Our Sustainable Farming and Food Strategy sets out action to achieve sustainable, diverse, modern and adaptable farming, integrated with the rest of the food chain and taking into account the needs of the environment and rural economy.
Better Regulation and the Hampton Review

Defra’s regulatory activity supports delivery of its core objectives and has wide-ranging consequences for the environment, for agriculture and for animal health and welfare. Effective regulation promotes business growth, delivers leaner and more sustainable policies and opens up international markets to UK companies. Ill-conceived regulation, or regulation that is disproportionate or administratively complex, results in stagnation, fails to deliver outcomes and can lead to increased costs on industry.

The Department is eliminating burdensome and unnecessary regulation while maintaining environmental and other standards. This aim is widely shared throughout the European Union. That is why Better Regulation is an agreed top priority for the European institutions and why it is central to the Lisbon Strategy for delivering jobs and growth. The UK Presidency of the EU prioritised progress on better European regulation. Defra has made a notable contribution both at EU level and domestically.

The Better Regulation framework

Better Regulation is part of the strategy to make the UK a global economy, which offers choice and opportunity for our businesses and our citizens. Important milestones over the last two years were:

- early 2004 – Defra set up a team to develop a strategy to improve regulation in farming. The Farm Regulation Strategy\(^\text{226}\) published in November 2005, is the first sector specific better regulation strategy developed in Whitehall (see Sustainable Farming and Food in Chapter 3);

- April 2004 – Defra’s Regulation Task Force published its report with 54 recommendations and the Better Regulation Unit was established to drive them forward;

- December 2004 – the Department published its Five Year Strategy\(^\text{227}\), which committed to reducing the net administrative burden from its regulations by 25 per cent by 2009. The Department will need to have regulations in place that minimise burdens on businesses whilst securing effective outcomes;

- March 2005 – the Better Regulation Task Force (BRTF) published its report Regulation – Less is More: Reducing Burdens, Improving Outcomes\(^\text{228}\), which advocated use of the standard cost model for measuring the administrative burden imposed by departments, reducing that burden and putting in place the necessary organisational structures; and

\(^{226}\) http://www.defra.gov.uk/farm/regulation-strategy/

\(^{227}\) http://www.defra.gov.uk/corporate/5year-strategy

\(^{228}\) http://www.brc.gov.uk/publications/lessismoreentry.asp
• March 2005 – Philip Hampton published his review *Reducing administrative burdens: effective inspection and enforcement*. Among other matters, this identified the need to apply a risk-based approach to enforcement and proposed that 21 of Defra’s inspection and enforcement bodies should be consolidated into six of the seven thematic regulators recommended in the report.

The rest of this chapter describes how Defra is taking forward these recommendations, identifies regulatory activity since the 2005 Annual Report and looks at how wider, better regulation objectives are being taken forward.

**EU Better Regulation agenda**

Around half to two thirds of all regulation implemented by Defra derives from EU proposals. Therefore, ensuring EU legislation is proportionate and well designed is a pivotal part of Defra’s approach. It also recognises that Better Regulation was a top UK priority for the EU Presidency. Action included:

- improving the content and use of impact assessments (IAs) for new legislation;
- simplifying the body of legislation; and
- strengthening the regulatory framework.

These principles were embedded in the 6 Presidencies’ Initiative on Better Regulation, signed by the consecutive Presidencies of Ireland, the Netherlands, Luxembourg, UK, Austria and Finland in December 2004. This ensures a continuity of approach and action on Better Regulation at the European level.

Defra took a pro-active approach to meeting the UK Presidency objectives. Ministers produced a strategy document on how the Department would engage and progress Better Regulation at the EU level and Defra appointed a Better EU Regulation co-ordinator.

