion, the committee felt that to maintain its independence that it would be better positioned outside of any OFR but would clearly seek to work with such an organisation and related committees such as the Regulatory Horizons Council.

#### **G. AOB**

18. Next Full Committee Meeting is on 16 January 2023.