

## OIM ANNUAL REPORT APPENDICES 2023 TO 2024

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## Appendix A: The regulatory regime

### Developments in the regime since the 2022-23 annual report

- A.1 Chapter 3 takes into account that the broader context in which the OIM operates has evolved since the 2022-23 annual report: elements of the Windsor Framework have come into force, affecting the movement of goods from Great Britain to Northern Ireland, with changes to the Windsor Framework subsequently being made pursuant to the command paper, “Safeguarding the Union”; the Retained EU Law Act has been passed; governments continue to use Common Framework structures to facilitate intergovernmental working and discussion in relevant policy areas; and they continue to consider exclusions from the MAPs within and outside Common Framework areas. The UK internal market regime is also starting to attract interest from academics, thinktanks and parliamentary committees.
- A.2 This Appendix briefly summarises these regime-related developments to provide an update on this wider landscape and outline the context in which regulatory developments described later in this report are taking place.
- A.3 We also asked the four governments to complete a questionnaire which requested information and observations on developments since our last annual report relating to Retained EU Law (REUL), now known as assimilated law, Common Frameworks and the exclusion process. We received responses from the Scottish Government and the Welsh Government, and the Department for Business and Trade (DBT) coordinated a response from UK Government departments. Prior to the restoration of power-sharing and a functioning NI Executive, our interaction was with the Northern Ireland Civil Service (NICS), which provided a cross-departmental response to the OIM’s questions without prejudice to future ministerial positions. This commentary from NICS officials is limited to these officials’ technical/policy analysis and does not represent the view of the Executive. We have summarised the questionnaire responses in the relevant sections.

### Windsor Framework

- A.4 The Windsor Framework is a set of arrangements agreed by the UK Government and the European Union to address issues concerning implementation of the old Northern Ireland Protocol. The UK Government states that the arrangements apply in place of those in the original Protocol, “fundamentally recasting arrangements in three key areas”. These are: “restoring the smooth flow of trade within the UK internal market”, “safeguarding Northern Ireland’s place in the Union”, and “addressing the democratic deficit that was otherwise at the heart of the old

Protocol”.<sup>1</sup> Implementation of the Windsor Framework began during 2023, some arrangements are already in force and further arrangements will be introduced in stages through to 2025.<sup>2</sup>

- A.5 The Windsor Framework command paper references a role for the OIM in monitoring impacts for Northern Ireland arising from future regulatory changes. It includes a commitment from the UK Government to respond to any OIM report prepared in response to a request from Northern Ireland authorities to examine concerns around a future UK regulatory change.
- A.6 On 31 January 2024, the UK Government published the command paper, “Safeguarding the Union”, and various draft Statutory Instruments that reflect adjustments made to the Windsor Framework. We will work with the governments to understand the implications of the command paper and any legislative changes for our work.
- A.7 The OIM does not collect data specifically about the Windsor Framework, nor review or advise on the Windsor Framework itself. Any legislation necessary to give effect to the Windsor Framework falls outside the OIM’s statutory remit (although other UK internal market matters relating to Northern Ireland are within its remit).<sup>3</sup> However, through our monitoring of the UK internal market we capture trade data relating to Northern Ireland, which is discussed further in Chapter 2 of this report. We have expanded the coverage of Northern Ireland trade flows this year with additional data. We may also refer to the Windsor Framework when producing reports or advice, where the presence of the Framework and its effects, or potential effects, are relevant to our analysis.

## **Retained EU Law Act (the REUL Act)**

- A.8 The REUL Act<sup>4</sup> received royal assent on 29 June 2023. We discussed the corresponding Bill in the 2022/23 annual report. Originally, it had been proposed that the majority of REUL would be revoked (or sunset) by the end of 2023, unless preserved. In May 2023, the UK Government amended the Bill to include Schedule 1 which identified nearly 600 pieces of REUL that were no longer required and would sunset at the end of 2023, unless the UK, Scottish or Welsh Governments used other powers in the REUL Act to disapply the sunset for REUL listed in Schedule 1. All other REUL would be kept and renamed ‘assimilated law’, unless revoked, restated or replaced by the Governments.

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<sup>1</sup> [vFINAL- 2023 02 27 - Command Paper 1245 \(publishing.service.gov.uk\)](#)

<sup>2</sup> [The Windsor Framework - further detail and publications - GOV.UK \(www.gov.uk\)](#)

<sup>3</sup> The Framework applies to a particular aspect of intra-UK trade, namely the movement of goods from Great Britain to Northern Ireland, to which relevant provisions of UKIMA, such as the MAPs in relation to goods, do not apply. UKIMA, and the OIM’s remit in relation to other aspects of intra-UK trade such as services and professional qualifications, are unaffected by the Framework.

<sup>4</sup> [Retained EU Law \(Revocation and Reform\) Act 2023](#).

- A.9 The UK Government disapplied the sunset for seven pieces of REUL listed in Schedule 1, which were not revoked at the end of 2023.<sup>5</sup> Three pieces of REUL relating to agri-food promotions and information schemes, which were listed for revocation under Schedule 1, had the revocation disapplied in legislation made by the UK Government under REUL Act powers. These pieces of REUL were not considered redundant as they applied in Northern Ireland but could not be preserved by the Northern Ireland Assembly given the absence of an Executive at the time.<sup>6</sup>
- A.10 The REUL Act also gives both the UK and Devolved Governments (within the scope of their devolved competences) substantial powers to revoke, restate or replace assimilated law until June 2026. The use of these powers will enable governments to take different approaches in areas of devolved competence, which may lead to an increase in regulatory differences between the four nations of the UK. These emerging differences may relate to goods, services and professional qualifications.
- A.11 The OIM asked the four governments whether they have any plans to use their powers under the REUL Act to amend assimilated law in devolved policy areas. The UK Government indicated to the OIM that it is scrutinising assimilated law with a view to amending, removing or reforming it. Some revocations and reforms are already underway, with more to come. The Scottish Government has stated that, while it cannot exclude the possibility of using powers under the REUL Act in future (given the wide areas of devolved law that might comprise or include assimilated law), it has no plans to use these powers to alter policy. The Welsh Government indicated that it intends to use the powers granted in the REUL Act judiciously and only where absolutely necessary. The NICS did not identify any current plans to amend assimilated law, with DAERA noting that it would not use powers in the REUL Act to carry out policy or legislative reform on an NI-only basis in the absence of Ministers and the Assembly.

## Common Frameworks

- A.12 Common Frameworks are “non-statutory agreements between the UK Government and the Devolved Governments to establish how devolved or transferred matters previously governed by EU law are to be regulated after the UK’s withdrawal from the EU”.<sup>7</sup> They typically set out intergovernmental working arrangements in a defined policy area. The number of Common Frameworks that have been finalised or are operational in their provisional form remains the same as in our 2022-23 reports: of 32 Common Frameworks in total, one has been

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<sup>5</sup> [Retained EU Law \(Revocation and Reform\) Act 2023 \(Revocation and Sunset Disapplication\) Regulations 2023](#).

<sup>6</sup> [Explanatory Memorandum to Retained EU Law \(Revocation and Reform\) Act 2023 \(Revocation and Sunset Disapplication\) Regulations 2023](#), paragraph 2.3.

<sup>7</sup> [OIM Periodic Report on the UK internal market regime 2023 - GOV.UK \(www.gov.uk\)](#). Provisional and finalised Common Frameworks are published here: [UK Common Frameworks - GOV.UK \(www.gov.uk\)](#).

finalised (Hazardous Substances: Planning) and 28 are operating on a provisional basis. The process agreed by the four governments requires scrutiny of Frameworks by all four legislatures, meaning that finalisation was not possible without a sitting Northern Ireland Assembly and Northern Ireland Executive ministers.<sup>8</sup>

- A.13 The House of Lords Common Frameworks Scrutiny Committee disbanded in October 2023, just over three years after its creation. In the Committee Chair's final letter to the Minister for Intergovernmental Relations, she stated that Common Frameworks 'are now an integral part of government', although she noted that expectations of Frameworks being used as a vehicle for policy development and coordination have not been met, due to a focus on process rather than policy.<sup>9</sup> The Minister's response to this letter indicated that the evaluation of the Common Frameworks programme being conducted by officials at the Department for Levelling Up, Housing and Communities (DLUHC) should be published in 2024.<sup>10</sup>
- A.14 Committees in the Scottish Parliament and the Senedd also published reports that examined the relationship between Common Frameworks and UKIMA. The Constitution, Europe, External Affairs and Culture Committee of the Scottish Parliament published 'How Devolution is changing Post-EU',<sup>11</sup> which considered the interplay between various mechanisms that have been developed 'to manage shared space in the regulatory environment', including Common Frameworks and the Act. The Senedd's Legislation, Justice and Constitution Committee focused on the practicalities of interaction between Common Frameworks and UKIMA, for example, echoing other committees' calls for Frameworks to be amended to reference UKIMA and the process for agreeing exclusions from the MAPs in Common Framework areas.<sup>12</sup>
- A.15 The four governments provided differing perspectives on the Common Frameworks programme in their questionnaire responses. DBT noted that work was ongoing to prepare Common Frameworks that have been scrutinised by all legislatures for full implementation in anticipation of the Northern Ireland Executive returning. The Scottish Government and the Welsh Government highlighted their support for Common Frameworks as a co-operative model for managing the internal market following the UK's departure from the EU. The NICS raised specific concerns about Common Frameworks' ability to address cross-cutting issues that do not neatly fit under a single Framework. It noted that this limits Common Frameworks as a means of dealing with potentially cumulative effects of intra-UK differences and creates a risk that they operate in silos.

