



UNLOCKING BETTER REGULATION

Simplifying or removing regulations that are outdated, too complicated or overly burdensome is one of the Government's priorities. This will benefit businesses, the public sector, charities, voluntary organisations and the public.

The Cabinet Office is responsible for driving forward the agenda to reduce the burden of regulations. In May 2005 it established the Better Regulation Executive to do so. In September 2005 William Sargent joined as Executive Chair and in October 2005 Jitinder Kohli was appointed Chief Executive.

The Executive's task is to take forward the recommendations of two major independent reports, the Better Regulation Task Force's *Regulation – Less is More* and the report of the Hampton Review, both published in March 2005. These set out a new and radical agenda for better regulation.

Regulation – Less is More recommended that the Government urgently review the Regulatory Reform Act 2001. The Cabinet Office carried out a review, and the result is a new Legislative and Regulatory Reform Bill, currently going through Parliament.

The Bill will enable the delivery of better regulation proposals that are currently being developed by departments in partnership with the Better Regulation Executive. These will aid the reduction of the regulatory burden on the private, public and voluntary sectors, freeing up valuable working hours and reducing the costs of complying with regulation. It is central to the Government's wish to maintain the UK's position as one of the world's best business environments.



“ We welcome this Bill, which could represent a major step forward in the drive to reduce the burden of regulation on British businesses. Complicated and costly regulation is one of the main barriers to business growth, especially for smaller companies.”

David Frost, Director General of the British Chambers of Commerce

‘ The Bill will enable us to deliver long-term benefits to the UK economy and improve our status as one of the world’s most attractive places to do business. ’

Jim Murphy MP

In developing the Bill, the Better Regulation Executive held a consultation which drew a broad range of responses from the public and voluntary sectors, trade unions, the legal community, academia and individuals. Feedback showed that the proposals in the Bill were welcomed and that there was strong support for extending order-making powers.

John Hutton, then Minister for the Cabinet Office, and Jim Murphy, then Parliamentary Secretary, took part in a series of regional visits around the UK to find out for themselves how regulation affects businesses of all sizes. Jim Murphy introduced the Legislative and Regulatory Reform Bill in the House of Commons on 11 January 2006.



William Sargent, Executive Chair of the Better Regulation Executive, took part in a question and answer session for businesses on bbc.co.uk. He was asked about how the Government will reduce bureaucracy in the future.

Q: I believe that some countries have introduced a rule for governments that says that for every new regulation that is introduced, another one must be removed. Why not introduce this in the UK?

WS: We’ve begun introducing this already. The Better Regulation Task Force referred to the principle you mentioned, as ‘one in, one out’. The Government accepts their recommendations, and we are working with departments to implement them. The idea is to ensure that when new legislation is put forward, the net burden on business isn’t increased. As you can imagine, this is quite a cultural change to drive through. We’re also introducing a Legislative and Regulatory Reform Bill, which will make it simpler to reduce outdated or unnecessary legislation.

Q: Why do businesses have to deal with so many different government departments? It should be possible for each business to deal with only one person, who would be the focal point for all departments seeking access to that business – be they VAT, trading

standards or rating officers. A ‘business calendar’ should be set each year, so that the flow of bureaucratic hits is strictly controlled according to timely need.

WS: Coordination is a good point. The Government is always looking for opportunities to be more ‘joined up’. For instance, the Department for Environment, Food and Rural Affairs, the Environment Agency and the Health and Safety Executive have set up a mechanism for sharing data from businesses, rather than requesting the same information several times over. This seems to me quite close to what you’re describing, and the direction in which government should be travelling.

In addition, I know it can be difficult to keep track of the new regulations coming from government. There’s an initiative underway now to get all departments to stick to what are called ‘Common Commencement’ dates. This means that they’ll only introduce new or amended regulations on one or two days each year.