

CORPORATE REPORT

1 April 2024 – 31 March 2025

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FOREWORD



I am pleased to be writing this foreword following what has been a very busy year with many changes for the RPC.

The start of the period saw the end of the transition to the revised Better Regulation Framework (BRF), which moved the RPC's scrutiny role to earlier in the policy-making process and focussed our work on reviewing the policy rationale and choice of policy options to support better policy-making.

In May 2024, the previous Government published a White Paper on Smarter Regulation, which included proposals to extend our role to cover independent scrutiny of regulators' cost-benefit analysis, strengthening the BRF to apply higher standards of scrutiny and

supporting our publishing of data on departments' performance. The general election in July meant a short hiatus in our activity before the impact of the new Government's legislative programme came through and a change in the focus of government regulatory policy.

After the election, there was both a large volume of activity and the desire to develop legislation at pace. While we have continued to produce opinions, often to very accelerated timescales, I hope that as things settle down we can provide our advice to ministers earlier in the process to allow the evidence to properly inform the choice of policy option — as the new BRF intends.

In previous corporate reports and other communications, I have often bemoaned the failure of departments to complete post-implementation reviews (PIRs), despite many being a statutory requirement. During this year, we published a list of outstanding PIRs across government, and I wrote to permanent secretaries in the departments with most outstanding PIRs to ask for commitments to address the backlog. I am very pleased to report that this was met with a positive response and that I have recently been able to publish an update showing significant progress. There is still some way to go, but this has been a very positive step in improving the attention given to evaluation. I hope that our publication of a league table of different departments' performance in undertaking IAs will have a similar positive impact.

Towards the end of March 2025, the Chancellor published her action plan to cut red tape and kickstart economic growth. This included a pledge to cut the administrative cost of regulation on business by 25% before the end of the Parliament. This is a challenging target, and our experience has shown that it can be delivered only when government prioritises and fully commits to making it happen. We are keen to help government in developing this target, ensuring that it does not lead to perverse incentives and offering our expertise in independently verifying the cost reductions achieved.

Over the year we said goodbye to retiring members of the committee, and welcomed new members Caroline Elliott and Ryan Williams in March 2024 and then John Davies, Allan Little, Caroline Turnbull-Hall and Frances Warburton in April this year. This means that six of our eight members have been on the committee for 18 months or less. It is to all their credit that we have navigated this transition successfully and that the service provided to our customers across government has been sustained. Finally, I would like to record my thanks to members of the RPC secretariat team.

Stephen Gibson
Chair, Regulatory Policy Committee

About the Regulatory Policy Committee

The Regulatory Policy Committee (RPC) is an advisory non-departmental public body sponsored by the Department for Business and Trade (DBT). Our mission is to improve the quality of evidence and analysis informing government regulatory decisions, through independent scrutiny and challenge. We are the UK's independent better regulation watchdog and, as a key part of the Better Regulation Framework (BRF), we seek to ensure that regulatory decisions are evidence-based and conducive to better regulation.

The RPC comprises independent experts, both economists and generalists, from the private sector and academia. Committee members are appointed through an open competition process, adhering to the Governance Code on Public Appointments.

The RPC provides independent scrutiny of the analysis and evidence in government options assessments (OAs), impact assessments (IAs) and post-implementation reviews (PIRs). Our scrutiny helps produce more-effective evidence-based regulation, minimise unnecessary burdens on businesses and civil society organisations, and avoid the unintended consequences of poorly-designed regulation.

More information on how we produce opinions can be found on our <u>website</u> and in this <u>blog</u> <u>post</u>.

During 2024-25, we:

- reviewed 77 submissions from 15 different departments, agencies and public bodies: 70 OAs/IAs from 15 departments and 7 PIRs from three departments;
- worked with DBT's Regulation Directorate on the development and implementation of the revised BRF;
- published nine blog posts over the year to communicate with stakeholders, including our observations on the revised BRF;
- engaged with parliamentarians, business representative groups, civil society organisations, consumer groups and other external stakeholders; and
- engaged with regulatory scrutiny bodies in other countries to share best practice and learn from each other's approaches.