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<sup>8</sup> [Eich cyf \(senedd.wales\)](https://eich.cyf/senedd.wales)

<sup>9</sup> [Letter from the Chair of the European Affairs Committee \(parliament.uk\)](https://letterfromthechairoftheeuropeanaffairscommittee.parliament.uk)

<sup>10</sup> [committees.parliament.uk/publications/42035/documents/209101/default/](https://committees.parliament.uk/publications/42035/documents/209101/default/)

<sup>11</sup> [How Devolution is Changing Post-EU | Scottish Parliament](https://www.parliament.scot/committees/constitution-europe-external-affairs-and-culture/how-devolution-is-changing-post-eu)

<sup>12</sup> [cr-ld15834-e.pdf \(senedd.wales\)](https://cr-ld15834-e.pdf)

## Exclusions from UKIMA

- A.16 As of 1 March 2022, the OIM is aware of the process for considering UKIMA exclusions in Common Framework areas<sup>13</sup> (the exclusion process) having been used twice in the 2023-24 reporting period, once in relation to the Scottish Government's proposed exclusion to cover its deposit return scheme for drink containers (DRS) and once in relation to bans on single-use vapes. The DRS exclusion was proposed under the Resources and Waste Common Framework. On 27 May 2023, the UK government announced that it could support a time-limited exclusion for the Scottish Government's regulations, subject to a list of conditions.<sup>14</sup> No exclusion was ultimately agreed. The Scottish Government stated in early June 2023 that the launch of its scheme would be delayed until at least October 2025, the proposed launch date for DRS in the rest of the UK.<sup>15</sup> The intention to propose an exclusion covering the sale and supply of single-use vapes was announced by the Scottish Government Minister for Green Skills, Circular Economy and Biodiversity in January 2024, with discussions to begin under the Resources and Waste Common Framework in February 2024.<sup>16</sup> As discussed in more detail at Appendix C, paragraphs C.5-C.7, consideration is currently being given to an exclusion for the planned Scottish ban on the sale and possession of rodent glue traps, which does not fall under a Common Framework.
- A.17 The OIM asked the four governments about their views on the role of exclusions from the MAPs as a mechanism to support the operation of the UK internal market. In the case of the exclusion of single use plastics from the MAPs (agreed in 2022), DBT said it recognises that where there is sufficient evidence to support an exclusion, exclusions can support policy innovation and piloting of initiatives from which the wider UK can learn and benefit over time – in this example, recognising the governments' shared ambition to tackle plastic pollution across the UK. However, DBT also emphasised the UKIMA itself does not restrict policy development or the ability to proceed with similar initiatives in areas of devolved competence. The Scottish Government described exclusions as 'essential to the functioning of devolved policy and ensuring that regulations passed by devolved legislatures can be implemented effectively'. The Welsh Government's position remains that UKIMA does not limit the ability of the Welsh Parliament to legislate in devolved areas. Given its devolved legislative capacity, the Welsh Government has not yet seen a need to apply for an exclusion, but it has engaged in discussions on other exclusion proposals on a without prejudice basis. The NICS did not comment on exclusions from the MAPs as a mechanism for supporting the UK internal market.

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<sup>13</sup> [Process for considering UK Internal Market Act exclusions in Common Framework areas - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/process-for-considering-uk-internal-market-act-exclusions-in-common-framework-areas)

<sup>14</sup> [Policy statement: Scottish Deposit Return Scheme - UK internal market exclusion - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policy-statements/scottish-deposit-return-scheme-uk-internal-market-exclusion)

<sup>15</sup> [Deposit Return - gov.scot \(www.gov.scot\)](https://www.gov.scot/deposit-return)

<sup>16</sup> [single-use-vapes-26-january-2024.pdf \(parliament.scot\)](https://www.parliament.scot/single-use-vapes-26-january-2024.pdf)

A.18 The governments also commented on the process for considering exclusions, both in general and in relation to the Scottish Government's proposed DRS exclusion. As context, in the 2022-23 annual report, we spoke about the Scottish Government's ban on single use plastic products and its concerns in relation to the timing and scope of the exclusion to support that ban.<sup>17</sup> The Scottish Government's response to the DRS exclusion was informed by this previous experience, commenting that the exclusion process 'did not operate as intended' in relation to DRS and that an effective exclusion process is crucial to the viability of the Common Frameworks programme. The NICS observed that the exclusion process 'while helpful, is ambiguous', with governments 'taking different approaches to its application'. The Welsh Government commented that the process 'lacks structure and predictability for the administration applying for an exclusion'. The Scottish Government and NICS also noted the current lack of a process for considering exclusions outside Common Framework policy areas, with the Scottish Government commenting that this should work in a similar way to the Common Framework exclusion process. As noted, the governments are currently discussing a potential non-Common Framework exclusion in relation to banning the sale and possession of rodent glue traps.

### **Third party commentary on the UK internal market regime**

A.19 The UK internal market is emerging as a field of academic and parliamentary inquiry, of particular interest to legal and constitutional scholars and thinktanks, and to parliamentary committees.

A.20 Commentary broadly falls into three categories, although there is overlap between them:

- A focus on devolution, the constitution and intergovernmental relations: in this context, UKIMA is cited in discussion of how devolution is operating in a post-EU Exit landscape.<sup>18</sup>
- Legal analysis of UKIMA: these articles may assess how UKIMA compares internationally or how it interacts with other legislation that is relevant to the UK constitution.<sup>19</sup>

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<sup>17</sup> OIM annual report 2022-23 [OIM Annual Report on the Operation of the Internal Market 2022-23](https://publishing.service.gov.uk) ([publishing.service.gov.uk](https://publishing.service.gov.uk)) paras 3.36-3.37.

<sup>18</sup> See for example the report '[How Devolution is Changing Post-EU](#)' by the Scottish Parliament's Constitution, Europe, External Affairs and Culture (CEEAC) Committee, or Aileen McHarg's paper '[The contested boundaries of devolved legislative competence: Securing better devolution settlements](#)', which was produced as part of the Institute for Government and the Bennett Institute's review of the UK constitution.

<sup>19</sup> See, for example, Thomas Horsley's article '[Managing the External Effects of Devolved Legislation: Virtual Representation, Self-Rule and the UK's Territorial Constitution](#)' or Jan Zgliniski's '[The UK Internal Market – A Global Outlier](#)'.

- Consideration of other mechanisms for managing the UK internal market, such as Common Frameworks, and how UKIMA interacts with these arrangements.<sup>20</sup>

A.21 The OIM will continue to engage with these commentators and committees, and their work, over time, and we would expect to consider their arguments and findings (and those of future commentators) in more detail in our Periodic Reports.<sup>21</sup>

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<sup>20</sup> This commentary has primarily been included in reports from committees of the Scottish Parliament and the Senedd over the past year.

<sup>21</sup> See section 33(6) of UKIMA: [United Kingdom Internal Market Act 2020 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2020/12/section/33/6)



## Appendix B: Assessment of the regulatory landscape

### Assessing the Regulatory Landscape

- B.1 Chapter 3 sets out our findings in relation to the UKIMA regulatory landscape, in particular the proportion of the economy that might be affected by certain provisions in UKIMA. In developing some quantitative estimates of the regulatory landscape our approach is first to provide a broad estimate of how much of the economic activity in each of goods, services and professional qualifications is potentially subject to regulatory difference and, of that amount, how much is likely to be subject to the MAPs.
- B.2 The OIM's 2022-23 annual report focussed on regulatory developments in relation to goods. This reflected the fact that most regulatory developments that had taken place since the end of the transition period were in relation to goods. In the last year, regulatory developments have continued predominantly to affect goods but some developments are starting to emerge in relation to services and professional qualifications. For these reasons, we have expanded our coverage to include services and professional qualifications.

### Methodology for economic assessment

- B.3 Businesses that provide goods and services often must comply with some form of sector-specific regulation and this is often also the case for individuals who are professionally qualified. This sectoral regulation is additional to the general requirements on businesses and individuals, such as regulations relating to taxation or Companies House filings.
- B.4 Our analysis of regulation in relation to goods, services and professional qualifications is focused on sector-specific rules. Broadly, this approach captures registration, licensing, and inspection requirements, as well as standards-setting. Delivery of sector-specific regulation for business or individuals can be UK-wide or devolved (and may reflect historic arrangements that predate the current devolution settlements). UKIMA treats each of goods, services and professional qualifications differently, with a specific set of rules relating to each, so we set out our analysis for each separately. The analysis provides an indication of the potential for change rather than a commentary on actual regulatory differences and their implications for the effectiveness of the internal market.

### Goods and Services

- B.5 To carry out our analysis we use the ONS UK Standard Industrial Classification (SIC) system. This provides a consistent way of categorising economic activity and also allows us to identify the level of activity associated with each sector as ONS

produces regional economic output and workforce data, consistent with these classifications.

- B.6 Policy related to several sectors is reserved, either in whole or part, to the UK Parliament. The Scottish and Welsh devolution settlements are not identical and there can be complexities, for example where policy might be reserved but aspects of delivery might be devolved. The Northern Ireland settlement is distinct. The Assembly has legislative control over what are known as transferred matters and may, in principle, legislate on reserved matters, subject to consent. There is a separate category of excepted matters, where the UK government retains responsibility, and the Assembly cannot legislate. The arrangements put in place by the Northern Ireland Protocol, as shaped by the Windsor Framework, apply to goods but not to services or professional qualifications. Each of the goods sector, the services sector and professional qualifications has some economic activity that is reserved.
- B.7 We carried out our analysis in three stages. First, we identify those economic sub-sectors that may relate to reserved matters. For the purposes of this analysis, we categorise all goods and services production that may fall within a reserved matter as not susceptible to regulatory difference.<sup>22</sup> This exercise is complex and requires a degree of judgment; it cannot be considered to be determinative of the application of reserved or excepted matters in all circumstances.
- B.8 Second, of those economic activities that are potentially subject to regulatory difference we examine those which are excluded from the MAPs. The effect of the regime is that some goods, services and professional qualifications are outside the scope of the MAPs.<sup>23</sup>
- B.9 This approach creates three categories of activity:
- activities not subject to potential regulatory difference;
  - activities potentially subject to regulatory difference but outside the scope of the MAPs; and
  - activities potentially subject to regulatory difference and within the scope of the MAPs.

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<sup>22</sup> The Northern Ireland Assembly can legislate on reserved matters with the UK Government's consent. For the purpose of this analysis we treat reserved matters in Northern Ireland as matters not susceptible to regulatory difference.

<sup>23</sup> For the purposes of this report the OIM has set out its views on the potential application of the MAPs in various contexts, based on the information available to it at the time of publication, and references to the MAPs should be read accordingly. The views expressed by the OIM are neither binding nor definitive and should not be seen as a substitute for legal advice. For these reasons, our assessments as to the economic activity that is subject and not subject to the MAPs must be seen as an approximation. Nevertheless, when viewed at the aggregate level we consider that the analysis provides helpful estimates, and further allows for a consideration of the high-level differences between the nations of the UK.

- B.10 Third, we use ONS and NISRA workforce<sup>24</sup> data to estimate the level of economic activity in each of these categories and how that activity varies between the four nations of the UK. This helps establish the size of the sectors potentially in scope for regulatory difference and will highlight which sectors are particularly important in different nations.
- B.11 It should be noted that the imperfect mapping of SIC classifications to reserved/excepted/excluded policy areas means the employment figures must be treated as an estimate rather than definitive. It should also be noted that legislation which was already in force before the commencement of the UKIMA, and therefore any regulatory differences arising from such legislation, is outside the scope of UKIMA's provisions. The figures are therefore estimates of the size of sectors where future (rather than current) legislation may be potentially within the scope of UKIMA.

### **Regulated professions**

- B.12 For our assessment of regulated professions, we follow a similar approach to that for goods and services, but instead of employment data we instead use data on the number of professionals registered with regulators.
- B.13 A significant development since the publication of the 2023-23 annual report has been the publication of a [Regulated Professions Register](#) by DBT. The register provides a comprehensive list of regulated professions which are within the scope of the Professional Qualifications Act 2022 and professions that are subject to a chartered designation approved by the Privy Council. It hosts information provided by regulators and chartered bodies and allows users to search a list of professions to find out about the qualifications and experience required to work in the UK, or to find contact details for regulators. At the time of publication, the register captured details for 186 regulated professions which exist in one or more UK nations and are in scope of the Professional Qualifications Act 2022.
- B.14 In a first stage of our analysis, we use information from the register to identify which regulated professions are regulated on a UK-wide basis, and which are subject to multiple regulatory regimes across the UK nations. In addition to the 186 regulated professions listed in the register, we also included in our analysis a further 6 regulated professions which were identified by DBT but not yet added to the register by regulators. In total, our analysis focusses on 192 regulated professions.

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<sup>24</sup> [JOBS02: Workforce jobs by industry - Office for National Statistics \(ons.gov.uk\)](#)

- B.15 Second, we use data gathered from regulators to estimate how many professional qualifications are registered in professions which we identify as being subject to multiple regulatory regimes across the UK nations. We also estimate how many of the professional qualifications registered in these professions are 'active'.
- B.16 Third, we examine which regulated professions relate to reserved matters, and which may be outside of the scope of the MAPs under s.27 UKIMA. As with the equivalent analysis for goods and services we have had to exercise some judgement in deciding which regulated professions fall into these categories; it cannot be considered to be determinative of the application of reserved or excepted matters in all circumstances. We use data gathered from regulators to estimate how many professional qualifications are registered in professions which we identify as relating to reserved matters or which may be excepted from the MAPs under s.27 UKIMA.

### Goods sub-sectors that are not subject to the MAPs

- B.17 Table B.1 below sets out the goods sub-sectors that are either reserved, excepted or excluded in one or more of the three devolved nations.

**Table B.1 Goods sub-sectors that are reserved, excepted or excluded matters**

Goods sub-sector	Reserved or excepted			Excluded
	Scotland	Wales	Northern Ireland	All UK
Coal ownership and exploitation, deep and opencast coal mining.	X	X		
Medicines, medical supplies, biological substances, poisons.	X	X		
Single use plastic articles				X
Chemicals (a)				X
Fertilisers and pesticides (a)				X

Notes: (a) Excluded with respect to only s.19 UKIMA (mutual recognition)

Source: [Reserved Matters in the United Kingdom](#), House of Commons Library, 2022; Schedule 1 UKIMA.

- B.18 Table B.2 sets out the percentage of total employment for each of the reserved and excluded goods sub-sectors listed in Table 3.1. The table shows that the proportion of employment in the sub-sectors where sector specific policy making is reserved is quite small, so the vast majority of the economy is potentially subject to regulatory difference.

**Table B.2 Percentage of total employment in goods sub-sectors not subject to the MAPs because they are reserved**

Goods sub-sector	Reserved				
	Scotland	Wales	Northern Ireland	England	All UK
Coal ownership and exploitation, deep and opencast coal mining.	0.02%	0.17%	n/a	0.01%	0.01%
Medicines, medical supplies, biological substances, poisons.	1.31%	2.2%	n/a	1.79%	1.79%
Total	1.34%	2.47%	0%	1.80%	1.80%

Source:

GB: NOMIS database, 2021 data, count by Employment

NI: Business Register and Employment Survey, 2021 data, count by Employees<sup>25</sup>

B.19 Table B.3 shows that the proportion of total goods employment in sub-sectors where sector-specific policy making is excluded (ie potentially regulatory difference is possible and the MAPs would not apply) is small across all four nations.

**Table B.3 Percentage of total employment in goods sub-sectors not subject to the MAPs because they are excluded**

Goods sub-sector	Excluded				
	Scotland	Wales	Northern Ireland	England	All UK
Single use plastic articles	n/a	n/a	n/a	n/a	n/a
Chemicals (a)	1.5%	2.4%	1.8%	2.2%	2.2%
Fertilisers and pesticides (a)	0.1%	0.1%	0.05%	0.1%	0.1%
Total (b)	1.5%	2.4%	1.85%	2.2%	2.2%

Source:

GB: NOMIS database, 2021 data, count by Employment

NI: Business Register and Employment Survey, 2021 data, count by Employees

Notes:

(a) Excluded with respect to mutual recognition only

(b) Columns do not sum because the employment count for fertilisers and pesticides is a sub-set of the employment count for chemicals.

B.20 Table B.4 shows the percentage of total employment that is in sectors that are: (i) not subject to regulatory difference as they are reserved or excepted; (ii) potentially subject to regulatory difference but not subject to the MAPs because they are excluded; and (iii) potentially subject to both regulatory difference and the MAPs. Although there are modest absolute differences between Wales and Scotland in terms of the first two categories, almost all employment is in sub-sectors that are in the third category. The same is true of England and Northern Ireland. This contrasts with the findings for services discussed at Appendix B, paragraphs B.25, where the figures for the third category are much lower.

**Table B.4 Goods sector economic activity (percentage of total goods sector employment<sup>26</sup>) by relationship with regulatory difference and the MAPs**

(Category)	UK	England	Wales	Scotland	Northern Ireland
Not subject to regulatory difference (reserved)	1.80%	1.80%	2.5%	1.3%	0%
Potentially subject to regulatory difference but not the MAPs (devolved but excluded)	2.2%	2.2%	2.4%	1.5%	1.9%
Potentially subject to regulatory difference and the MAPs (devolved without exclusion)	96.0%	96.0%	95.1%	97.0%	98.1%

<sup>25</sup> NOMIS data includes employees and working proprietors (such as sole traders and partners in businesses). BRES data includes only employees.

<sup>26</sup> In this context 'total goods sector employment' refers to SIC sections A-C and F.

## Services sub-sectors that are not subject to the MAPs

B.21 Table B.5 below sets out the areas of regulatory activity relating to services that are not subject to the MAPs because they are either reserved matters, excepted matters or excluded from the application of the MAPs in one or more of the three devolved nations.