As a result of this action, Defra achieved a number of key successes during the Presidency which have laid solid foundations for taking forward the Better Regulation agenda across the EU as a whole:

- an Environment Council discussion on Better Regulation, demonstrating the benefits of better regulation to good environmental outcomes;
- applying the Better Regulation principles to the handling of the Environmental Thematic Strategies with a particular focus on Commission IAs;
- agreeing Council conclusions on CAP Simplification, these will lead to a roadmap on measuring and setting targets to reduce administrative burdens;

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229 [http://www.hm-treasury.gov.uk/media/935/64/Hampton_Interim_Report_709.pdf](http://www.hm-treasury.gov.uk/media/935/64/Hampton_Interim_Report_709.pdf)
sustained pressure on the Commission to include adequate IAs with all proposals discussed in Council by introducing systematic discussion of IAs in Working Groups. Austria has continued this approach in 2006;

undertaking a Council IA on the Potato Cyst Nematode Directive in the absence of an adequate Commission IA, the UK led a Council exercise to provide the necessary information to evaluate the Commission’s proposal and to underpin potential amendments; and

establishment of the Network of European Environmental Lawyers (NEEL) this promotes regular discussions through a dedicated website and uses the network to share information and ideas on legal aspects of negotiation, transposition, implementation and infraction.

During 2005, the Commission also continued to prioritise the Better Regulation agenda, with the support of Defra, it produced a number of key publications including:

- communication on Better Regulation for growth and jobs in the European Union;
- revised IA Guidelines;
- communication on a strategy for the simplification of the regulatory environment;
- communication on the outcome of the screening of legislative proposals pending before the legislator; and
- communication on an EU common methodology for assessing the administrative costs imposed by legislation.

Also in 2005, the UK was a signatory to a 3 Presidency paper, Advancing Better Regulation in Europe, (with Austria and Finland) which will maintain the political momentum through 2006. Defra is building upon its EU achievements in 2005 and a Departmental strategy document for 2006 has been approved by Ministers.

Following a successful pilot scheme and from April 2005, transpositions of legislation are mandated to apply Programme and Project Management (PPM). A new pilot is looking at similar tools and guidance to support EU negotiations. The benefits have included early and more effective engagement with key stakeholders and a greater confidence that the implementation of EU legislation will be managed effectively.

**Defra’s Simplification Plan**

One of the pivotal BRTF recommendations was for all departments to develop, by September 2006, a rolling programme of simplification to identify regulations that can be simplified, repealed, reformed or consolidated.
In November 2005, Defra was one of the first three departments to publish an initial simplification plan. Reducing administrative burdens is an integral component of the plan. A four-phase approach is being taken to tackle burdens:

- mapping: to identify Defra regulations, which impose administrative burdens;
- baselining: to estimate the administrative burdens that are imposed;
- detecting opportunities: to identify opportunities to reduce burdens; and
- reduction: to agree projects to streamline or reduce burdens.

The mapping exercise included interviews with 25 regulators and delivery bodies and workshops with Defra policymakers. A total of 650 regulations were identified, some of which only give rise to obligations when a specific event arises, such as disease outbreak. Others revise earlier regulations without repealing them. Figures 53 and 54 show the number of regulations that give rise to burdens for each of Defra’s policy areas and the origin of the regulations.

**Figure 53: Administration burdens by policy area**
The baselining work has been taken forward by appointed contractors.

Ideas for reducing administrative burdens (including detecting new projects) have come from a range of stakeholders: business; representative organisations; policymakers; individuals; and regulators.

Defra’s initial simplification plan detailed 64 initiatives, which were underway to simplify Defra regulations and reduce business burdens. These measures had been estimated to save business more than £86 million each year. In accordance with the BRTF recommendation, the plan is very much an evolving document and is being updated on a regular basis as new projects develop and the results of the baselining exercise emerge.

Since publication of the initial version in November 2005, the Department has been reviewing the measures identified, considering other projects that could be taken forward and carrying out more work to cost the overall savings that will arise.

The following are examples of projects to reduce the administrative burden:

- Environmental Permitting Programme – aims to streamline the permitting systems for waste and major industrial operations covered by Pollution Prevention and Controls (PPC). It will help to reduce administrative costs, provide greater simplicity and lower charges for customers;
• reducing red-tape in the water industry – Defra is working with the industry and its main regulators to reduce administrative burdens particularly around duplication of data requests, the level of detail required and the potential for self-monitoring discharge consents, in the same way that currently happens for drinking water. Defra’s Water Directorate has set up a project to co-ordinate progress;

• veterinary medicines – the Veterinary Medicines Regulations 2005 govern medicated feeding stuffs and fees. They replace relevant provisions in the Medicines Act 1968 and around 50 supporting Statutory Instruments, which themselves have been amended by a further 50 or so Statutory Instruments. They are flexible, can be easily updated and ensure clarity in a complex area;

• Farming Regulation and Charging Strategy Partners for Success announced specific simplification initiatives, including:
  – Defra examining options to reduce the administrative load on farmers by making greater use of markets and slaughterhouses in reporting cattle movements;
  – Defra recently consulting on options to simplify Environmental Impact Assessment (EIA) rules on agricultural management of uncultivated and semi-natural land, to make them easier for farmers to comply with and cut red-tape;
  – reviewing the complex local delivery arrangements for inspecting and enforcing animal health and welfare regulations. This will help reduce overlap and bureaucracy and simplify farmers’ interactions with Government;
  – replacing the Over Thirty Month rule by a rigorous Bovine Spongiform Encephalopathy testing regime boosting incomes by an estimated £52 million a year for beef and dairy producers; and
  – cutting the time spent by farmers filling in forms. By 2008, the average farmer who claims under the Single Payment Scheme (SPS) will experience at least a 15 per cent reduction in overall time spent filling in forms. It is estimated that this time saving will equate to about a £20 million annual saving for farmers in England.

• Under the UK Presidency, the Agriculture Council agreed conclusions on the Commission’s CAP Simplification initiative that request a roadmap to be produced within this year’s CAP Simplification Action Plan setting out the options for measuring and setting targets to reduce administrative burdens in the agricultural sector. This will make agriculture the first sector of the Commission to take forward this area of the better regulation agenda. Defra will work with the other Member States to analyse and share data on administrative burdens in the agricultural sector.
Implementing the Hampton Review and Better Regulation

To ensure that Defra and its family of delivery agencies implement the Hampton Review and Better Regulation agenda, two complementary programmes have been set up. These are the Better Regulation Programme and the Hampton Review Implementation Programme.

The overall objective of the two is to make the Defra family a more effective regulator and, in so doing, help it achieve its strategic objectives.

To drive this agenda forward effectively, Defra has developed a strategic business case for both programmes. The scope of the business case includes the majority of Defra’s agencies, including the new thematic bodies recommended by the Hampton Review, and covers the end-to-end regulatory process from policy through to inspection, enforcement and delivery of the outcomes.

The business case aims to catalyse collaboration and provide an added impetus across the Defra family to meeting the challenge to reduce administrative burdens imposed on business by 25 per cent by 2009, improve the quality and effectiveness of regulatory outcomes and introduce greater operational efficiency.

To enable implementation of the vision in the business case a delivery plan is being developed collaboratively across the Defra family which will provide the roadmap for implementation.

Better Regulation Programme

The principles that underpin the programme include collaboration across the Defra family, focussing on what it means to those Defra regulate; and an enabler to better quality regulation. The Programme has three important strands:

- **strand 1:** will help to ensure that Defra delivers the 25 per cent reduction in administrative burdens that the Department is publicly committed to;
- **strand 2:** will develop an effective end-to-end regulatory process; and
- **strand 3:** will provide tools to support effective regulation and bring together best practice.

This approach recognises that effective regulation needs to dovetail policy development with inspection, enforcement and evaluation activities. Therefore, the programme’s governance will be shared across policy areas and Defra’s family of regulators to ensure that Better Regulation principles, and their intended outcome of a reduction in administrative burdens, are built into partnership working.
The new governance programme builds upon existing work to assure the strategic alignment, relative priority, proportionality of burden and quality of regulations as they are developed. This will assist to manage activities better within the initial and future simplification plan and it will enhance Defra’s business processes to align or simplify related regulations as new regulations are developed.

Hampton Review Implementation Programme

The programme aims to ensure that restructuring of Defra’s inspection and enforcement functions recommended by the Hampton Review embeds better regulation in working practices and culture for the future to create the forward thinking, focussed, modern regulators they seek to be. The programme will be an enabler for change across the whole regulatory process and support for the mergers recommended in the review. In particular the programme aims to enable implementation of cross-cutting initiatives which support better regulation and collaborative working across the Defra family such as data sharing, legislation and the merger process.

Progress on recommendations from the Hampton Review

Philip Hampton recommended seven thematic bodies:

- the existing Environment Agency;
- the new Natural England agency;
- a new Agricultural Inspectorate which is based on the existing Rural Payments Agency Inspectorate;
- a new Animal Health body based on the existing State Veterinary Service;
- the existing Food Standards Agency;
- the existing Health and Safety Executive; and
- the Local Better Regulation Office.

