



Government responses to proposals in House of Lords Industry and Regulators Committee report 'Who Watches the Watchdogs'?

1. This paper details the government response to each of the recommendations in the House of Lords (HoL) Industry and Regulators Committee Report, '[Who Watches the Watchdogs: Improving the performance, independence and accountability of UK regulators](#)', published 8 February 2024.
2. The government welcomed the House of Lords inquiry and call for evidence into UK regulators, which overlapped with the government's own call for evidence into the regulatory landscape. We recognise the importance of this issue to stakeholders and, as set out in the [White Paper 'Smarter Regulation: delivering a regulatory environment for innovation, investment and growth'](#), are committed to ensuring that this landscape delivers a world-class service.

Duties and objectives

3. **HoL Recommendation 1:** *It is welcome that the Government is actively considering these issues [duties and objectives]¹ as part of its Smarter Regulation programme and plans to review the duties of each of the economic regulators. In doing so, it should focus their objectives on their core role and avoid overloading them with too many objectives, especially those which they should “consider”, “take account of” or “have regard to”. Where there are political or distributional trade-offs between those objectives that remain, the Government should provide clarity on how regulators should prioritise between them.*
4. **HoL Recommendation 2:** *The Government should undertake similar reviews of the duties of all regulators when they are reviewed as part of the Public Bodies Review Programme. These reviews should aim to streamline the duties and objectives of regulators and provide the greatest possible prioritisation in the event of conflicts.*
5. **Response to HoL recommendations 1 and 2:** To deliver the best outcomes for consumers, businesses, and the environment, it is essential that regulators operate to clear and consistent duties and objectives. The government recognises that over successive decades there has been piecemeal accumulation and layering of duties over time, resulting in a challenging set of trade-offs for regulators and government to navigate. Just as we monitor and evaluate whether specific regulatory policies are achieving their aims, so too should government and regulators gather evidence on whether the duties of

¹ Throughout this paper, text in square brackets is added for clarity on the content of each reform in the HoL report.



regulators are the right ones. To do this, it is also important for government to have the right frameworks in place to support a consistent approach to the monitoring and evaluation of regulator statutory duties, where specific evidence of problems is identified. This would also support any legislative reform to duties over the medium-to-longer term, should there be merits to that.

6. As set out in reforms 15 and 16 to the White Paper, the government will:
 - in relation to HoL recommendation 1, work with economic regulators to gather evidence on the effectiveness of their duties.
 - in relation to HoL recommendation 2, develop a framework to support a consistent approach to the monitoring and evaluation of regulator statutory duties, where specific evidence of problems is identified.
7. The Department for Business and Trade will work alongside sponsor teams and regulators to evaluate regulator duties, ensuring join-up with the Public Bodies Team as applicable.
8. Regulator duties should not include any more trade-offs or complexities than necessary, but in some cases, they are included by design: the activities of regulators inevitably involve the balancing of decisions and outcomes both within and across different groups, including individuals, households and businesses. As set out in reform 9 in the White Paper, the government is committed to providing policy and strategic guidance to regulators as appropriate, to help them in navigating these issues. This will be provided in a way that is consistent with the degree of operational and policy independence that a given regulator has – the government recognises the importance of this.
9. This work on duties is distinct from the government’s approach for Public Bodies Reviews, which builds on the 2015 to 2020 Tailored Review programme. The National Audit Office criticised tailored reviews as having too narrow a focus on governance and failing to address wider priorities such as overall delivery and effectiveness.² The Public Bodies Review Programme 2022 to 2025 was designed to address this criticism, setting a broad focus with clear minimum expectations across four quadrants: efficacy; governance; accountability; and efficiency. The efficacy quadrant requires reviews to evaluate the function of each Public Body, including its purpose, strategy, values, objectives, and value-

² National Audit Office, '[Central oversight of arm’s-length bodies](#)', 2021 (Accessed 07/05/2024).



for-money. This will include consideration of statutory duties, objectives, and issues to regard.³