**Table B.5 Services sub-sectors reserved, excepted or excluded from the MAPs**

Services sub-sector	Reserved or excepted			Excluded All UK
	Scotland	Wales	Northern Ireland	
Financial services, including investment business	X	X	X	
Financial markets	X	X	X	
Betting and Gambling	X	X		
Regulation of sea fishing outside devolved zones	X		X	
Telecommunications and wireless telegraphy, internet services and electronic encryption	X	X	X	
Postal services	X	X	X	
The regulation of estate agents, timeshares and package holidays		X		
Licensing and regulation of a water supply or sewerage licensee		X		
Generation, transmission, distribution and supply of electricity	X	X		
Oil and gas (except petroleum licenses within devolved onshore areas)	X	X		
Nuclear energy and installations including safety, security and safeguards	X	X	X	
Production, distribution and supply of heat and cooling		X		
Public service vehicle (ie bus and coach) operator licensing	X	X		
Strategic rail matters, safety and security, operation of rail network, Channel Tunnel	X	X		
Strategic marine transport matters	X	X		
Strategic civil aviation and air transport, aviation security and safety	X	X	X	
Navigation, including merchant shipping (but not harbours or inland waters)			X	
Embryology, surrogacy and genetics	X	X	X	
Legal profession, legal services and claims management services.		X		
Audiovisual services				X
Debt collection services				X
Gambling services				X
Healthcare services				X
Legal services (a)				X
Notarial services				X
Private security services				X
Services connected with the construction or operation of heat networks or the supply of thermal energy by means of heat networks (a)				X
Services connected with the supply of natural gas through pipelines or production or storage of natural gas				X
Services connected with the supply or production of electricity				X
Services provided by persons exercising functions of a public nature or by a person acting on behalf of such a person in connection with the exercise of functions of a public nature				X

Services provided in respect of the award or authentication of academic or vocational qualifications (a)				X
Services relating to social housing, childcare, children's social care, adult social care, and other support of families or persons permanently or temporarily in need				X
Transport services				X
Waste services				X
Water supply and sewerage services				X

Notes: (a) Excluded with respect to only s.19 UKIMA (mutual recognition)

Source: [Reserved Matters in the United Kingdom](#), House of Commons Library, 2022; Schedule 2 UKIMA, as of 24 November 2023.

**B.22** Table B.6 identifies the economic significance of reserved, excepted and excluded services sub-sectors listed in Table B.5. As the table shows the proportion of total employment in these sub-sectors is somewhat higher in England than for Scotland and Wales. Despite the different reserved matters applying to Scotland and Wales the proportion of total employment in the listed sub-sectors in those nations is very similar. For Northern Ireland the figure is substantially lower than any other nation.

**Table B.6 Employment in services sub-sectors not subject to the MAPs because they are reserved**

Area of service sector specific regulatory activity	Employment by service sector, reserved or excepted, 2021				
	Reserved or excepted				
	Scotland	Wales	Northern Ireland	England	All UK
Financial services, including investment business	2.4%	1.4%	0.1%	2.1%	2.1%
Financial markets	1.2%	1.5%	1.1%	2.0%	1.9%
Betting and Gambling	0.3%	0.3%		0.3%	0.3%
Regulation of sea fishing outside devolved zones	0.2%		0.0%	0.01%	0.0%
Telecommunications and wireless telegraphy, internet services and electronic encryption	3.1%	2.1%	2.0%	4.1%	3.9%
Postal services	0.6%	0.5%	0.6%	0.6%	0.6%
The regulation of estate agents, timeshares and package holidays		0.7%		1.2%	1.2%
Licensing and regulation of a water supply or sewerage licensee		0.4%		0.2%	0.2%
Generation, transmission, distribution and supply of electricity	0.7%	0.4%		0.3%	0.4%
Oil and gas (except petroleum licenses within devolved onshore areas)	0.4%	0.005%		0.01%	0.04%
Nuclear energy and installations including safety, security and safeguards	n/a	n/a		n/a	0.0%
Production, distribution and supply of heat and cooling		0%		0.002%	0.002%
Public service vehicle (ie bus and coach) operator licensing	0.7%	0.5%		0.7%	0.6%
Strategic rail matters, safety and security, operation of rail network, Channel Tunnel	n/a	n/a			0.0%
Strategic marine transport matters	0.1%	0.1%		0.05%	0.05%
Strategic civil aviation and air transport, aviation security and safety	0.1%	0.1%	0.0%	0.3%	0.3%
Navigation, including merchant shipping (but not harbours or inland waters)				n/a	0.0%
Embryology, surrogacy and genetics	n/a	n/a		n/a	0.0%
Legal profession, legal services and claims management services		0.9%		1.4%	1.3%
Total	9.8%	9.1%	3.7%	13.3%	12.8%

Source:

GB: NOMIS database, 2021 data, count by Employment

NI: Business Register and Employment Survey, 2021 data, count by Employees

B.23 Table B.7 shows the proportion of total employment in the sub-sectors listed in Table B.5 that are excluded from the MAPs. The figures for Scotland, Northern Ireland and Wales, which are broadly the same, are higher than for the England. This is due to the composition of the economy in those nations – relatively more employment is in the relevant sub-sectors.

**Table B.7 Employment in services sub-sectors not subject to the MAPs because they are excluded**

Area of service sector specific regulatory activity	Employment by service sector, excluded, 2021				
	Excluded				
	Scotland	Wales	Northern Ireland	England	All UK
Audiovisual services	0.29%	1.36%	0.41%	0.67%	0.7%
Debt collection services	0.14%	0.05%	0.00%	0.04%	0.05%
Gambling services	0.32%	0.27%	0.33%	0.28%	0.3%
Healthcare services	10.65%	10.45%	11.29%	9.49%	9.7%
Legal services (a)	0.98%	0.93%	0.97%	1.43%	1.4%
Notarial services					0.0%
Private security services	0.41%	0.46%	0.74%	0.70%	0.7%
Services connected with the construction or operation of heat networks or the supply of thermal energy by means of heat networks (a)	0.003%	0%	0.00%	0.002%	0.002%
Services connected with the supply of natural gas through pipelines or production or storage of natural gas	0.07%	0.08%	0.00%	0.06%	0.1%
Services connected with the supply or production of electricity	0.71%	0.42%	0.23%	0.33%	0.4%
Services provided by persons exercising functions of a public nature or by a person acting on behalf of such a person in connection with the exercise of functions of a public nature	7.61%	9.04%	7.64%	4.80%	5.3%
Services provided in respect of the award or authentication of academic or vocational qualifications (a)	0.04%	0.05%	0.15%	0.14%	0.1%
Services relating to social housing, childcare, children's social care, adult social care, and other support of families or persons permanently or temporarily in need	5.35%	4.67%	5.48%	3.48%	3.7%
Transport services	4.1%	3.32%	2.88%	5.05%	4.9%
Waste services	0.87%	0.76%	0.88%	0.53%	0.6%
Water supply and sewerage services	0.31%	0.43%	0.25%	0.25%	0.3%
Total	31.9%	32.3%	31.3%	27.2%	27.9%

Source:

GB: NOMIS database, 2021 data, count by Employment

NI: Business Register and Employment Survey, 2021 data, count by Employees

Notes: (a) Excluded with respect to only s.19 UKIMA (mutual recognition)

B.24 Sub-sectors not included in Table B.7 are sectors which are potentially subject to regulatory difference and the application of the MAPs. However, in considering the overall significance of these sub-sectors for the purposes of assessing the implications of any regulatory difference, we note that these sub-sectors include a significant proportion of activities which are delivered as face-to-face services. These services are not directly tradeable as they require the service provider and the consumer to be in close contact. For example, some services (like hairdressing, tattoo artists, personal care) need to be provided locally. The consumer may travel to the service provider, for example tourism. Or the service provider may travel to the consumer, for example a care worker providing care in a person's home. The MAPs are less likely to be relevant to services traded in this manner. Any future assessment of regulatory change that might affect this kind of



cross-border trade (ie where the customer or the provider travel from their home location) will need to take account of the movement of people. This is particularly challenging as data on these kinds of transactions is typically sparse.

- B.25 By bringing together an overview of reserved and excepted matters and the exclusions in Schedule 2 of UKIMA with the ONS data on employment we can start to understand the potential landscape for regulatory difference in the services area and how that varies between the four UK nations. Table B.8 sets out the percentage of total services employment for each UK nation in relation to activities not subject to potential difference; activities potentially subject to difference but outside the scope of the MAPs; and activities potentially subject to both regulatory difference and the MAPs. It shows the proportion of total employment in sub-sectors that are both potentially subject to regulatory difference and the MAPs is almost identical as between Scotland, Wales and England. The proportion of total employment in sectors that are devolved but excluded from the MAPs (i.e. where the effects of local policy making will not be affected by the MAPs) is approximately five percentage points lower in England than in Scotland or Wales. Conversely, a greater proportion of total employment is in sectors where policy making is reserved in England than in either Scotland or Wales. The situation for Northern Ireland is different with a higher proportion of total employment in sub-sectors that are potentially subject to both regulatory difference and the MAPs, largely due to the small proportion of employment in sub-sectors that are reserved matters or excepted matters. Moreover, in certain circumstances regulatory differences could arise between Northern Ireland and GB even in relation to reserved and excepted matters.