ABOUT THE REPORT

- 1. This report summarises the RPC's activities for the year from April 2024 to March 2025. This includes:
 - a. an analysis of submissions to the RPC;
 - b. a summary of the RPC's other activities; and
 - c. an overview of RPC finances, personnel and information requests.

The RPC's objectives for the period covered by this report were:

- 1. To deliver independent opinions on impact assessments and postimplementation reviews, that are timely, clear and consistent;
- 2. To encourage and assist departments and regulators to improve the quality of their impact assessments and evaluation of regulation;
- 3. To engage effectively with business, civil and voluntary organisations, parliamentarians and the public on the evidence and analysis supporting regulatory proposals;
- 4. To contribute to the development and implementation of polices for better regulation; and
- 5. To enhance UK regulatory scrutiny through engagement with international counterparts, and to encourage evidence-based regulation in our trading partners.

PERFORMANCE

Casework summary

Information on RPC casework

2. This document provides a summary of RPC casework for the period it covers. More information can be found on our <u>website</u> and blog sites. We now publish Excel spreadsheets with detailed information on the fitness-for-purpose, quality rankings etc. for all of the IAs and PIRs for which we have published opinions since December 2020.

Number of submissions

3. In 2024-25, the RPC received 77 submissions of assessments from departments; 43 of these submissions were IAs submitted under the previous BRF, 27 were OAs or IAs submitted under the current BRF, with the remaining 7 being PIRs. This is the same total number of submissions as in 2023-24 but fewer than in 2022-23 (when we received 109 submissions) and 2021-22 (when we received 122).

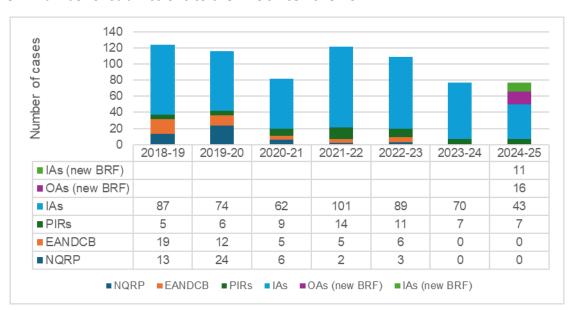


Figure 1: Number of submissions to the RPC since 2018-191

4. For IAs, the transition to the reformed BRF means departments have stopped making formal submissions at the consultation stage, with no cases since the 2022-23 reporting year. The requirement to submit IAs for consultation stage scrutiny was removed in 2018, after which departments typically submitted IAs for informal scrutiny at that stage. With the transition to the reformed BRF, only three informal consultation stage IAs were submitted to the RPC this year

¹ OA – Options assessment, IA – Impact assessment, PIR – Post-implementation review, EANDCB – Regulator Equivalent Annual, Net Direct Cost to Business validation, NQRP – Non-qualifying regulatory provision verification. Scrutiny of the final two of these was a requirement of the business impact target, and its removal in 2023 means we no longer see these types of submission. OAs (new BRF) and IAs (new BRF) are added to the chart for 2024-25 to reflect the different format of assessments (OAs and IAs) that are submitted following the reform of the BRF in 2023.

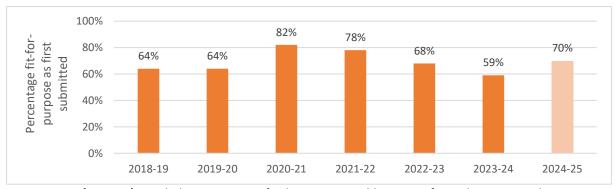
- 5. While some final stage IAs will continue to be submitted for scrutiny under the previous BRF, as we transition fully to the reformed framework over the next few years, we expect there to be a continued shift away from submission of final stage IAs to earlier OAs.
- 6. There was a small increase in the percentage of opinions issued by the RPC within the target 30-day time frame up to 83%, from 82% last year (Table 1). However, this was below our target of 90% for a fourth year running. The main reason for this was the uneven distribution of cases across the year, meaning that there were some periods when we prioritised urgent cases at the expense of those less urgent, which consequently missed their target. We received feedback from departments that suggested they were grateful that this approach allowed more important cases to be processed more quickly.