Independence, strategic guidance and appointments

10. **HoL Recommendation 3:** *When setting up new regulators or conducting reviews of existing ones, the Government should state clearly what it has delegated to regulators to decide independently, and in which areas it will be appropriate for the Government to provide direction. The Government should then adhere to this delineation. If the Government is not content that a responsibility has been delegated, it should legislate to end this delegation, rather than attempting to influence regulators' decisions.*
11. **HoL Recommendation 4:** *The Government should ensure that it provides a strategic steer or policy statement to any regulator facing political or distributional trade-offs in its duties and objectives. These documents should be clear, concise and provide high-level guidance on how to prioritise between any duties or objectives that may conflict. We see merit in such guidance being issued once a Parliament, while noting the need for there to be flexibility in the face of urgent issues or crises.*
12. **HoL Recommendation 5:** *Regulators' boards should be given the power to seek explicit guidance from the Government on strategic policy direction and distributional choices. The Government should bring forward proposals for a specific mechanism to achieve this.*
13. **Response to HoL recommendations 3 – 5:** As set out above, it is essential that regulators operate to clear duties and have clarity on their regulatory remits, to ensure that they can deliver the best outcomes for consumers, businesses and the environment. As set out in the White Paper, the government will develop a framework to allow for a consistent approach to the monitoring and evaluation of regulator duties: this will help identify and address any cases – should they emerge – where clearer demarcation is required between (i) regulator responsibilities that they are expected to discharge entirely independently; and (ii) responsibilities where it is appropriate for government to provide direction.
14. Where appropriate to do so, the government has a critical role to play in setting the strategic direction and outcomes that it wants to see regulators deliver across sectors of the UK economy. A key pathway to achieving this is creating a dynamic dialogue between

³ Cabinet Office, '[Guidance on the undertaking of Reviews of Public Bodies](#)', 2024 (Accessed 07/05/2024); Cabinet Office, '[Requirements for Reviews of Public Bodies](#)', 2024 (Accessed 07/05/2024).



government and regulators (including boards, where appropriate), to ensure that the best outcomes are being delivered. This also includes through the use of written government strategic steers to regulators, setting out the strategic priorities and outcomes of the government that the regulatory authority should have regard for. Regulator duties should not include any more trade-offs or complexities than necessary, but in some cases, they are included by design: the activities of regulators inevitably involve the balancing of decisions and outcomes both within and across different groups, including individuals, households and businesses. As set out in the White Paper (reform 9), the government is committed to providing policy and strategic guidance to regulators as appropriate, to help them in navigating these issues. The government will actively monitor the effectiveness of existing policy and strategic guidance and will also be publishing renewed policy and strategic guidance for the following regulators in 2024: Civil Aviation Authority, Driver and Vehicle Licensing Agency, Driver and Vehicle Standards Agency, Office of Rail and Road, Office of the Traffic Commissioner, Maritime and Coastguard Agency, Financial Reporting Council, and the Office of the Regulator of Community Interest Companies.

15. The use of policy and strategic guidance is consistent with a model of operational independence for regulators – we know that investors value independence for the stability it can bring to regulatory decisions; but improved policy and strategic guidance and dialogue between regulator and government can also increase the consistency and predictability of decision-making. Any policy and strategic guidance issued by the government will be provided to regulators in a way that is consistent with their degree of operational and policy independence: as set out in the White Paper, regulators differ in their degree of independence both within and across the different classifications including executive agencies; non-ministerial government departments; non-departmental public bodies and statutory corporations.
16. **HoL Recommendation 6:** *Where a public appointment to the Chair or Chief Executive of a regulator is not currently subject to pre-appointment scrutiny by a select committee, and a select committee requests that pre-appointment scrutiny is extended to it, the Government should grant the request.*
17. **Response to HoL recommendation 6:** The Cabinet Office guidance on pre-appointment scrutiny by House of Commons select committees is clear that '*changes to the list [of appointments subject to pre-appointment scrutiny], including adding new posts, must be agreed between the appointing Secretary of State, the relevant select committee Chair and the Cabinet Office*'. There are no plans to change this process. The process allows



for the views of the select committee to be represented, and it is right that the appointing Secretary of State should have a role in this decision as they are accountable to Parliament for these appointments.

18. **HoL Recommendation 7:** *Where the Government decides not to reappoint the Chair or Chief Executive of a regulator, it should publish its explanation for this. Where the Government chooses to appoint a candidate who has not been endorsed by the relevant select committee, it should also publish why it has done so.*
19. **Response to HoL recommendation 7:** Requiring the Government to publish an explanation where a reappointment is *not* made runs contrary to the Governance Code on Public Appointments, at para 3.4, which is clear that '*There is no automatic presumption of reappointment; each case should be considered on its own merits...*'. This remains the Government's established position on reappointments.
20. Select committee reports following pre appointment scrutiny and the government's response to them (including on the rare occasions where a minister appoints a candidate following concerns raised by the select committee) are already published. The pre appointment scrutiny guidance is clear that a minister must consider the evidence provided by the select committee and write to the Chair of the select committee explaining their decision. It also notes that '*it is also important that if a Minister has decided to proceed with the appointment, that they are able to respond to any resulting public debate about the candidate.*'
21. **HoL Recommendation 8:** *The Government must make more timely appointments to regulators' boards. In its response to this report, the Government should set out why it believes these delays are taking place and what actions it intends to take to rectify the situation.*
22. **Response to HoL recommendation 8:** Timeliness of appointments is an issue that was also referenced in the recent National Audit Office report on Non-Executive Director appointments and the subsequent Public Accounts Committee Select Committee hearing on 18 March. As the National Audit Office recognised, the online public appointments application service, rolled out in April 2023, is now providing management information to inform improvements to the process. We are actively monitoring the performance of departments across timeliness, candidate care, regional diversity and the quality of their data on the system. We are developing innovative ways to aid and speed up existing processes, including by largely automating some of the standard process steps. Ministers,



and in particular Baroness Neville-Rolfe, are driving this work, given the importance they attach to the smooth and swift functioning of the public appointments system.

23. **HoL Recommendation 9:** *Where they do not do so already, regulators should commission and publish independent reviews of the work and governance of their boards every three years.*
24. **Response to HoL recommendation 9:** As set out in the White Paper, the government would always encourage ongoing monitoring and review of all aspects of regulatory performance and governance. This is the intent of all the reforms outlined in the White Paper, including the introduction of a new Growth Duty Performance Framework to identify what is working well and what can be improved. In due course, the government will examine whether there would be merit to further reforms to assist in achieving this aim, taking into account responses to the [Smarter Regulation and the Regulatory Landscape Call for Evidence](#).

Resources and skills

25. **HoL Recommendation 10:** *When carrying out Public Body Reviews of each regulator, the Government should publish an assessment of whether the regulator has the necessary resources to carry out its functions. As part of these reviews, the Government should consider and assess whether there are feasible opportunities for granting regulators the power to raise their own revenues.*
26. **HoL Recommendation 11:** *When regulators are given additional responsibilities, they should publish an assessment of the resources necessary to fulfil them and whether they currently have sufficient capacity. If this assessment shows that the regulator does not have the necessary resources or the ability to raise them, the Government should set out how it will ensure adequate resourcing.*
27. **HoL Recommendation 12:** *When conducting Public Body Reviews of regulators, the Government should assess whether regulators can attract the necessary staff within their current funding regimes and paycales. If they are unable to do so, the Government should allow regulators greater discretion to move outside of those paycales.*
28. **Response to HoL recommendations 10-12:** The resources of regulators and challenges in recruiting the right skills were issues highlighted in responses to the call [Smarter Regulation and the Regulatory Landscape Call for Evidence](#). Some responses did also raise concerns around regulators undertaking activities that are non-essential to delivering on their duties. The government is always in favour of a dynamic dialogue between



regulators and government on the suitable levels of skilled resources to deliver their functions, as well as a suitable level of transparency. The resources that a regulator requires depends crucially on it (i) using existing resources efficiently to deliver on its key duties and objectives; and (ii) having the right duties and objectives.

29. As well as evaluating the function of each Public Body, the Public Bodies Review Programme's efficacy quadrant requires reviews to investigate the form, outcome for citizens, and performance of organisations. This will include consideration of commercial models, revenue generation options, and whether public bodies have sufficient resources to deliver their current and/or proposed functions.
30. The efficiency quadrant requires reviews to evaluate the financial management, benchmarked costs, digitisation, and workforce of each Public Body. This will include consideration of workforce issues like recruitment, retention, and pay controls.
31. As set out in the response to HoL Recommendation 2, where a lead reviewer identifies an opportunity for improvement in any of the four quadrants, they will include a detailed recommendation in their report. The decision whether to accept or reject a recommendation lies with the relevant minister.
32. **HoL Recommendation 13:** *Where regulators face common issues and struggle to recruit the necessary staff individually, they should consider pooling their resources. The Government should consider what measures it could take to facilitate this pooling.*
33. **HoL Recommendation 14:** *The Committee sees merit in regulators setting up centres of excellence to pool their resources. Seconding industry staff to centres of excellence could help reduce the potential for conflicts of interest by providing an intermediate step between them and their sector's regulator.*
34. **Response to HoL recommendations 13-14:** The government recognise the importance of coordination, join-up and knowledge transfer across regulators to address skills shortages. The government has already accepted the cross-cutting and growth duty recommendation in the Maclean Pro-innovation Regulation of Technologies Review and this White Paper reaffirms this commitment.
35. As set out in the White Paper, the government will provide funding for UKRN to develop a cross sector secondment programme (including graduates and apprenticeships) and to develop their existing online platform to enable visibility of jobs and career opportunities



across all regulators. This will allow all regulators to advertise vacancies and secondments across the sector, so that skills and experience can be retained in the sector and harnessed by other regulators.

36. The government will work with regulators to fully understand issues and develop initiatives to address skills challenges and support career development. This includes through launching a task and finish group with regulators and industry experts, to design and implement a 'Regulator Profession'.

Accountability

37. **HoL Recommendation 15:** *The Government can play a role in facilitating parliamentary scrutiny. For example, there is currently no comprehensive list of the UK's regulators, their responsibilities, and their oversight arrangements. To assist Parliament in holding regulators accountable, the Government should establish, publish, and maintain such a list, including timely information on regulators' public engagement with parliamentary select committees.*

38. **Response to HoL recommendation 15:** As set out in the White Paper, the number and composition of bodies in a list of UK regulators depends crucially on the definition of a regulator that is applied – this is itself illustrative of the complexity of the landscape, with bodies differing in classification and degree of operational and policy independence across executive agencies, non-ministerial government departments; non-departmental public bodies and so on. Alongside this, there will also be organisations that do not directly design, implement or enforce regulations but are closely linked to the overall regulatory landscape. A contribution of the White Paper has been to set out these issues and provide a working definition.

39. The government will go further and intends to make information on regulators accessible by publishing a 'register of regulators' by Autumn 2024. This will be an online dashboard that aims to set out all regulators, their purpose and statutory duties, and who their sponsor department is. It will be continuously updated reflecting stakeholder feedback on what is most helpful, and to reflect any changes to the structure of the regulatory landscape.

40. Alongside facilitating parliamentary scrutiny, this reform will provide benefit to businesses and wider stakeholders that interact with regulators. Businesses have consistently told us, including through the call for evidence on the regulatory landscape, that there is often a lack of clarity on which regulators are relevant to them. This uncertainty can be both time



consuming and unnecessarily burdensome to businesses, particularly Small and Medium-sized Enterprises (SMEs).

41. This work on the register of regulators forms part of a coordinated effort across government to provide a “one-stop shop” of regulatory information for businesses. As set out in the White paper, the government is also going further by continuing to progress the Open Regulation Platform which allows users to also search a ‘register of regulations. We intend for the first public version of this to be available on GOV.UK this year.
42. **HoL Recommendation 16:** *The expertise of the National Infrastructure Commission should be put to further use by Parliament in its scrutiny of the utilities regulators. To that end, we call on the Government to place the Commission on a statutory footing, with the ability to examine government policy outside of its National Infrastructure Assessments. This would enhance the Commission’s ability to report independently on long term infrastructure challenges, including where these are the result of insufficient investment and maintenance.*
43. **Response to HoL recommendation 16:** Certain regulators play a major role in ensuring the supply and efficiency of essential services that are infrastructure intensive: because they operate in sectors where there are natural monopolies and seek to use competition (or simulate competition) to deliver outcomes and value for consumers, we refer to these as economic regulators. This includes the regulation of energy, water and telecoms sectors.
44. Investors, industry and sector experts have told the government that a clearer plan for utilities investment for the energy and water sectors is needed. The government regards a robust assessment of infrastructure requirements necessary for investor assurance and believes such an assessment would be useful to enhance regulatory accountability, as well as support decision making. Consultation responses to the Strengthening Economic Regulation consultation indicated strong support for an infrastructure needs assessment, and the government intends to take forward the proposal.
45. As set out in the White paper, the government will take forward a holistic assessment of infrastructure investment needs in energy networks, water and telecoms sectors. This should enhance regulatory accountability, as well as supporting decision-making approaches.
46. The government is satisfied with the National Infrastructure Commission’s effectiveness in delivering independent policy advice for government and do not believe their current status



inhibits their ability to effectively fulfil their objectives. The National Infrastructure Commission already publishes an annual Infrastructure Progress Review setting out an assessment of the government's progress on implementing its commitments on infrastructure.

47. **HoL Recommendation 17:** *The Government should create an independent statutory body analogous to the National Audit Office to advise and support Parliament and its select committees in holding regulators to account for their performance in a routine and systematic manner. We suggest that this body could be named the 'Office for Regulatory Performance'.*
48. **HoL Recommendation 18:** *As in the case of the National Audit Office, such a body should be accountable to Parliament, rather than the Government. Its remit will need to be designed carefully so that it complements, rather than conflicts, with existing parliamentary scrutiny of regulators. It would need specialist, experienced staff to aid Parliament in conducting effective scrutiny.*
49. **HoL Recommendation 19:** *We envisage that the new body would be funded from Parliament's budget, like the National Audit Office. The Government should ensure a commensurate increase in Parliament's budget to properly fund the new scrutiny body.*
50. **HoL Recommendation 20:** *The new body should publish its reports, providing useful insight to Parliament, the Government and the public. These reports should become a key element in committee scrutiny of the performance of regulators, in a similar fashion to the Public Accounts Committee's use of the reports of the National Audit Office.*
51. **Response to HoL recommendations 17-20:** The Government is committed to creating more transparency and accountability for regulator performance and notes the Committee's proposal for an Office for Regulatory Performance. There are a range of options for the legal basis and remit of such a body, including a Parliamentary body, public body or a function of a ministerial department. Given Parliamentary accountability is an issue for House authorities, we will work with the Committee and the House Authorities to explore the merits of each option.
52. In the short-term, as set out in the White Paper, the government is introducing a Growth Duty Performance Framework to enhance transparency and provide accountability for the year-on-year performance of regulators. Regulators who are in scope of the Growth Duty are expected to report against the Growth Duty Performance Framework. At this time, the government favours using this more flexible non-statutory approach to Growth Duty



reporting but will keep this under review. It is important to note we have been clear the Growth Duty will not take precedence over other duties, and it will never take precedence over enforcement against illegal activities.

53. The Growth Duty Performance Framework will help foster greater trust between government, regulators and the regulated. It will also provide valuable insights into regulator operations, identify and share areas of best practise and encourage continuous improvement. As set out in the White Paper, the government will be running a Regulators Council to facilitate this and to address other issues through dynamic dialogue between government and regulators.

Transparency and engagement

54. **HoL recommendation 21:** *Effective scrutiny depends on information being both available and accessible. Regulators should review how they publish and present performance information. In doing so, they should ensure performance information is presented in a prominent and accessible way, and in clear, succinct and simple language that the public and parliamentarians can understand. These publications should explain how regulators have complied with their objectives, including matters they are required to 'have regard to'. Where relevant, they should also include information on the enforcement action regulators take (or choose not to take) against non-compliance, and an assessment of the effectiveness of this.*
55. **HoL recommendation 22:** *Regulators should use metrics that are focused on outcomes measured against regulatory objectives. Quantitative metrics should be used alongside qualitative assessment, particularly where objectives or activities cannot be measured numerically. Where relevant, regulatory performance metrics should be designed with consumer interests at their heart.*
56. **HoL recommendation 23:** *Leaving the designation of metrics solely to the regulators themselves risks allowing them to mark their own homework. To counteract this tendency, there will need to be additional scrutiny of the metrics used by regulators, preferably through the new 'Office for Regulatory Performance' we have recommended earlier in this report.*
57. **Response to HoL recommendations 21-23:** It is essential that regulators publish performance data and government is supportive of the Committee's recommendations. To supplement the data published by regulators, the Government is – as set out above – introducing a Growth Duty Performance Framework to enable some comparative data to



be developed. We are working with regulators and stakeholders to determine which metrics are included and will ensure the Framework is suitably robust to deliver continual improvement.