**Table B.8 Services sector economic activity (percentage of total services employment<sup>27</sup>) by relationship with the regulatory difference and the MAPs**

(Category)	GB	England	Wales	Scotland	Northern Ireland
<i>Reserved (not subject to regulatory difference)</i>	13%	13%	9%	10%	4%
<i>Devolved but excluded (potentially subject to regulatory difference but not the MAPs)</i>	28%	27%	32%	32%	31%
<i>Devolved without exclusion (potentially subject to regulatory difference and the MAPs)</i>	59%	59%	59%	58%	65%

Source: OIM calculations

<sup>27</sup> In this context 'total services employment' refers to SIC sections D, E and G-T.

## Economic overview of regulated professions

- B.26 The provisions in UKIMA only apply to regulated professions as defined by the [Professional Qualifications Act 2022](#) as “a profession that is regulated by law in the United Kingdom or a part of it”. This includes professions that are subject to legal restrictions in the form of licensing or certification but does not include chartered professions, which involve voluntary compliance.
- B.27 Our analysis captures 192 regulated professions,<sup>28</sup> covering 152 different types of economic activity.<sup>29</sup> Most of the regulated professions (161 of the 192) are found across five areas of economic activity: law, transport, education, healthcare and science. The remaining professions cover a diverse mix of economic activity including security, finance and gas safety.

### Regulatory differences

- B.28 We mapped the regulated professions to understand how many are subject to UK-wide regulation, and how many are subject to regulatory differences across the UK's nations. This exercise identified three regulatory scenarios:
- B.29 Scenario 1: professions subject to joint regulation across all four UK nations by a single UK regulator (81 of the 192 professions);
- B.30 Scenario 2: professions subject to different national regulations, the required qualifications are the same but registration with separate national regulators is required (90 of the 192 professions); and
- B.31 Scenario 3: professions subject to different national regulations, separate national qualifications and registration required (21 of the 192 professions).<sup>30</sup>

### Number of registrations in professions subject to regulatory differences

#### *Data collection*

- B.32 In total, 111 regulated professions fall into scenarios 2 and 3, which are subject to regulatory differences across the UK nations. For these professions, we have

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<sup>28</sup> We believe that these account for most of the regulated professions that currently exist in the UK, although we will continue to monitor the potential for the existence of others, and any developments which could create new regulated professions.

<sup>29</sup> Where an economic activity is subject to multiple regulatory regimes in the UK, it will have been captured as multiple regulated professions in the Regulated Professions Register, and we have maintained that approach in our analysis. For example, the work of a 'Food Analyst', is captured as 4 regulated professions in the register because there is a different regulatory regime in each nation. The breadth of the economic activities covered by individual professions is varied. There are broadly defined professions, such as [School Teacher](#), alongside narrowly defined professions such as [F-Gas Handler for F-Gas-Based Solvents](#).

<sup>30</sup> We have included in this scenario a small number of professions which are regulated in one or some UK nations, but unregulated in other UK nations, as well as professions that have separate regulatory regimes in each nation.

sought to provide an indication of the scale of economic activity that is undertaken by regulated professionals in these professions.

- B.33 We have collected data on the number of professional registrations made with regulators in these professions. As we have aggregated this data, our estimates of total registrations in the regulated professions are likely to feature multiple counting of individuals who hold more than one professional registration.<sup>31</sup>
- B.34 Nonetheless, we consider that aggregating registration data from the regulated professions which fall into scenarios 2 and 3 provides an illustration of the scale of economic activity (as distinct from active individuals) that is subject to regulatory differences affecting regulated professions.
- B.35 Our findings in this section are based on registration data for 51 of the 90 regulated professions in scenario 2 and registration data for all 21 regulated professions which fall into scenario 3.<sup>32</sup>
- B.36 We estimate a total of around 3.5 million registrations with regulators in these professions. Of these about 1.75 million are thought to be currently economically active, with the remainder representing retirees, people who have left the profession for other careers and, for certain qualifications like HGV licences, hobbyists. Given that we have not been able to obtain registration data for a further 39 regulated professions in scenario 2, this will be an underestimate of the number of professional registrations. To put these numbers in context, there are approximately 36.6 million employees in the UK,<sup>33</sup> so 1.75 million represents around 5%.
- B.37 Of these, about 250,000 professional registrations are in the 21 professions in scenario 3, a little less than 1% of all employed people. This is mostly made up of the legal professions. We note that the regulation of many legal professions is excluded from UKIMA in at least one of the UK nations – Table B.9 below provides further details of the regulated professions that are excluded from UKIMA.

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<sup>31</sup> For example, many legal professionals are qualified to undertake more than one type of regulated legal work. An individual who holds a solicitor qualification and is also registered to undertake the work of a notary public, would appear twice in our figures.

<sup>32</sup> Where possible, we collected the registration data from public sources including public registers and other data publications released by regulators and engaged with a number of regulators directly to obtain data not in the public domain. The nature of this exercise has required us to aggregate data collated at different times and compiled using different methodologies which are not directly comparable. For example, some of the figures we have collected are published national statistics, some are regulator estimates based on workforce survey results, while others count the total numbers of entries from professional registers. For all regulated professions, we sought the most recent data available, and this ranges from the earliest data being published in 2018 to the most recent being published in 2023.

<sup>33</sup> Workforce Job by Industry data from March 2023 (seasonally adjusted): [JOBS02: Workforce jobs by industry - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/jobsandwork/workingpopulationandvacancies/jobbyindustry). Workforce Jobs (WFJ) is a quarterly measure of the number of jobs in the UK and is the preferred measure of the change in jobs by industry. This figure of 36.6 million includes Employee Jobs, which is measured by employer surveys, and Self-Employment Jobs, which is derived from the Labour Force Survey (LFS).

*Regulated professions to which the MAPs do not apply*

- B.38 The regulation of professions can be outside the scope of the MAPs either because it is a reserved matter or because it is excepted from UKIMA. Table B.9 below sets out which regulated professions are reserved matters. It also sets out a number of legal and teaching professions which are excepted from the MAPs under s.27 UKIMA<sup>34</sup> (and so the MAPs do not apply to them).

**Table B.9 Reserved and excepted matters for regulated professions**

Regulated profession	Reserved			Excepted under s.27 UKIMA			
	Scotland	Wales	Northern Ireland	Scotland	Wales	Northern Ireland	England
Architects	X	X					
Health professions	X	X					
Auditors	X	X					
Veterinary surgeons		X					
Barrister		X			X	X	X
Solicitor		X		X	X	X	X
Notary		X		X	X	X	X
Chartered Legal Executive		X			X		X
Costs lawyer		X			X		X
Licensed conveyancer		X			X		X
Licensed CLC practitioner		X			X		X
Advocate				X			
Conveyancing practitioner				X			
Executry practitioner				X			
Commercial attorney				X			
Patent attorney		X		X	X	X	X
Trademark attorney		X		X	X	X	X
School teaching				X	X	X	X

Source: [Reserved Matters in the United Kingdom](#), House of Commons Library, 2022; Schedule 2 UKIMA, as of 24 November 2023; s.27.6 UKIMA

- B.39 We have also collected data on the number of professional registrations made with regulators in these professions. Our findings in this section are based on registration data for 13 of the 14 regulated professions which are excepted under s.27 UKIMA, and registration data for all 48 regulated professions which fall under reserved matters.
- B.40 We estimate an aggregate total of around 2.05 million registrations with regulators in the regulated professions which are reserved matters: Architect, Auditor,

<sup>34</sup> The concept of a matter being 'excepted' under s.27 UKIMA is different to that under the Northern Ireland devolution settlement. An 'excepted' matter under s.27 UKIMA is one which is removed from the scope of the mutual recognition MAP applicable to professional qualifications. An 'excepted' matter under the devolution settlement is one where competency to legislate remains with the UK government and not the Northern Ireland Assembly.

Veterinary Surgeon, health professions<sup>35</sup> and, in Wales, legal professions; this is around 5% of all employed people.

- B.41 We estimate an aggregate total of around 850,000 registrations with regulators in the legal and teaching professions which are excepted from the MAPs – this is just over 2% of all employed people.<sup>36</sup>
- B.42 It is notable that many of the legal professions which are excepted from UKIMA fall into scenario 3 in our mapping exercise, meaning that although there are separate regulators and qualification requirements across the UK nations in these professions the MAPs do not apply; only individuals who are qualified in a particular nation may practice in that nation. The Advocate, Barrister, Solicitor, Notary, Costs Lawyer, Chartered Legal Executive, Licensed conveyancer, Conveyancing practitioner, and Executry practitioner professions all fall under this scenario.
- B.43 However, as all the regulations governing the other regulated professions (i.e. professions that are neither reserved nor excluded) pre-date the commencement of the UKIMA, the MAPs do not currently apply to them (because regulations introduced before UKIMA are not subject to its provisions). However, the MAPs may apply to any future changes to requirements in these regulated professions. The MAPs may also apply to any newly regulated professions in which regulatory requirements are introduced.

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<sup>35</sup> The specific health professions which are reserved are outlined under Schedule 5 of the Scotland Act 1998, and under Schedule 7A of the Wales Act 2017.

<sup>36</sup> This will be an underestimate, as we have not been able to obtain registration data for the Commercial Attorney profession. However, our view is that this profession is likely to be highly specialist in nature and we would expect the impact on our estimate to be small.