Table 1 - Submissions by reporting year

	2018-	2019-	2020-	2021-	2022-	2023-	2024-
	19	20	21	22	23	24	25
Total number of cases submitted	125	116	82	122	109	77	77
Average number of days for RPC scrutiny	19.5	22.9	21.8	22.7	24.1	22.1	24.5
Percentage of opinions issued on time (all cases) – Target 90%	80%	89%	92%	86%	79%	82%	83%

7. The percentage of OAs, IAs and PIRs (assessments) that were considered fit-for-purpose (as first submitted) was 70% in 2024-25 (see Figure 2). Of the 23 submissions that were initially not fit-for-purpose, 20 (87%) were rated fit-for-purpose after being revised by the department. This demonstrates the value of independent scrutiny in improving the quality of departments' evidence and analysis in making the case for regulatory proposals and assessing their impacts.

Figure 2 – Percentage of IAs fit-for-purpose at first submission



Note: Figures for 2024/25 include previous BRF final stage IAs in addition to reformed BRF OAs and IAs

Quality of submissions

8. In late 2020, the RPC introduced a new format for its opinions which, in addition to providing either a 'fit-for-purpose' (green) or 'not fit-for-purpose' (red) overall rating, introduced individual 'quality indicators' for key aspects of IAs. Since then, the RPC has provided quality ratings on a four-point scale – 'good', 'satisfactory', 'weak' or 'very weak'² – against additional categories depending on the type of submission. Under the revised BRF, we continue to provide red/green and quality ratings for OA and IAs but against revised categories. The different categories and how we assess them are summarised in Table 2.

Table 2: The RPC's use of red/green assessment and quality ratings

	Consultation Stage IA	Final Stage IA	OAs and IAs under reformed BRF	Post- implementation Reviews (PIR)
Red / Green assessment	 Rationale and options Identification of impacts SaMBA (small and microbusiness assessment 	 EANDCB (equivalent annual net direct cost to business) SaMBA 	 Rationale Options Justification of preferred way forward 	Recommendation
Quality ratings	 Cost-benefit analysis Wider impacts Monitoring and evaluation 	 Rationale and options Cost-benefit analysis Wider impacts Monitoring and evaluation 	 Scorecard Initial monitoring and evaluation plan 	 Monitoring and implementation Evaluation

Submissions made under the previous BRF

9. At the final stage, rather than issue a 'not fit-for-purpose' (red) rating immediately, we typically issue an 'Initial Review Notice' (IRN), which identifies issues that would lead to a red rating, and offers the department the opportunity to amend its IA. Of the 40 previous BRF final stage IAs that we scrutinised this year, 14 (35%) received an IRN, of which all but one received a green rating once revised (Table 3).

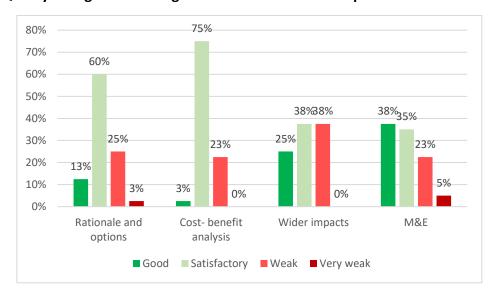
² Descriptions of the quality ratings are at https://www.gov.uk/government/news/rpc-launches-new-opinion-templates

Table 3: Red-rated opinions issued by the RPC under the previous BRF

Lead department	IA title
Department for Environment,	Environmental Protection (Wet Wipes Containing
Food and Rural Affairs (Defra)	Plastic) (England) Regulations 2025

- 10. As shown in Figure 3, the assessment of 'wider impacts' remains the area needing the most improvement with 38% being rated 'weak', although the assessment of 'rationale and options' and 'monitoring and evaluation' also needed improvement (both with 28% of ratings being 'weak' or 'very weak').
- 11. Given the importance of evaluating the effectiveness of regulation, it is essential that IAs contain high-quality monitoring and evaluation plans. This will ensure that arrangements are in place to assess whether the policy is working as expected and inform future decisions on whether to retain, amend or revoke/repeal the legislation. We are pleased that the Government have emphasised this area in the revised BRF alongside the renewed focus on a robust rationale for regulation and consideration of alternative options.