58. The Government recognises that regulators differ in their compositions, legal powers and functions and that, as such, a single set of metrics cannot give a comprehensive picture of a regulator's performance. This Growth Duty Performance Framework therefore uses a mixture of quantitative data and qualitative narrative to give as full a picture as possible.
59. **HoL recommendation 24:** *Where they do not do so already and where resources allow, regulators should survey those they regulate, ideally annually. Summaries of the results of these surveys should be made public.*
60. **Response to HoL recommendation 24:** It remains essential that regulators do all they can to ensure that the business journey through regulatory processes is as clear and streamlined as possible. To help ensure high levels of customer satisfaction when engaging with regulators, the government encourages regulators to have an annual survey question on customer satisfaction for regulated businesses, and to publish the overall results. This is alongside the government recommendation that regulators publish typical customer regulatory journey processes, setting out the key steps and processes that businesses will go through in the lifecycle of their query or application with a regulator.
61. **HoL recommendation 25:** *As part of any Public Bodies Reviews of regulators, the Government should consider and explain how consumers are represented in each regulator's decision-making.*
62. **HoL recommendation 26:** *Where there is no statutory provision for independent consumer advocacy in sectors that have a substantial retail element, the Government should establish or designate a statutory consumer advocate or explain why it has chosen not to do so.*
63. **Response to HoL recommendations 25 and 26:** As part of the aim to provide a world-class service to business and consumers, government is introducing a set of guiding principles of smarter regulation that we expect all regulators to apply in their day-to-day decision making. This includes the principle to be responsive and efficient when engaging with businesses and citizens, going the extra mile to ensure the best outcomes are delivered. Regulators should take active steps to ensure businesses and consumers are responded to in a timely fashion with a clear explanation underpinning any decision.



Ministers will write to regulators whenever there is concern these principles are not being followed.

64. To deliver the best outcomes for consumers, businesses, and the environment, it is also essential that regulators operate to clear and consistent duties and objectives. Multiple respondents raised concerns in their responses to the [Smarter Regulation and the Regulatory Landscape](#) Call for Evidence that consumer interests were not sufficiently considered in the duties and objectives of regulators, or that they were often de-prioritised where conflicts occur. The government will develop a framework to allow for the consistent evaluation of regulator statutory duties across all regulators, where specific evidence of problems has been identified. These reviews where applied would be undertaken by sponsoring departments but in close collaboration with the Smarter Regulation Directorate in the Department for Business and Trade and, as applicable, ensuring join-up with the Public Bodies Team. As part of the monitoring and evaluation process, consideration will be given to whether consumer groups are sufficiently represented in a regulator's decision-making.
65. When designing the current Public Bodies Reviews programme, the Government acknowledged the expertise of departments in relation to their arm's length bodies. Instead of prescribing a uniform approach to Public Bodies Reviews, the programme's guidance intentionally afforded departments flexibility to deliver reviews closely tailored to each Public Body.
66. Reviews of bodies operating in sectors that have a substantial retail element commonly do consider and explain how consumers are represented in the organisation's decision-making process. For example, when reviewing Homes England, government's housing and regeneration agency, the Department for Levelling Up, Housing and Communities aimed to assess 'how customer-focused the agency is' and ran a public call for evidence to capture diverse views from members of the public.
67. The Cabinet Office's 'Guidance on the undertaking of Reviews of Public Bodies', updated in February 2024, sets out the purpose, scope, and approach of Public Bodies Reviews, including how stakeholders should be engaged during a review.
68. Each review's independent lead reviewer will determine the most appropriate lines of enquiry. In practice, reviews commonly assess decision-making processes and capture additional consumer views via a wide range of engagement options, including public calls



for evidence, consultations, and consumer representation on challenge panels to capture consumers' views.

69. **HoL recommendation 27:** *We heard that labour market regulators should more formally integrate the voice of workers into their decision-making, specifically through tripartite governance structures. The Government should set out its views on this proposal in response to this report.*

70. **Response to HoL recommendation 27:** The Government recognises the importance and value that all voices bring in the effective delivery of regulatory activity. We continue to work closely with business, its representative bodies, workers and worker voice representatives to ensure they are all heard.

71. Both the government and regulators work closely with the Director of Labour Market Enforcement (DLME), Margaret Beels, to ensure the effective coordination of the three enforcement bodies within her remit (Gangmasters Labour Abuse Authority, Employment Agencies Standards Inspectorate and HMRC-National Minimum Wage). The enforcement bodies, as well as the DLME, are empowered to raise awareness and promote their work. The enforcement bodies regularly meet with stakeholders including workers and worker representatives to deepen their understanding of what is happening in practice and seek to share information to upskill stakeholders. This is achieved via various mechanisms and includes the delivery of online seminars to workers and holding business specific events to raise awareness and offer support to businesses in meeting their legal obligations. Additionally, the DLME has a statutory responsibility to assess the scale and nature of non-compliance in the labour market through an annual strategy which is laid in Parliament. The themes and topics identified in the DLME's annual strategy are identified through engagement with worker representative organisations, workers, and other stakeholders including businesses.

72. The government will continue to monitor where improvements might be possible and consider next steps as appropriate.