## Appendix C: Regulatory Developments

- C.1 This Appendix provides further details on the regulatory developments listed in Chapter 3.

### Current and upcoming regulatory developments in relation to goods

#### Fireworks

- C.2 [The Fireworks and Pyrotechnic Articles \(Scotland\) Act 2022](#) introduced a number of new provisions relating to the sale and use of fireworks in Scotland. The new offence to supply fireworks and pyrotechnic articles to young people under 18 came into force on 10 October 2022. A statutory aggravation in cases where fireworks or pyrotechnic articles are used to attack emergency workers came into effect in October 2022.<sup>37</sup>
- C.3 Further provisions, including a requirement for people who are either purchasing, possessing or using a firework in Scotland to hold a licence, as well as the creation of specified periods in the year when fireworks can be sold and used, will come into force in a phased manner. The Scottish Government have indicated that the licensing system is expected to be operational early in the 2024/25 financial year. No such requirements are in place in England or Wales. A licensing regime for the purchase and use of fireworks has been in place in Northern Ireland for several years.
- C.4 Since the 2022/23 annual report, in June 2023, offences of possession of pyrotechnic articles in public places and at designated venues and events came into effect along with new discretionary powers for local authorities to designate firework control zones.<sup>38</sup>

#### Rodent glue traps and animal snares

- C.5 'Rodent glue trap' refers to non-drying glue boards designed to capture rodents. Snares (sometimes referred to as a 'cable restraint') refers to a thin wire noose used for catching and/or restraining a wild animal, such as a fox or a rabbit, for the purpose of wildlife management. Amid concern for animal welfare, the UK Government, Scottish Government and Welsh Government have implemented, or are in the process of implementing, bans on the use of rodent glue-traps and/or animal snares.<sup>39</sup> Northern Ireland has not announced any equivalent measures.

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<sup>37</sup> The Fireworks and Pyrotechnic Articles (Scotland) Act 2022 (Commencement No. 1) Regulations 2022.

<sup>38</sup> The Fireworks and Pyrotechnic Articles (Scotland) Act 2022 (Commencement No. 3) Regulations 2023.

<sup>39</sup> UK Government: [Glue Traps \(Offences\) Act 2022](#); Scottish Government: [Wildlife Management and Muirburn \(Scotland\) Bill](#); Welsh Government: [Agriculture \(Wales\) Act](#).

- C.6 Since our 2022/23 annual report, the Scottish Government's proposed ban on rodent glue traps has been introduced in the Scottish Parliament and the Welsh Government's ban on rodent glue traps and animal snares came into force on 17 October 2023. The UK Government's ban on rodent glue traps is scheduled to come into force in April 2024. The Scottish Government has stated that it is exploring the possibility of an exclusion from the MAPs, following which it would seek to ban the sale and possession of animal glue traps.<sup>40</sup>
- C.7 Regulatory difference may result from the staggered implementation of the bans: the Welsh ban is currently in force, whereas the bans in England and Scotland are yet to be implemented. The scope of the bans may also differ: the UK (in respect of England) and Welsh Governments' bans prohibit the use of animal glue traps, whereas the Scottish ban will also prohibit their purchase. In addition, the Welsh Government's ban prohibits both rodent glue traps and snares.<sup>41</sup> There may also be potential regulatory impacts relating to pest control services: see Appendix C, paragraphs C.30-C.32.

## Vapes

- C.8 In the 2022/23 annual report, we noted that the Scottish Government had published analysis of responses to its consultation on tightening the rules on advertising and promotion of vaping products. At the time, no other government had consulted on introducing similar restrictions elsewhere in the UK.
- C.9 Since the 2022/23 annual report, the UK Government has published a UK-wide consultation on [Creating a smokefree generation and tackling youth vaping](#), as part of measures to clamp down on vapes being promoted to children. The consultation was launched following the Prime Minister's proposals to create the first smokefree generation and crack down on youth vaping. It includes the following elements: restricting vape flavours, regulating vape packaging and product presentation, and restricting the supply and sale of disposable vapes.
- C.10 Following the consultation, in January 2024 the UK Government announced that disposable vapes will be banned in the UK. The OIM will continue to monitor this policy area in case of temporal differences in the implementation of the ban, or differences in the scope and formulation of the ban.

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<sup>40</sup> [The current proposed legislation, now at Stage 2, provides for a ban on use and purchase. The Scottish Government's intention is to introduce provisions to ban the sale and possession at Stage 3.](#)

<sup>41</sup> The relevant Scottish Bill does not currently contain a prohibition on snares, but the Scottish Government have indicated that the legislation will be amended to do so: [Scottish Government - Animal snares - August 2023](#).

## Alcohol advertising

- C.11 In November 2022, the Scottish Government opened a consultation on restricting alcohol advertising and promotion.<sup>42</sup> Possible restrictions included prohibitions on alcohol sports and events sponsorship, alcohol marketing outdoors (including on vehicles) and in public spaces, the sale of alcohol-branded merchandise in Scotland, and the advertising of alcohol in newspapers and magazines produced in Scotland and television and radio completely.<sup>43</sup> The consultation also suggested further restrictions on the visibility of alcohol in retail environments and the content of alcohol marketing. In November 2023, the Scottish Government published the analysis of its consultation.<sup>44</sup> The consultation response states that further engagement will be undertaken in early 2024, with a consultation on a narrow set of proposals later in the year.

## Further single-use plastics measures

- C.12 The Welsh Government has indicated that it will use its existing powers to add to the list of single-use plastic products which are banned in Wales.<sup>45</sup> The explanatory notes to the relevant legislation suggest that wet wipes and sauce sachets may be added to the list of banned products.<sup>46</sup> Separately, the Welsh Government has indicated that it will aim to ban (by Spring 2026) single-use plastic carrier bags (with exemptions including carrier bags for raw fish, meat or poultry and unpackaged food), polystyrene lids for cups and takeaway food containers, and oxo-degradable plastic products.<sup>47</sup>
- C.13 The Scottish Government has introduced the Circular Economy (Scotland) Bill to the Scottish Parliament.<sup>48</sup> Once passed, the Bill will establish a framework that provides Scottish Ministers with additional powers related to single-use plastics, including to require imposition of charges for such products.
- C.14 Regulatory difference will result from any further restrictions on single-use plastic products because they will only be banned in one nation (Wales), or charges will only be imposed in one nation (Scotland). The current UKIMA exemption for single-use plastics would not cover a ban extending to the single-use products proposed by the Welsh Government.

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<sup>42</sup> [Consultation on Restricting Alcohol Advertising and Promotion, November 2022.](#)

<sup>43</sup> We also note that in its 10-year Substance Use Strategy Preventing Harm, Empowering Recovery, launched in September 2021, the NI Executive set out its support for restricting alcohol advertising. However, powers over broadcast advertising are reserved to the UK Government.

<sup>44</sup> [Consultation on Restricting Alcohol Advertising and Promotion: Analysis of responses](#), November 2023.

<sup>45</sup> [The Environmental Protection \(Single-use Plastic Products\) \(Wales\) Act allows Welsh Ministers](#) to add or remove products from the list of banned single-use plastic products.

<sup>46</sup> [The Environmental Protection \(Single-use Plastic Products\) \(Wales\) Act – Explanatory Notes](#), paragraph 15.

<sup>47</sup> [Guidance: The Environmental Protection \(Single-use Plastic Products\) \(Wales\) Act 2023.](#)

<sup>48</sup> [Circular Economy \(Scotland\) Bill.](#)



## Minimum unit pricing of alcohol

- C.15 The aim of minimum unit pricing (MUP) is to reduce harm to health caused by alcohol consumption by setting a floor price below which alcohol cannot be sold. The Scottish and Welsh Governments have both introduced systems of MUP with the minimum price of alcohol set at 50 pence per unit.<sup>49</sup> No equivalent system has been introduced in either England or Northern Ireland.<sup>50</sup> The Scottish and Welsh MUPs have not been within the scope of UKIMA as their introduction pre-dated UKIMA.
- C.16 In Scotland, the MUP provisions will expire after 6 years (30 April 2024) unless Scottish Ministers make new legislation to continue their effect. On 20 September 2023, the Scottish Government launched a consultation on the continuation of MUP beyond 30 April 2024, which includes a proposal to increase the MUP to 65 pence.
- C.17 The introduction of a higher MUP in Scotland would mean that the relevant requirements in Scotland differ from the rest of the UK where there are either no such requirements (England and Northern Ireland) or equivalent requirements are set at a lower level (Wales).

## Net zero policies (phasing out of gas boilers, and petrol/diesel cars)

- C.18 In September 2023, Prime Minister Rishi Sunak announced changes to regulations relating to the UK's Net Zero target of 2050. The ban of the sale of new petrol and diesel vehicles was delayed to 2035, from 2030.
- C.19 The mechanism for implementation is the Zero Emission Vehicle (ZEV) Mandate. This requires suppliers to meet a minimum proportion of their total vehicle sales through sales of ZEVs, starting with a minimum of 22% of annual sales in 2024, incrementally rising to 100% in 2035. A consultation published shortly after the announcements outlined the intention of the four governments to pursue a unified approach with targets consistent across UK nations. The Welsh Government moved legislation to implement the ZEV Mandate in line with the UK targets on 14 November 2023 and the Scottish Government moved legislation for the same purpose on 21 November 2023. The UK Government laid a statutory instrument on 13 December 2023 to effect these changes. The legislation came into force on 3 January 2024 and applies across Great Britain. As the legislation was passed while the Northern Ireland Assembly was not sitting, the measures were not introduced UK wide. There will be initial regulatory differences between Great Britain and Northern Ireland as car manufactures will not face the same

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<sup>49</sup> Scotland: [Alcohol \(Minimum Pricing\) \(Scotland\) Act 2012](#); Wales: [The Public Health \(Minimum Price for Alcohol\) \(Wales\) Act 2018](#).