Driving this agenda is the need to create modern, better focussed and more forward-thinking organisations able to take strategic decisions, prioritise areas of work and use resources more effectively for Defra’s customers. This will direct regulatory resources where they are most effective in promoting compliance.

Defra is moving forward to deliver these outcomes. Some mergers have already been decided and are currently taking place:

- the Wine Standards Board will become part of the Food Standards Agency during the summer of 2006;
- Horticultural Marketing Inspectorate merged with the Rural Payments Agency Inspectorate in April 2006;
• Wildlife and Convention on International Trade in Endangered Species (CITES) Licensing, the Wildlife Inspectorate, and Egg Marketing Inspectorate will all form part of the new Animal Health Agency. These mergers will take place in 2007; and

• the Rural Development Service will become part of Natural England towards the end of 2006.

Full public consultation on other mergers will be undertaken before decisions are made. These include:

• Veterinary Medicines Directorate;

• Drinking Water Inspectorate; and

• Gangmasters Licensing Authority.

Options for the National Bee Unit and the Fish Health Inspectorate are being considered in the context of the future of the science laboratories. The agricultural levy bodies’ options will be developed within the context of the Radcliffe review. The Pesticides Safety Directorate is being considered in the context of the creation of a UK Competent Chemicals Authority.

The future of the Sea Fish Industry Authority is also currently subject to public consultation. The future of the Plant Health and Seeds Inspectorate and other Plant Health Division delivery functions and the Plant Variety and Seeds delivery functions will be subject to a review of the options. The review will report on 31 July 2006, with an initial review of the options available by 15 June.

The Department has committed to make all the changes needed by April 2009. This is a significant and far-reaching programme of work and offers an exciting opportunity to deliver benefits directly to customers and allow Defra’s inspection and enforcement work to become more targeted and risk-based. This will enable the Department to improve customer focus and further reduce the burden on business, while maintaining the current level of protection.

**Regulatory Compliance Code**

Publication of the *Regulators’ Compliance Code* was announced in the Chancellor’s Budget on 22 March 2006. It embodies the principles of better regulation identified in the Hampton Report.

Defra embraced the Hampton Report and the Better Regulation agenda as the opportunity to extend the reach of its reform programme which had already initiated ways of working in line with Hampton principles.

The objective is to deliver improved regulatory outcomes through a more efficient and less burdensome regulatory regime, which uses risk assessment and shared data whenever possible and which improves the guidance available.
Following the approach laid down in the Compliance Code, and building it into the way the Department works, will help rapid movement towards compliance with the Hampton recommendations by the target date of April 2009.

90 Day Simplification Proposals

On 15 September 2005, a new initiative was launched across Whitehall inviting businesses to submit proposals to simplify regulations in direct response to the BRTF's recommendation in its March 2005 report (*Less is More*) on developing a rolling programme of simplification. Cabinet Office set up a one-stop online portal for business through which to submit their ideas. Departments have 90 days in which to reply to a proposal and must either commit to pursue it further or give details of why it would be inappropriate to do so.

Defra welcomes this initiative and since last September, has encouraged industry and stakeholders to submit proposals on regulations that could be simplified, improved or repealed. The important aspect of this initiative is that proposals cannot reduce protection and they must result in a net reduction of the administrative burden and that burden cannot be shifted elsewhere.

As of 31 March, Defra had received 35 proposals under this initiative. Examples of proposals received are:

- National Farmers Union (NFU) raised industry concerns about the amount of information required for applications for Integrated Pollution Prevention and Control permits and the targeting of this information on key environmental priorities. They proposed a self-audit based on risk rather than a threshold approach for selection of sites. While it is not possible to remove the threshold, as it is set in the IPPC Directive, the Environment Agency is developing a new application form that reflects an industry view on how to simplify the process and uses a tick box approach for some aspects;

- proposals received from National Audit Office and a Defra stakeholder to consider the process of wild and endangered bird registration in England. This involved changes to Schedule 4 of the Wildlife and Countryside Act 1981 to alleviate administrative burden on keepers. Defra engaged with stakeholders, the Welsh Assembly and the Scottish Executive, as bird registration affects the devolved administrations. Both the Scottish Executive and the Welsh Assembly have agreed that a common approach is desirable and are keen to be part of a public consultation planned for later in 2006 to take this forward; and

- the NFU raised concerns around the continuing relevance of hedgerows regulations in the light of other regulations on cross compliance. In response to these concerns, and comments from other stakeholders in two public consultations, Defra is
committed to making changes to the Hedgerows Regulations 1997 to make them more flexible and responsive to developing strategies for the protection of the countryside.

**Measuring the administrative burden**

In its March 2005 Report (*Less is More – Reducing Burdens, Improving outcomes*), the BRTF called on Government to measure the administrative burden faced by businesses and other UK organisations. It proposed adoption of the Standard Cost Model as a systematic measurement of the administrative burden and to set a target to reduce it. For this purpose, administrative burdens are defined as activities which must be undertaken in order to comply with regulation, for example, form filling, keeping records or responding to information requests and preparing for inspections.

As part of a cross-Whitehall initiative, Defra commenced work in summer 2005 with sector specific consultants on drawing up a comprehensive list of all regulations for which it is responsible and which impose an administrative burden on business.

By September 2005 a list of around 600 regulations had been identified spanning all spheres of the Department’s activities. The measurement exercise then moved into its second stage in September 2005, when a contractor was appointed to measure the costs of these burdens to provide a baseline against which the target for reductions could be measured. Defra had already set a target in December 2004 to reduce administrative burdens on business by at least 25 per cent by 2009. The overall baseline for achieving reductions in administrative burden is expected to be finalised in summer 2006 and published in the pre-Budget report 2007.

**Ministerial Challenge Panel on Regulation**

The new procedures described above build on and complement the existing Ministerial Challenge Panel on Regulation (MCPR). Defra’s Better Regulation Minister, Lord Bach, chairs this panel, which was established in 2005 in response to Defra’s own Regulation Taskforce which recommended improving internal accountability for regulations.

The panel comprises senior level representatives from Defra’s enforcement agencies, the Small Business Service and the Better Regulation Commission. Its role is to scrutinise and apply rigorous intellectual challenge to regulatory measures that are being developed by Defra policymakers. More than 50 policy proposals have been scrutinised during the panel’s eighteen months of operation. By making use of a scoring template to judge each proposal and giving direct feedback to director-level policy leads, the MCPR is able to ensure that better regulation principles are applied effectively and consistently across the Defra family. The panel also encourages policymakers to take the Better Regulation agenda into account in developing their negotiating stance on EU proposals.
The MCPR has extended its remit to look at proposals that are received direct from businesses under the 90 Simplification Initiatives.

**Environmental Regulation**

A significant area of Defra’s Better Regulation work is securing environmental protection while minimising burdens. There are many examples of how Defra is achieving this balance.

Following a commitment made in Defra’s *Rural Strategy 2004*, the Department carried out a survey of environmental regulation. The main output from the survey is a set of criteria produced for identifying regulators and partnership working arrangements for delivery of new regulations. The criteria are in the process of being embedded into Defra policymakers’ working practices used when implementing regulation.

The *Review of Enforcement in Environmental Regulation* was launched by the Minister of State for Climate Change and the Environment, Elliot Morley, on 8 September 2005. The Review aims to reach conclusions in summer 2006 about the best enforcement approaches for improved environmental protection. The Government’s *Sustainable Development Strategy* stresses that positive behaviour needs to be encouraged, but enforcement is still important.

Stage 1 of the Review will draw together evidence to tell the Department where there are obstacles to effective environmental enforcement. Stage 2 will assess possible solutions to overcome those obstacles, in ways which will increase flexibility for enforcers, deal more proportionately with businesses which try to protect the environment, and which minimise and, if possible, reduce business costs.

The review is developing a dialogue with interested people and organisations. This includes an exploration with businesses and enforcers of whether and how administrative penalties could make enforcement more effective. It will also include exploring ways in which enforcement could be made more effective by involving the wider community.

The review is expected to contribute to the Cabinet Office Better Regulation Executive’s wider penalties review, which is looking across all regulators in the follow-up to the Hampton Report.