Figure 3 - Quality ratings at final stage for IAs submitted under previous BRF



Submissions made under the reformed BRF

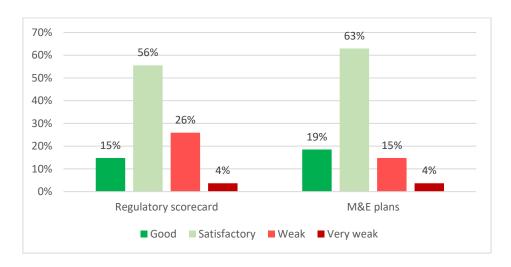
12. In 2024-25, the RPC received 27 submissions from departments under the reformed BRF; 16 of these were OAs, 8 were IAs following the urgent measures process and a further 3 final stage IAs. We issued 6 IRNs for these submissions, all the assessments of which, once revised, ultimately received a 'fit-for-purpose' rating. However, 2 IAs submitted using the urgent measures process received 'not fit-for-purpose' ratings without IRNs being issued as the IAs had already been published before our scrutiny was complete; we do not issue IRNs in these circumstances (Table 4).

Table 4: Red-rated opinions issued by the RPC under the reformed BRF

Lead department	OA/IA title
Department for Business and	Employment Rights Bill
Trade	
Home Office	Crime and Policing Bill: Mandatory Reporting
	Duty for Child Sexual Abuse
	[The IA supporting this proposal was revised, resubmitted and received a 'fit-for-purpose' rating]

13. Across the two areas of OA/IAs where we offer quality ratings, 30% of submissions received either a 'weak' or 'very weak' rating for completion of the regulatory scorecard compared to 19% for the monitoring and evaluation plan (Figure 4).

Figure 4 – Quality ratings for OAs and IAs submitted under reformed BRF



- 14. A final point worth noting is the ongoing issue of IAs being submitted for RPC scrutiny later than they should. Under the previous BRF, IAs should have been submitted to the RPC in time for both the IA (amended as appropriate) and RPC opinion to accompany the regulatory proposal through the decision-making process and into Parliament. A significant number of IAs were submitted very late in the process and, in some cases, even after the proposal had begun parliamentary scrutiny.
- 15. The reformed BRF, which moves mandatory RPC scrutiny to an earlier point in the process, was intended to ensure that measures reaching Parliament are always accompanied by robust IAs. Nevertheless, we continue to receive OAs and IAs later than we should, and the issue of late submission remains.
- 16. When legislation reaches Parliament, if it is not accompanied by a required IA and RPC opinion, we publish a statement on our website noting that no opinion is available (including whether or not we have yet received an IA for scrutiny). Links to all such statements can be found here and those up to the end of the period covered by this report are listed in Table 5.

Table 5: Cases where the RPC issued a statement noting the absence of IA/opinions

Lead department	IA title
Department for Business and Trade	Employment Rights Bill
Department for Business and Trade	Product Regulation and Metrology Bill
Department for Education	Children's Wellbeing and Schools Bill
Department for Environment, Food and Rural Affairs	The Official Controls (Miscellaneous Amendments) Regulations 2024
Department for Environment, Food and Rural Affairs	Water (Special Measures) Bill
Department for Environment, Food & Rural Affairs	The Persistent Organic Pollutants (Amendment) Regulations 2025
Department for Health and Social Care	Mental Health Bill
Department for Transport	Bus Services (No.2) Bill
Home Office	Crime and Policing Bill
Ministry of Housing, Communities and Local Government	Renters' Rights Bill
Ministry of Housing, Communities and Local Government	Planning and Infrastructure Bill

OTHER RPC ACTIVITIES

17. Alongside its core role of scrutinising government regulatory assessments, the RPC also scrutinises free trade agreement IAs. In addition, we work to improve the general quality of government regulatory analysis. This is done by continuing to develop the RPC and secretariat as a 'centre of excellence' on IAs and PIRs (and now OAs also): by sharing best practice across government through in-person and online training, and by publishing RPC case histories and guidance documents. This section summarises some of our other activities over the past year.

