

RPC meeting 16 January 2023 - minutes (open session)

Attendees

The Committee

Chair: Stephen Gibson
Jonathan Cave
Daniel Dalton (remotely)
Stephen Gifford
Hilary Jennings (remotely)
John Longworth
Andrew Williams-Fry

Apologies

Derek Ridyard

RPC Secretariat

Stuart Sarson – Head of Secretariat

Better Regulation Executive

Rhiannon Harries (RH) – Interim Director
Sarah Montgomery – Deputy Director

Regulatory Horizons Council

Professor Chris Hodges (Chair)

Trades Union Congress

Tim Sharp
Shelly Asquith

A. Minutes of committee meeting 14 November 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 [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].
4. The committee was informed that Lord Lindsay’s term on the SLSC had come to an end.

B. Better Regulation Executive update

5. Rhiannon Harries (RH) provided an update on progress on the reform of the Better Regulation Framework (BRF). Work continues, with further discussions with ministers and departments. The objectives of the new system remain as previously reported: to move independent scrutiny earlier in the process of developing regulation, to assess a wider range of impacts, to encourage consideration of alternatives to regulation, and to encourage evaluation and the production of post-implementation reviews.

C. External Presentation – Outcome based Cooperative Regulation

6. Professor Chris Hodges (Chair of the Regulatory Horizons Council) presented his approach to regulation based on his recent book on ‘*Outcome-Based Cooperative Regulation*’ (OBCR). It examines the way in which regulation is delivered to achieve its intended outcomes, based on scientific research on how people actually behave rather than on theories of philosophy, law or economics about how they might behave or ought to behave.
7. OBCR builds on growing recognition that that the challenge of operating a regulatory regime that is both appropriate and effective is wider than just the question of enacting well-designed regulations, and that questions of how regulations are received by businesses and others whose behaviour they seek to control, and the manner in which they are enforced are also important.

The linear legal rule and enforcement-based model of regulation and compliance does not always work and can be resented. Even in a highly regulated society like China there were demonstrations against the imposition of strict Covid regulations.

8. OBCR takes account of the fact that the “rational man” assumed by some theory does not always behave rationally. There is much evidence of the fact that people tend to work better and achieve more when they cooperate: Covid was defeated through cooperation. There is also much cooperation in industries such as the aviation and nuclear sectors. Net Zero and climate change are policy problems that can only be achieved through cooperation. Many Nordic countries are not based on a culture of “blame and punishment” but on a more cooperative approach.
9. CH concluded by saying that OBCR is based on trust and agreeing common purposes and outcomes. It is a holistic system where everyone has a role to play and is mutually beneficial. However, you will still need to take strong action to prevent those who not comply from causing harm.
10. The committee welcomed the presentation and felt that there was a lot to learn from the OBCR approach in implementing future regulations. However, in encouraging cooperations, one must be careful to avoid collusion and those who try and gain advantage by not playing to the same rules. Strong sanctions will still be required. The Chair thanked CH for his presentation.

D. Engagement Update

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

E. External Presentation – Trades Union Congress

12. The TUC presented how and where regulation was of interest to them, specifically in relation to Employment and Health & Safety laws – and also an interest in proposed regulations that affect unions themselves. They explained concerns over the development, consultation, and enforcement of regulations within these areas and wish to keep the RPC informed of their views in relation to the levels of evidence and analysis related to the regulations.
13. In relation, to recent bills that had received RPC opinions they welcomed the swift publication of the RPC’s assessments of the REUL Bill IA (which as a Bill they had grave concerns over, especially “undoing” progress made in areas like asbestos) and the proposed Minimum Service Level agreement bill relating to the Transport sector. Furthermore, they noted the second reading of the Strikes (Minimum Service Levels) Bill on 16 January did not have a published IA available and that the RPC had alerted its stakeholders to the fact via its website. TUC was not clear what the government was proposing on Minimum Service Level and even what it would look like.
14. Generally, the TUC looked to other countries and their experiences, both in Europe and comparable countries like the US, for policy comparison and guidance.

15. The RPC and the TUC agreed to improve the engagement relationship, including a meeting between the Chair and the New General Secretary, to increase the level of evidential input to the RPC's assessment process.

F. AOB

16. Next Full Committee Meeting is on Monday 13 March 2023.