

Brexit poses a number of key challenges to domestic regulators. These relate to three central questions. One is to understand the regulatory 'stock' that is shaped by EU provisions and how this stock can be reviewed and changed domestically and (in the future) at the EU level. There are questions about co-ordination across government, i.e. agencies and central others

again, it is about the potential implications of Brexit on staff morale and levels among regulatory and regulated organisations alike. It also has implications on current debates at the EU level and the ability of UK regulators to shape policy debates to the same extent as prior to the referendum. Brexit has also started to affect regulatory enforcement: Brexit-related changes in business behaviours need to be understood and can inform regulatory practices.

Future standards are a major issue. Regardless of the implications of an 'appeal bill', there are questions as to how to inform future changes at the European level where in the past regulators have been very pro-active and successful in shaping EU provisions. There are also questions about compliance - transposition remains a legal requirement and is likely to be monitored by the EU institutions. The threat of infringement procedures has therefore not gone away.

In view of the current discussion about Brexit, and the absence of a clear understanding of what the final arrangements might look like, it is likely that regulators will have to take a wait and see approach. Plying through different scenarios is not straightforward as too many questions remain open.

Such an immediate future requires capacity at the centre of government. One capacity requirement is to give departmental direction as to how to prepare for Brexit and to ensure that areas of potential overlap across regulatory institutions will be considered. The other capacity is to be able to plan ahead - it is not clear how preoccupied with Brexit matters different departments will be. There are also issues of how regulators and central government departments are dealing with devolution.

At the same time, Brexit can also be seen as an opportunity to inform

businesses might be opposed - and such tensions might become more problematic if there was a central government drive to