Scrutiny of free trade agreement IAs

- 18. With the UK having left the EU, the Government have been developing and implementing a new independent trade policy. To support this, we agreed in September 2020 to extend our existing role by providing independent scrutiny of the IAs of significant new free trade agreements (FTAs).
- 19. As with regulatory proposals, we produce opinions that provide a fitness-for-purpose rating on the analysis and consideration of impacts in the final FTA IA. In these new opinions on trade agreement IAs, we comment on the strength of evidence and analysis of the impacts of the negotiated agreement. We delivered our first opinion on an FTA IA in October 2020, for the UK-Japan Comprehensive Economic Partnership Agreement, followed by the UK-Australia FTA in December 2021 and the UK-New Zealand FTA in February 2022.
- 20. In July 2023, the RPC published its (green-rated) opinion on the IA supporting the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. This was the UK's first new multilateral agreement with the 11 current members of the partnership, building on the existing bilateral agreements the UK has with 9 of the members.

Methodological and guidance documents

21. The RPC continues to provide methodological advice and guidance documents on its website. These cover a range of methodological questions that arise during our scrutiny of assessments, as well as best practice case histories that highlight how to deal with complex analytical questions. We are now working to provide additional material to support departments in producing high quality analysis under the revised BRF.

Training

22. Following the launch of the revised BRF in September 2023, training was rolled out across government to help departments understand and use the new framework.

Officials in the RPC secretariat worked alongside officials in DBT's Regulation Directorate to provide training, covering: the scope of the BRF, the role of the RPC, analysis required,

PIRs and alternative options to regulatory design. We continue to provide training to departments on how to produce good IAs and related analysis.

International

- 23. We promote best practice and share technical knowledge on regulatory scrutiny to enhance bilateral and multilateral regulatory compatibility. Our international outreach develops and strengthens the RPC's reputation and allows us to learn from best practice elsewhere.
- 24. The RPC continues to engage with its international counterparts and others with an interest in regulatory scrutiny, including the Organisation for Economic Co-operation and Development, RegWatch Europe (RWE) and the EU Regulatory Scrutiny Board, to promote international co-operation and cohesion across the regulatory landscape.
- 25. As a member of RWE, we exchange best practice on how innovation interacts with regulatory scrutiny and how corporate due diligence, and environmental standards can be assessed.
- 26. Over the past year, we also engaged in bilateral meetings with representatives of a number international governments and agencies, variously in London, online or overseas, including Italy, Indonesia, Thailand, Romania, the World Bank and the World Trade Organisation, ensuring that our knowledge on regulatory best practice remained up to date.

Stakeholder engagement

- 27. The RPC has maintained engagement with business representative groups, industry associations and civil society organisations over the past year. This engagement is very valuable in helping to understand the different perspectives on impacts that might result from specific regulatory proposals.
- 28. In addition to a range of stakeholders providing their input, we have a programme of stakeholder presentations at our bi-monthly committee meetings. This has allowed us to hear first-hand their views on the Government's approach to regulation. Stakeholders have recognised the vital role that independent scrutiny plays in ensuring robust evidence and analysis to support the Government's regulatory programme and its decision making.
- 29. In addition to external stakeholders, the RPC increased its contacts within Westminster, speaking to parliamentarians (key 'customers' of our opinions) and improving awareness of parliamentary committees.
- 30. The RPC continues to maintain close working relationships with departmental better regulation units, departmental policy and analytical teams, regulators, and DBT's Regulation Directorate, as our sponsor.

Raising awareness of the importance of regulatory scrutiny

- 31. A key component of our engagement with stakeholders is the blog that we launched in June 2021. Since then, we have published 56 articles on a range of topics including updates on what we have been doing, updates to guidance documents, new trends in analysis, data on departments performance, setting out our views on aspects of the better regulation system, and encouraging people to engage with government. We published 13 articles over the period covered by this report.
- 32. We encourage anyone interested in the work of the RPC to bookmark our blog site https://rpc.blog.gov.uk/ and register for alerts on new posts https://rpc.blog.gov.uk/subscribe/.

FINANCES

Table 6 - RPC budget for period 2023-24 to 2025-26

	Budget 2023-24	Outturn 2023-24	Budget 2024-25	Outturn 2024-25	Budget 2025-26
Pay costs	£964,468	-	£1,138,058	£1,237,175	£1,183,749
Honoraria	£198,000	-	£250,000	£277,626	£377,000
Other costs	£18,000	-	£36,000	£21,107	£37,440
Total	£1,180,468	£1,307,328	£1,424,058	£1,535,909	£1,598,189

- 33. Table 6 above sets out the RPC budgets and outturn expenditure for 2023-24 and 2024-25, and the budget for 2025-26. The overspends in both 2023-24 and 2024-25 were anticipated as the year progressed and were accommodated within an underspend in the overall budget for DBT's Regulation Directorate (of which the RPC secretariat budget is a part). The budget for 2025-26 is a 12% increase on the budget for 2024-25, reflecting a combination of the normal annual increase in the costs of staff in the secretariat and increases in both the daily honoraria rates for the members of the RPC and the amount of time that the Chair and members are committing to RPC work (see below).
- 34. Pay costs refer to the salaries and associated costs of the civil servants in the RPC secretariat, all of whom are employed by DBT and subject to the Department's terms and conditions. Staff numbers across the period are set out in the next section.
- 35. Honoraria refers to the payments made to committee members for the services they provide as public appointees. For the period covered by this report, committee members were paid at a daily rate of £380 for the first six months and then from £500 from 1 October 2024, and the Chair at a daily rate of £500 for the first three months and then £650 from 1 July 2024. Additionally, from 3 June 2024, the number of days for which members are paid increased from 104 to 130 (2 days per week to 2.5) for the chair and from 52 days to 78 days (1 day per week to 1.5) for the other members, reflecting demands on their time. The increased budget for 2025-26 reflects the first full year at these increased levels.
- 36. Other costs refer to non-staff costs such as travel, catering and office supplies.

³ Figures for the 2023-24 outturn broken down across the three categories are not available as a consequence of the financial records being disrupted by the move of the RPC from the former Department for Business, Energy and Industrial Strategy (BEIS) to DBT.

PERSONNEL

The Regulatory Policy Committee

37. The Regulatory Policy Committee has members from a range of business and academic backgrounds. At the time of the publication of this report, the committee is comprised of the following eight members.



Stephen Gibson

May 2018 – present

Chair



Hilary Jennings Jan 2022 – present



Caroline Elliott

March 2024 – present



Ryan Williams

March 2024 – present



John Davies April 2025 – present



Allan Little April 2025 – present



Caroline Turnbull-Hall April 2025 – present



Frances Warburton April 2025 – present

- 38. In April 2025, Hilary Jennings was re-appointed for a second term, and four new members were appointed: John Davies, Andrew Little, Caroline Turnbull-Hall and Frances Warburton. Biographies can be found on the RPC website here.
- 39. The following members left the committee at the end of April 2025: Daniel Dalton, Stephen Gifford, John Longworth and Andrew Williams-Fry. The current committee and secretariat would like to extend their thanks and good wishes to them.

The RPC secretariat

- 40. The RPC secretariat supports the committee and is staffed by civil servants employed by DBT. The secretariat is headed by a senior civil servant (at SCS pay band 1) who reports to the Director of Regulation in DBT.
- 41. Staffing in the RPC secretariat was at 15 people for the year.

REQUESTS FOR INFORMATION

- 42. Requests for information made to the RPC are handled under either the Freedom of Information Act 2000 'FOI' or The Environmental Information Regulations 2004 'EIR'. Under FOI, members of the public are entitled to request information from public authorities. Where such information relates to 'environmental' information, these requests are handled under EIR.
- 43. The RPC endeavours to be an open and transparent organisation. It makes available, on its website, a variety of information such as minutes of meetings, reports, the register of committee members' interests and various publications, thereby helping to minimise the number of FOI and EIR requests.
- 44. The RPC is required to respond to FOI and EIR requests within 20 working days, although it aims to provide information sooner. Table 7 summarises the numbers of FOI and EIR requests the RPC has received, and responded to, since 2020–21. As shown, the RPC received 10 information requests over the period covered by this report. Eight of these were responded to within 20 working days.

Table 7 – FOI and EIR performance for 2020-2021 to 2024-2025

	2020- 21	2021- 22	2022- 23	2023 -24	2024 - 25
Number of requests	7	9	10	4	10
Requests met within 20 working days	7	9	9	3	8
Requests not met within 20 working days	0	0	1	1	2
Average turnaround time in working days	7	3	8.5	10	11.7