<sup>50</sup> A consultation on the introduction of MUP in Northern Ireland ran from 22 February 2022 to 27 May 2022: [Consultation on Minimum Unit Pricing of Alcohol in NI](#).

restrictions when selling emission producing cars. The explanatory memorandum that accompanied the UK Statutory Instrument sets out that the initial consultation was conducted with support from the Department for Infrastructure and that the UK, Welsh and Scottish Governments would be open to Northern Ireland joining the scheme if a sitting Assembly chooses to.<sup>51</sup>

- C.20 The UK Government also announced changes to regulations relating to home heating in September 2023. This includes delaying the phasing out of new Liquefied Petroleum Gas and Oil Boilers to 2035 and restating a phase out date of 2035 for the installation of new gas boilers. The UK Government are also currently consulting, due to close in March 2024, on introducing a deadline of 2025 for banning the installation of gas boilers in new builds.<sup>52</sup> Scottish Government regulations will see the implementation of a ban on gas boilers being installed in new builds in Scotland. The regulations are due to come into force on 1 April 2024, with the ban taking effect in 2027. DBT's initial view is that they consider it unlikely this ban will engage the MAPs. In addition, Northern Ireland colleagues informed us their net zero policy development 'will help to shape a future framework for decarbonising heating in domestic and non-domestic buildings including timelines for action such as phasing out fossil fuel boilers. It is therefore essential that Northern Ireland consumers have free and equitable access to all heating appliance related goods and services from GB, including fuels, and that Northern Ireland is similarly able to export to GB'.

## **Plasticated wet wipes**

- C.21 At the Inter-Ministerial Group for Environment, Food and Rural Affairs in May 2023, Defra outlined its intention to ban plasticated wet wipes for England, following its [Plan for Water](#) document. Both the Scottish Government's Marine Litter Strategy and the Welsh Government's analysis of banning single-use plastic products identified plasticated wet wipes as goods that could be banned for environmental reasons.
- C.22 Following on from the Inter-Ministerial Group meeting, Defra announced a joint consultation on 14 October 2023. This consultation has support from all four governments and closed on 25 November 2023.
- C.23 The OIM will continue to monitor this policy area in case of temporal differences in the implementation of the ban, or differences in the scope and formulation of the ban.

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<sup>51</sup> Explanatory Memorandum for the ZEV Mandate: [The Vehicle Emissions Trading Schemes Order 2023 \(legislation.gov.uk\)](#)

<sup>52</sup> [The Future Homes and Buildings Standards: 2023 consultation - GOV.UK \(www.gov.uk\)](#)

## **Wine: reforms to assimilated law**

- C.24 The UK Government has proposed changes to production and marketing standards in assimilated law (formerly REUL) for wine and by-products of winemaking in England.<sup>53</sup> The changes include, amongst others, allowing the blending of imported wines, the use of hybrid grape varieties and the production and sale of low alcohol piquette that is made from the by-products of winemaking.<sup>54</sup> The changes, except those applying to the use of hybrid grape varieties, will mean that businesses in England will operate under different rules from businesses in Scotland and Wales. Northern Ireland will continue to implement relevant EU law.
- C.25 The changes may impact the internal market for wine; for example, producers in England will be able to lawfully blend imported wines for sale in England and place these blended wines on the UK market, while Welsh and Scottish producers will remain subject to existing standards in assimilated law and therefore cannot blend imported wines.<sup>55</sup> DAERA commented on these reforms, ‘Although there is no production of wine in NI, if there are NI producers in the future, they will be bound by EU rules but competing with GB producers with fewer restrictions. This will create divergence for NI producers in comparison to GB counterparts and therefore has the potential to impact on NI’s place in the UKIM’.
- C.26 England, Scotland and Wales have also introduced changes on the marketing of ice wine in order to aid the United Kingdom’s accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. There are no producers of ice wine in Northern Ireland, however, imported ice wine can move from Great Britain via the Northern Ireland Retail Movement Scheme and be sold in Northern Ireland.

## **XL Bully dogs**

- C.27 The UK Government announced new regulations relating to XL Bully Dogs on 31 October 2023. There were two phases to the new regulations. From 31 December 2023, it is an offence to sell, abandon, give away or breed an XL Bully Dog, as well as have it in public without a lead or muzzle. From 1 February 2024, it is a criminal offence to own an XL Bully Dog without a Certificate of Exemption. These measures only apply to England and Wales under the Dangerous Dogs Act (1991).

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<sup>53</sup> [Consultation on smarter regulation: wine reforms Summary and Government response](#), 13 October 2023.

<sup>54</sup> Piquette is a lower alcohol drink produced by rinsing the pomace (which comprises the grape skins, stalks and other materials left over from pressing grapes for wine) with water and fermenting that rinse.

<sup>55</sup> As noted in House of Lords, [Secondary Legislation Scrutiny Committee, Draft Wine \(Revocation and Consequential Provision\) Regulations 2023](#), November 2023, paragraph 10.

- C.28 Following the first phase of the ban, there have been reports of XL Bully Dogs being moved from England and Wales to Scotland. The Scottish Society for the Prevention of Cruelty to Animals has advised that an individual transferring XL Bully Dogs between England and Wales to Scotland for the purpose of rehoming the dog would still be committing an offence.<sup>56 57</sup>
- C.29 The Scottish Government announced on 18 January 2024 that it will seek to impose the same measures on XL Bully Dogs as in England and Wales. It will follow an identical, two phase approach, with the first step coming into force on 23 February 2024 and the second coming into force on 31 July 2024. These dates and measures are subject to Parliamentary scrutiny and approval.

## **Current and upcoming regulatory developments in relation to services**

### **Rodent glue traps**

- C.30 The national bans on rodent glue traps, discussed at Appendix C, paragraphs C.5-C.7, differ in how they regulate the use of rodent glue traps by pest controllers.
- C.31 The UK Government's ban, once in force, will allow pest controllers in England to continue using rodent glue traps where they have been granted a "glue trap licence" by the Secretary of State.<sup>58</sup> The equivalent Scottish and Welsh bans do not allow the continued use of rodent glue traps by pest controllers or any other persons.
- C.32 The difference between the national bans and the absence of any ban in Northern Ireland means pest controllers would be able to continue to use rodent glue traps in some parts of the UK (England, where licensed, and Northern Ireland) but not in others (Scotland and Wales).

### **Regulation of cosmetic procedures**

- C.33 The UK, Scottish and Welsh Governments are each considering implementing measures to regulate the provision of certain cosmetic procedures. Each of the governments have consulted on the introduction of a licensing scheme for specified procedures.<sup>59</sup> Licensing of practitioners of non-surgical cosmetic procedures in England is covered further in Appendix C, paragraph C.49.
- C.34 Each licensing scheme would require providers of certain procedures to hold a licence. The consultations run by the UK, Scottish and Welsh Governments

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<sup>56</sup> [Information on the proposed XL bully ban | Scottish SPCA](#)

<sup>57</sup> <https://www.scottishparliament.tv/meeting/topical-questions-january-9-2024>

<sup>58</sup> Glue Traps (Offences) Act 2022, section 2.

<sup>59</sup> [The licensing of non-surgical cosmetic procedures in England](#), 2 September 2023; [Mandatory Licensing of Special Procedures in Wales](#), 25 January 2023; [Non-surgical cosmetic procedures regulation: consultation analysis - final report](#), 7 July 2022.

suggest that future licensing schemes could apply to different procedures. The UK Government's scheme, applying in England, will cover "cosmetic procedures", other than a surgical or dental procedure, that are carried out for cosmetic purposes. The Scottish Government's consultation was in relation to procedures that pierce or penetrate the skin, while the Welsh Government's licensing scheme would apply to four "special procedures", namely: acupuncture, body piercing, electrolysis, and tattooing. The Welsh Government's proposals are discussed further in Appendix C, paragraph C.52.

- C.35 The introduction of national licensing schemes that apply to different procedures could result in difference in the regulation in the market for certain types of procedures. None of the governments have confirmed that they will introduce their scheme and we will continue to monitor developments in this area.

### **National standards for taxi and private hire vehicles**

- C.36 In March 2023, the Welsh Government published a White Paper on reforming the licensing system for taxis and private hire vehicles.<sup>60</sup> The aims of the reforms are to introduce national minimum standards for drivers, vehicles and operators across Wales, improve local authorities' enforcement powers, and address the issue of "cross-bordering", which refers to drivers from an area with less onerous standards entering another area with higher standards for customers. While national minimum standards are not being considered elsewhere in the UK, both the UK and Scottish Government have issued best practice guidance for local authorities.<sup>61</sup>
- C.37 The Welsh Government has published its consultation response and confirmed in a statement to the Senedd that it will continue to engage with the industry and passengers to ensure future legislation works for all of Wales.<sup>62</sup> The Welsh Government has also confirmed that it will introduce safeguards to prevent drivers and operators from elsewhere in the UK from avoiding Wales's national standards.<sup>63</sup>
- C.38 Neither the mutual recognition principle nor the non-discrimination principle for services apply to transport services, which is defined as including the road transportation of people.<sup>64</sup> Consequently, the proposed measures will likely require

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<sup>60</sup> [Taxi and Private Hire Vehicle \(PHV\) \(Wales\) Bill](#), 9 March 2023.