**Legislative and Regulatory Reform Bill**

The Legislative and Regulatory Reform Bill was introduced into Parliament on 10 January. The Bill will create a wider law reform power than that in the Regulatory Reform Act 2001 and will enable reform of outdated or over-complicated regulation. Once in force Defra will make use of the streamlined processes it introduces as appropriate.

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Regulatory Reform Orders

One current alternative to classic regulation is the power set out in the Regulatory Reform Act 2001 to use Regulatory Reform Orders (RRO) to remove outdated legislation.

Defra has used the RRO power to take forward 4 measures since 2003. These were:

- the Regulatory Reform (Sugar Beet Research and Education) Order 2003;
- the Regulatory Reform (British Waterways Board) Order 2003;
- the Regulatory Reform (Joint Nature Conservation Committee) Order 2005; and
- the Regulatory Reform (Forestry) Order 2006.

In addition, the Regulatory Reform (Agricultural Tenancies) (England and Wales) Order 2006 was laid for first stage Parliamentary scrutiny on 30 March 2006.

The infrequent use of this power is the reason why the Government has introduced the Legislative and Regulatory Reform Bill.

Annual statement of forthcoming legislation

On 31 January 2006 Defra published a statement of forthcoming legislation. The statement sets out when in 2006 new regulations impacting on businesses and the public in general will take effect. This statement is part of a cross-Whitehall initiative to give businesses more certainty and allow them to plan for changes to regulatory requirements. The statement will be updated in June 2006.

Changing the culture

A range of tools is being successfully used within Defra to promote better regulation in everyday practice. The Department’s Issues Panel meets regularly to discuss a variety of better regulation issues. In February 2006 the Issues Panel considered the UK’s Presidency of the European Council of Ministers. Conclusions from the panel on, for example, priority areas for action, are helping to inform Defra’s contribution to the EU better regulation agenda.

Better policy training is a positive step toward lasting cultural change. Training events provide an environment where challenge is encouraged and there is scope for participants to engage in fresh ways of thinking about policy development. For example, Policy Team Action Planning Workshops are interactive events where policy teams benchmark their policymaking against a Best Practice Framework that is based on the core components of the Better Regulation agenda. Attendees are invited to participate in follow-up Regulatory Impact

231 www.defra.gov.uk/corporate/regulat/regulat.asp#forthcoming
training which gives them a greater understanding of the Regulatory Impact Assessment (RIA) process and how to undertake a full impact assessment. Bespoke training modules, such as Customer Focus, Stakeholder Involvement and Evidence Based Policymaking are also delivered. Around 900 Defra family staff have attended workshops so far. Training is a proven method for embedding best practice principles and facilitating joined-up policy development with delivery bodies.

**Regulatory Justice: following the Hampton Review**

The March 2005 Hampton Review recommended that the Better Regulation Executive should undertake a comprehensive review of regulators’ penalty regimes. The initial phase, commenced in December 2005, was a call for evidence to inform the scope and content of a full public consultation in spring 2006.

Core Defra responded to the call for evidence on 21 February. The response recommends that the review looks across the breadth and depth of enforcement mechanisms and available interventions while maintaining an open mind. It argues that what will suit regulators best is a flexible and responsive approach which allows a range of different sanctions to be considered depending on the nature and severity of the breach in question. Therefore, the review should have regard to the established principles of sound enforcement: proportionality; targeting; consistency; transparency and accountability.

**Consultations on legislative proposals**

The total number of consultations started between 1 April 2005 and 31 March 2006 and made available to the public for comment on Defra’s website (consultation page) was 107. The number of these consultations lasting 12 weeks or more was 84. The total number of (limited) consultations that fell short of the 12 week period was 23. All but three of these consultations were authorised by the appropriate Minister or equivalent. Of the three: one was part of an EC consultation process; one was authorised by the Chief Veterinary Officer and was an adjunct to a full consultation lasting 12 weeks; and one was issued by In-House Policy Consultancy on behalf of several departments. A breakdown of the total number of consultations issued and the reasons for the limitations is given in Figure 55.
Better Regulation and the Hampton Review

Chapter 8

Figure 55: Total number of consultations and the reason for limitations

<table>
<thead>
<tr>
<th>Reason for not meeting minimum 12 week period</th>
<th>No of Consultations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialised issues for limited stakeholders</td>
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</tr>
<tr>
<td>Timescales dictated by EU processes</td>
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</tr>
<tr>
<td>Follow up consultation</td>
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<td>Meet legislative timetable for Bill</td>
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<tr>
<td>Regulations to be laid in timely manner</td>
<td>1</td>
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<tr>
<td>To allow new arrangements by required date</td>
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</tr>
<tr>
<td>Set by Prime Minister’s Office</td>
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</tr>
<tr>
<td>Minor change in practice</td>
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<tr>
<td><strong>Length of consultation in weeks</strong></td>
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<td>8-11 weeks</td>
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<td>Less than 8 weeks</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total Consultations</strong></td>
<td><strong>107</strong></td>
</tr>
<tr>
<td>Met the minimum 12 weeks</td>
<td>84</td>
</tr>
<tr>
<td>Did not meet the 12 weeks</td>
<td>23</td>
</tr>
</tbody>
</table>

Regulatory Impact Assessments

Good quality RIAs are an essential element in ensuring that regulatory proposals are fully costed and their impact measured in respect of the economy, society and sustainable development.

In Defra there is a variety of examples of how RIAs have been used to help in the formulation of policy and establish a negotiating stance on EU measures:
The importance of better regulation has been an integral part of the UK’s contribution to shaping the European Marine Thematic Strategy. Defra’s partial RIA has ensured that the UK has a sound evidence base ahead of negotiating the Marine Strategy Directive. Work is continuing on the RIA and a fully worked up version will be produced at an appropriate time as progress on the Directive continues.

The RIA on Potato Cyst Nematodes has proved a valuable tool. An initial version assessed the range of options being considered by the Commission and a revised version evaluated the published Commission Proposal. A cost benefit analysis was also undertaken to examine the impact of the proposal over a 20-year period.

The UK Presidency followed a similar process for the EU as a whole. The Presidency coordinated what was effectively an EU RIA using the Commission’s own guidelines on Impact Assessments. This will help to ensure a balanced discussion as negotiations progress. Additionally, the benefits of using Impact Assessments have been demonstrated to the Commission and other Member States. This should help embed use of such assessments in future negotiations in the Phytosanitary sector.

Sustainable Land Use Division used RIAs as the primary policy development tool on new rules creating an environmental impact assessment (EIA) consent system for potentially damaging restructuring work on farms. The RIA framework encouraged cost benefit analysis, risk assessment and assessment of wider and indirect environmental, economic and social effects. This helped extract options which failed the better regulation tests and helped develop lighter-touch options which were proportionate to the risk, which farmers would be more able to understand and comply with and which would minimise unnecessary red-tape. A public consultation on proposed rules ended in late 2005. The rules are due to come into force in October 2006.

The importance of better regulation has been an integral part of the UK’s contribution to shaping the European Marine Thematic Strategy. Defra’s partial RIA has ensured that the UK has a sound evidence base ahead of negotiating the Marine Strategy Directive. Work is continuing on the RIA and a fully worked up version will be produced at an appropriate time as progress on the Directive continues.
The RIA on TB pre-movement testing supports provisions in the Tuberculosis (England) order 2006 for statutory pre-movement testing of cattle in England for bovine TB.

Movement testing was the subject of a public consultation. Following consultation an independent stakeholder group, chaired by a representative from the farming community, was set up and tasked with recommending a practical, cost-effective and enforceable policy mechanism for delivering pre-movement testing of cattle for TB.

In developing ideas and reaching conclusions, the group informed and was informed by the RIA, which sets out the costs and benefits of the options. The RIA is an open attempt to evaluate options using the best evidence available. It was necessary to make assumptions and estimates where hard information was limited and to make informed guesses about the likely business response to the policy measure. The RIA showed that pre-movement testing would have a significant impact on some areas of the industry. In considering options, the RIA enabled the Group to make recommendations that would mitigate the impacts whilst ensuring effectiveness of the measure in terms of disease control.

Pre-movement testing of cattle in England will be subject to review prior to the introduction of Phase 2 of the policy in March 2007. The RIA will be revised using data obtained since implementation of pre-movement testing.

However, Defra recognises that RIA quality is variable and will be looking further at how to improve the overall quality and timeliness of those it produces following publication of revised guidance by the Better Regulation Executive in tandem with improved training.