

SMALL BUSINESS TRADE ASSOCIATION FORUM

BETTER REGULATION AGENDA

1. Better regulation across public and private sectors is a priority for the Government, and has the personal commitment of both the Prime Minister and Chancellor. In the 2005 Budget the Government announced the publication of the Hampton and Better Regulation Task Force (BRTF) reports (**see annex**). These two key reports have set all Departments and regulators big challenges to reduce administrative burdens whilst improving effectiveness and outcomes. As a key regulator, HSE has given a firm commitment to deliver the better regulation agenda and it has moved quickly to establish a robust programme in response to the challenge.
2. The key element in delivering the BRTF recommendations is for all Departments, including HSE, to prepare a rolling programme of simplification measures contained in a draft plan by **January 2006**. HSE's simplification plan will consist of:
 - admin burdens identified for reduction as part of the admin burden measurement exercise;
 - wider simplification initiatives identified internally and in consultation with HSC and stakeholders; and
 - proposals submitted by business and other stakeholders.
3. The attached annex contains a brief overview of the key components of the better regulation agenda, for information.
4. The Forum is invited to consider the following questions for discussion at its meeting on 26 July 2005:
 - how can the Forum contribute to the development of the simplification plan?
 - how do we ensure that small firms are engaged in this exercise?

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BETTER REGULATION AGENDA**Hampton and Better Regulation Task Force 'Less is More' Report**

In the Budget 2005 the Government accepted the recommendations made in reports authored in a Treasury review (*Reducing administrative burdens - effective administration and enforcement – Hampton Report*) and a Cabinet Office Better Regulation Task Force (BRTF) report (*Less is More*). Key themes in the reports were:

- ensuring that all regulatory activity is based on a clear and comprehensive risk assessment;
- simplifying existing regulations to reduce the administrative burden inherent in them, and setting a challenging target for the whole of government;
- reinforcing penalty regimes to make non-compliance less attractive;
- developing channels to advice to make self-regulation more likely;
- improving forms and data sharing to eliminate unnecessary burdens;
- restructuring regulatory bodies around seven core thematic regulators to replace more than 30 existing bodies (on the same lines, the Government has decided to restructure 11 public service regulators to four).

Admin Burden Mapping Exercise

Under the BRTF Report, all government departments are taking part in an exercise to map the administrative burden of their legislation on industry. All departments will have to carry out an internal audit of their legislation and analyse whether it places an information obligation on industry, for example through form filling, licensing, book keeping, etc. By 6 September, all departments will be aware of how many of their legislative measures carry admin burdens and the type of burden they impose.

Information obligation

An information obligation is a duty to procure or prepare information and subsequently make it available to either a public authority or a third party, as well as a duty to facilitate the collection or preparation of information by others, eg by permitting a visit or inspection. This includes regular requirements to read guidance and updated rules. It is an obligation businesses cannot decline without coming into conflict with the law. Each information obligation consists of a number of required pieces of data – or messages – that businesses have to report.

Admin Burden Measuring Exercise

The second phase of the Admin Burden exercise will involve measuring and costing the amount that each regulatory admin burden puts on industry. External consultants will complete this phase. The consultants, who will be managed by the individual departments, will evaluate the admin burden and measure it using a UK Standard Cost Model. This phase should be completed at the end of 2005. Targets for reduction of admin burdens/costs across Government will be set in March 2006.

Simplification Plans

See covering minute.

Panel for Regulatory Accountability (PRA)

The PRA is a government initiative, run by the Cabinet Office, and set up to "take a strategic overview of the regulatory system; to tackle instances where progress on regulatory reform is blocked; and to call Ministers to account for new regulation and their performance in addressing the burden of existing regulation." It aims to scrutinise major regulatory proposals and ensure that the correct approach is taken when considering changes in the law and that alternatives to regulation are always considered before legislative measures are taken. The PRA will have a key role in approving Departments' simplification plans.