<sup>61</sup> England: [Taxi and private hire vehicle licensing best practice guidance for licensing authorities in England](#), 17 November 2023; Scotland: [Taxi and private hire car licensing: guidance - third edition](#), 31 May 2023. Additionally, in England, the [Taxis and Private Hire Vehicles \(Safeguarding and Road Safety\) Act 2022](#) places duties on licensing authorities in England to share safeguarding and road safety concerns about taxi and private hire vehicle drivers with each other.

<sup>62</sup> Lee Waters MS, Deputy Minister for Climate Change, Oral Statement, [Update on the Taxi and Private Hire Vehicle \(Wales\) Bill](#), 3 October.

<sup>63</sup> Ibid.

<sup>64</sup> Transport services are listed in Parts 1 and 2 of the Schedule 2 to UKIMA.

that drivers and operators from elsewhere in the UK adhere to the new Welsh national standards when provide relevant services into or out of Wales.

### **Licensing of activities involving animals**

- C.39 The Scottish and Welsh Governments have or are in the process of consulting separately on proposals to introduce statutory licensing schemes that will set minimum standards for certain activities involving animals.<sup>65</sup> The aim of the proposals is to enhance and protect animal welfare.
- C.40 The Scottish Government's scheme could cover the following activities when carried out in the course of a business: dog walking, dog grooming, providing livery services, and offering canine fertility services. The consultation sought views on introducing qualification requirements as part of the licensing of dog walkers; this is discussed further in Appendix C, paragraph C.48. The consultation also sought views on the licensing of greyhound racing and the replacement of existing legislation covering animal boarding and riding establishments. The Welsh Government's proposed scheme could cover a much broader range of activities, including those covered by the Scottish Government's scheme (except canine fertility services).<sup>66</sup>
- C.41 Neither the UK Government nor the NICS have indicated they will introduce equivalent schemes. The introduction of licensing requirements in only some parts of the UK (Scotland and Wales) will create difference in the regulation of certain activities involving animals.

### **Tourism measures (licensing of short-term lets and visitor levies)**

- C.42 The UK, Scottish and Welsh Governments are considering a range of measures related to the provision of tourism services. While the Northern Ireland Executive has not announced any new measures, there is an existing requirement that any person offering tourist accommodation in Northern Ireland must have a certificate from Tourism Northern Ireland.
- C.43 The Scottish Government has introduced a licensing scheme for short-term let properties which requires that anyone operating a short-term let before 1 October 2022 must apply for a licence by 1 October 2023.<sup>67</sup> The Welsh Government has indicated that it will first introduce a registration system for short-term lets and will

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<sup>65</sup> Scottish Government: [Licensing of activities involving animals: consultation](#), 4 July 2023; Welsh Government: [Licensing of Animal Welfare Establishments, Activities and Exhibits](#), 8 December 2023.

<sup>66</sup> The other activities that the Welsh scheme could apply to include: pet day care; dog play parks; e) pet care facilities (such as animal rehabilitation or conservation facilities); pet grooming; pet sitters; animal trainers; rescue centres; animal sanctuaries; re-homing centres; fostering; animal encounters (such as pet therapy); mobile and static animal exhibits; and primates as pets.

<sup>67</sup> [The Civic Government \(Scotland\) Act 1982 \(Licensing of Short-term Lets\) Order 2022](#).

later develop a licensing scheme for operators.<sup>68</sup> The Department for Culture, Media & Sport has consulted on a registration system for England.<sup>69</sup>

- C.44 The Scottish Government has also introduced the Visitor Levy (Scotland) Bill that enables local authorities to apply a levy on the purchase of overnight stays in certain types of accommodation.<sup>70</sup> The Welsh Government has consulted on similar proposals and intends to introduce legislation in 2024.<sup>71</sup> The UK Government has stated that it has no plans to introduce similar measures.<sup>72</sup>
- C.45 Differences in the regulation of tourism services across the UK will result from both the introduction of requirements in certain parts of the UK only and differences in terms of the introduced requirements themselves.

## **Current and upcoming regulatory developments in relation to professional qualifications**

- C.46 The four governments in the UK have been actively reassessing and redefining the regulatory landscape for professions, aiming to bolster consumer safety and elevate industry standards.

### **Certification of electricians in Scotland**

- C.47 The Scottish Government has conducted research on the regulation of electricians in Scotland.<sup>73</sup> The report raised concerns that electricians currently are not required to undertake a process of regular onsite assessment of competency. This potentially puts consumers and the public at risk. A proposal has been put forward for the protection of the title of 'electrician' and that electricians should be added to the list of regulated professions in the UK.

### **Licensing of dog walkers and providers of other canine services in Scotland**

- C.48 Scotland does not presently have statutory licensing requirements to operate a dog walking business, nor is there a need for dog walkers to hold a recognised qualification. However, some local authorities may encourage certain licenses or insurance to be in place, although this is not mandatory.<sup>74</sup> Local authorities and the Scottish Society for Prevention of Cruelty to Animals have seen an increase in

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<sup>68</sup> See [Statement by Deputy Minister for Arts, Sports and Tourism](#), 9 January 2024. The Welsh Government has consulted on the introduction of a licensing scheme for visitor accommodation: Wales: [A licensing scheme for visitor accommodation in Wales](#), June 2023.

<sup>69</sup> The Department for Culture, Media & Sport: [Consultation on a registration scheme for short-term lets in England](#), May 2023.

<sup>70</sup> [Visitor Levy \(Scotland\) Bill](#).

<sup>71</sup> [A visitor levy for Wales](#), October 2023.

<sup>72</sup> UK Parliament, Tourism: Taxation, [Question for Department for Culture, Media and Sport](#), 13 September 2023.

<sup>73</sup> [The Regulation of Electricians in Scotland: For the Scottish Government's Directorate of Energy and Climate Change \(www.gov.scot\)](#)

<sup>74</sup> [Find the right dog walker, Scottish SPCA](#)



complaints linked to attacks on dogs being walked by members of the public. In response, a number of councils in Scotland have introduced voluntary local accreditation or registration schemes for operators of dog walking businesses. The Scottish Government concluded following discussions with key animal welfare organisations and local authorities that there is a reasonable case for dog walkers and providers of certain other animal care services to be subject to licensing requirements. A consultation on these proposals took place from July to September 2023 (the regulation of dog walking and canine services businesses more widely is discussed at Appendix C, paragraphs C.39-C.41).<sup>75</sup>

### **Licensing of practitioners of non-surgical cosmetic procedures in England**

C.49 The UK government is considering the introduction of a non-surgical cosmetic procedures practitioner license to be administered and enforced by local authorities, working with a range of partners.<sup>76</sup> Proposed regulations relating to the provision of certain cosmetic procedures are discussed at Appendix C, paragraphs C.33-C.35.

### **Licensing of individuals involved in waste transportation in England**

C.50 The UK Government is taking forward proposals for new technical competence requirements for individuals involved in waste transportation activities.<sup>77</sup>

### **Licensing of building inspectors in England**

C.51 After April 2024, building inspectors who carry out regulated building control activities in England must be registered as building inspectors.<sup>78</sup> This profession will be regulated by the Health and Safety Executive who will maintain a public register of building inspectors.

### **Licensing of acupuncture, body piercing, electrolysis, and tattooing procedures**

C.52 In Wales, the Welsh Government is progressing a legislative programme to implement a mandatory licensing regime for acupuncture, body piercing, electrolysis, and tattooing (proposed regulations relating to the provision of these procedures is discussed at Appendix C, paragraphs C.33-C.35).<sup>79</sup> Following public consultation in 2023 on proposals for a mandatory licensing scheme, the Welsh Government has been working with local authorities and practitioners to develop

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<sup>75</sup> [Licensing of commercial dog walkers](#)

<sup>76</sup> [Licensing scheme for non-surgical cosmetic procedures. Consultation published 2 September 2023](#)

<sup>77</sup> [Waste carrier, broker and dealer system reform: consultation response published 21 October 2023](#)

<sup>78</sup> [Guidance: Registered building inspectors, Health and Safety Executive. Published 5 October 2023](#)

<sup>79</sup> [The Public Health \(Wales\) Act 2017 – Part 4 \(Special Procedures\) : Information on Implementation Progress. Published March 2023.](#)



systems and materials in readiness for implementation of the new licencing scheme in 2024.

### **Regulation of Pharmacy Technicians in Northern Ireland**

- C.53 In Northern Ireland, the Department of Health has consulted on a proposal to introduce statutory regulation on the Pharmacy Technician workforce in Northern Ireland. A public consultation was launched in March 2022.<sup>80</sup>

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<sup>80</sup> [Regulation of Pharmacy Technicians in Northern Ireland moved forward. The Department of Health. Published 29 June 2022.](#)