



Business, Energy and Industrial Strategy Committee

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Rt Hon Grant Shapps MP
Secretary of State
Department for Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

28 November 2022

RPC Opinion: Retained EU Law (Revocation & Reform) Bill

Dear Secretary of State,

The Regulatory Policy Committee (RPC) issued an opinion on 18 November 2022 stating that the Retained EU Law (Revocation & Reform) Bill Impact Assessment (IA) is not fit for purpose. The RPC found that:

- The IA does not provide an assessment of the potential impact of sunseting REUL, nor does the Department commit sufficiently to providing an impact assessment for changed or sunsetted REUL as decisions are made, in lieu of an assessment today. Without an assessment, the EANDCB impact of the Bill may never be calculated or understood.
- The IA has incorrectly interpreted some statistics describing the structure of the UK economy and does not consider adequately the impact of the Bill on sectors where the majority of economic activity is derived from SMBs, and which may also be subject to a large degree of REUL.
- The Department has not made a sufficient case to support regulatory intervention in the form of sunseting REUL. The IA must provide a stronger argument for why the sunseting of REUL is necessary, including appropriate and robust evidence to support this position. While the IA includes an option in addition to the preferred one, the Department has not considered the impacts of it in any detail. The IA should attempt to provide a fuller assessment of the impacts of this additional option to enable it to be compared with the preferred one.
- The Department has not undertaken any substantive analysis to support the Bill. In addition, the IA is missing any reference to analysis undertaken for REUL previously amended or removed. The IA does include some discussion of the risks and uncertainty of the Bill, but this discussion is limited.
- the IA needs to strengthen its consideration of consumer, innovation, and public sector impacts, as well as considering the impacts on trade and investment, the distributional impacts, and the impacts across the devolved administrations.
- The Department does not commit to a post-implementation review of the impacts of the Bill. The IA needs to consider what monitoring and evaluation (M&E) could be put in place to assess the impact of the measures that will be retained, amended or sunset.

It concluded that:

The Department has not sufficiently considered, or sought to quantify, the full impacts of the Bill. In addition, the IA does not include a consideration of the impact on small and micro businesses (SMBs) consistent with Better Regulation.

I therefore invite you to set out your response to the RPC's findings listed above.

I would be grateful for a written response to these questions by 12 December.

Yours sincerely,

A handwritten signature in black ink that reads "Darren Jones". The signature is written in a cursive, flowing style.

DARREN JONES MP
CHAIR, BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE