



BERR | Department for Business
Enterprise & Regulatory Reform

Annual Report
and Accounts 2007-08

BERR Department for Business
Enterprise & Regulatory Reform

This document is part of a series of Departmental Reports (Cm 7391 to Cm 7408) which, along with the Main Estimates 2008-09, the document Public Expenditure Statistical Analyses 2008 and the Supplementary Budgetary Information 2008-09, present the Government's expenditure plans for 2008-09 and comparative outturn data for prior years.



Department for Business, Enterprise and Regulatory Reform Annual Report and Accounts 2007-08

Including the Annual Departmental Report and
Consolidated Resource Accounts for the year ended
31 March 2008

Presented to Parliament pursuant to the
Government Resources and Accounts Act 2000 c.20, s.6 (4)

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Foreword from the Secretary of State



Successful, enterprising businesses create wealth, help improve productivity and drive up UK competitiveness. The central role of the Department for Business, Enterprise and Regulatory Reform is to ensure that our business environment actively promotes business success.

We are committed to boosting productivity and keeping the UK economy competitive and equipped to respond to the opportunities and challenges of the future. This includes taking the right decisions to ensure that the UK is an attractive place to do business as we move through the current challenging economic climate.

We negotiate in the EU and internationally, working for business and for the benefit of consumers and employees, to deliver free and fair markets which support competition and investment. We aim to ensure secure, safe energy supplies at competitive prices while tackling climate change. We work to reduce the burden of regulation on business and the public and third sectors. We manage the UK's energy liabilities, and work with all departments to improve the Government's performance as a shareholder in businesses. We promote enterprise and stronger regional economies.

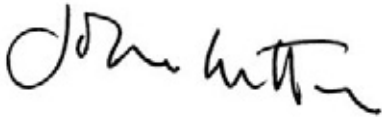
The Department works across Government to ensure that Government policy is informed by a better understanding of its impact on business and the UK's competitive position.

This report sets out the performance of the Department over the past year in terms of achievements against objectives and financial results. Significant progress has been made in the past year and specific achievements include:

- Delivering the **Enterprise Strategy**, which is designed to unlock entrepreneurial talents, boost enterprise skills and knowledge, help new and existing businesses get funding to start up and grow, and ease the burden of regulation.
- Identifying measures to **deliver net reductions in administrative burdens** on business worth over £1 billion per annum.
- Delivering the **Consumers, Estate Agents and Redress Act 2007** to improve protection for consumers and advocacy through a new National Consumer Council.
- Setting out the UK's domestic and international energy policy in the **2007 Energy White Paper**, in order to address long term challenges including tackling climate change and ensuring that the UK has secure supplies of energy.
- Publishing the **2008 Nuclear White Paper** which sets out a timetable of facilitative actions that will deliver a framework enabling energy companies to begin construction of the first new nuclear power station in 2013–14 and start operation in 2017–20.

- **Increasing the aggregate value of six Government businesses** by £3.4 billion, substantially in excess of the £1 billion target.

I am grateful to the many people in BERR and its delivery partners for the outcomes set out in this report, as well as to those we have worked closely with. I look forward to continuing to deliver real outcomes for business success and a stronger UK economy.



Rt. Hon. John Hutton

Secretary of State

Department for Business, Enterprise and Regulatory Reform

Executive Summary

1. Successful, enterprising businesses create wealth, help improve productivity and drive up UK competitiveness. The Department for Business, Enterprise and Regulatory Reform (BERR) was created in June 2007 to lead Government efforts to help ensure business success in an increasingly competitive world.
2. BERR's role is to boost productivity and keep the UK economy competitive and equipped to respond to the opportunities and challenges of the future, including globalisation, technological change and climate change.
3. BERR has taken on functions from the former Department of Trade and Industry (DTI), which ceased to exist in June 2007, and from the Cabinet Office. It has established itself as a forward looking, flexible and focused Department seeking to deliver real outcomes for business success and a stronger UK economy.
4. BERR has also been adapting to its role as the Voice for Business across Government by working to ensure that Government policies are informed by a better understanding of their impact on business and the UK's competitive position. The Department is engaging with business, key stakeholders and delivery partners to understand and analyse the priority issues.
5. With regard to the Department's strategic framework, throughout 2007-08 BERR maintained a focus on delivering the Public Service Agreements (PSAs) agreed in the 2004 Spending Review (SR04), which covered the period 2005-08. These PSA targets are aligned to several Departmental Strategic Objectives (DSOs) outlined below, which provide a framework for discussing performance in this report.
 - DSO 1:** Promote the creation and growth of business
 - DSO 2:** Ensure better regulation
 - DSO 3:** Deliver free and fair markets
 - DSO 4:** Ensure the reliable supply and efficient use of clean, safe and competitively-priced energy
 - DSO 5:** Manage energy liabilities effectively and responsibly
 - DSO 6:** Ensure that Government acts as an effective shareholder
 - DSO 7:** Provide professional support, capability and infrastructure

“To rise to the new global challenges, Britain must continue to develop its world-class competitive business environment as the key to being a dynamic, flexible and competitive economy.

To lead this work, I am today announcing the formation of the Department for Business, Enterprise and Regulatory Reform.”

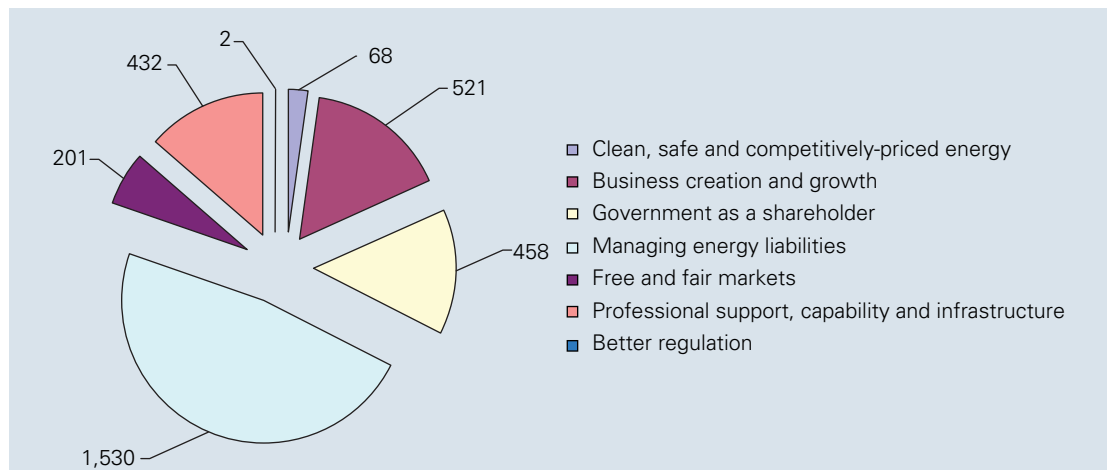
**Rt. Hon. Gordon Brown MP
Prime Minister,
28 June 2007**

6. Of the ten PSAs which BERR was responsible for delivering in 2007-08: five are assessed as on course to be delivered; three are divided and assessed in more detail by sub target (with most of the sub targets assessed as on course or met); one is assessed as partly met; and one is assessed as showing slippage. A detailed summary of PSA performance is provided in section 2.2. Considerable progress has also been made in a number of other areas, which are highlighted throughout the report as key achievements. The report also notes a few areas where further work is to be done in order to improve performance.
7. The past year has also been one of transition, with the announcement of a new structure of PSAs and DSOs which emerged in the 2007 Comprehensive Spending Review (CSR07). This report introduces these targets, which cover the period 2008-11. Progress on these will be reviewed in detail in future performance reports.
8. Throughout 2007-08, BERR has worked hard to further develop the professional support, capability and infrastructure needed for the Department to successfully deliver its objectives and to be effective in its role as the Voice for Business across Government. The report sets out key developments in this area, including work that has been done to develop the skills of BERR employees through new ways of working and learning, and work that has been done to improve the Department's efficiency and effectiveness in order to increase value for money. The report also discusses the Department's new set of values, which are set out below.

Making a difference	Working together	It starts with me
We take the lead; we influence others, having an impact on the real world.	We work with openness and respect. We listen to, learn from and value others.	I am confident and committed to getting it right. I am professional and take pride in what I do.

9. In 2007-08, the total net expenditure of the Department against its Departmental Expenditure Limits, as shown by the pie chart below, was £3,213 million. In 2007-08, the Department's Annually Managed Expenditure was £5,540 million. Further analysis of the expenditure of the Department and its delivery partners, which are outlined in annex 4, is provided in chapter 4 and annex 8.

BERR Expenditure in Departmental Expenditure Limits by Departmental Strategic Objective 2007-08 (£million)



About this report

1. Following changes to the way in which Government is organised on 28 June 2007, the former Department of Trade and Industry (DTI) ceased to exist and the new Department for Business, Enterprise and Regulatory Reform (BERR) was created, taking on functions from the DTI and the Cabinet Office. This report summarises the performance of the DTI and BERR over the period 1 April 2007 to 31 March 2008, in terms of achievements against objectives and financial results.

How is this report structured?

	Chapter 1: Provides an Introduction to the Department by outlining BERR's role, strategic objectives, structure and Ministerial responsibilities.
	Chapter 2: Presents a Performance Report describing performance during 2007-08 against the Department's PSA targets and objectives.
	Chapter 3: Focuses on Managing the Department by describing how BERR works, including how it promotes better regulation and equality of opportunity in its policies.
	Chapter 4: Presents a Financial Overview explaining the financial information in the report and the resources available to BERR. This chapter also includes a financial review and details of budgetary spend.
	Chapter 5: Contains the audited Resource Accounts for BERR and a number of bodies consolidated with BERR for 2007-08.
	Annexes: Provide details on PSA data quality, delivery partners, environmental sustainability, health and safety, Public Accounts Committee (PAC) reports and expenditure.

Links to external websites

2. Links to both BERR and external (non-BERR) websites provide further relevant information or key source material. All links have been reviewed; however, they may be subject to change. BERR is not responsible for the content of external websites.

How can you obtain copies of this report?

3. This report is available electronically on the Department's website¹. Hardcopies, printed on paper containing 75% recycled fibre content minimum, can be obtained from The Stationery Office (TSO). Alternative formats can be made available on request. Contact details can be found on the back cover of this report.

¹ Department for Business, Enterprise and Regulatory Reform Annual Report & Accounts 2007-08: www.berr.gov.uk/about/strategy-objectives/annual-spending/page25111.html