

BERR promotes fair and competitive markets through company law, employment law, the competition framework and consumer legislation. Through the “Think Small First” policy, BERR is working with small firms to ensure that regulation is targeted and does not impose disproportionate burdens.

BERR is targeting a 25% net reduction (£1bn) in the administrative burdens imposed by its regulations by 2010. Considerable progress has been made over the past year, with 14 per cent net savings being delivered compared to 1 per cent net savings at the end of 2007, and BERR remains on track to meet its target by May 2010.

### Key Measures delivered May 2006 – October 2008

**Employment Law:** £429m of the projected £589m administrative burdens reductions have been delivered.

Employment Law Guidance Programme: Encompasses six broad areas: written statements of employment particulars, working time, flexible working, redundancy, National Minimum Wage and parental leave. It provides advice for employers on how to save time and money when complying with their employment law obligations through promotion of employment guidance, online tools and proformas – as well as wider culture-change messages around avoiding over-compliance and duplication. Independent research shows that indicative reductions of £418m have been achieved.

#### Employment Law: Janet Davis\* - General Praise

***“Makes more sense and saves money...”***

Janet is a director of TFC Limited, The company no longer uses external consultants for advice on employment law but gains most of the information about employment legislation from “*surfing the Net.*” The company keeps their knowledge updated by visiting guidance websites, such as BusinessLink. Janet has found that this approach “*makes more sense and saves money...*” and thought the BusinessLink flexible working time guidance was helpful and easy to navigate and liked that there were specific forms to download and that the relevant form needed at each stage in the process was given in the correct order. In particular, she was positive about this as developing forms “*can be time consuming.*”

\* Name altered as the person interviewed did not wish to be identified.

**Company Law:** £237m of the projected £300m administrative burdens savings have already been delivered:

- Facilitating the use of electronic communications by companies with shareholders, saving £76m in administrative burdens per year.

**Companies Act - Facilitating electronic communications with shareholders**

Smiths, a global technology company – employing 20,000 people in 50 different countries. As a listed company, communication with the company's shareholders is an important part of the company's remit. "Our shareholders now have the choice of receiving printed material like our Annual Report or a letter or email, informing them that the information is on our company website. Our cost saving for the 2007 report was in the order of £100K, and because we didn't need to print 27,000 copies of that 104 page document, we saved on paper as well as mailing costs."

- Abolition of requirement by private companies to hold Annual General Meetings, saving £45m in administrative burdens per year.
- Abolition of complex capital assistance rules, saving £68m in administrative burdens per year.
- Simpler law for smaller firms has led to a reduction of £44m in administrative burdens per year.

**Consumer Law:**

- UCPD - Implementation of EU Unfair Commercial Practices Directive in May 2008, introduced a general duty on traders not to treat consumers unfairly. Potential reductions of up to £260m are currently subject to validation.

**Unfair Commercial Practices Directive**

"We welcome the less prescriptive approach to price law that has resulted from the implementation of the Unfair Commercial Practices Directive into UK law. The ability to use a wider variety of promotional offers, provided that they do not mislead, should over time provide the opportunity for greater innovation which can only be good for business."

(Harold Gay, Legal Department, Alliance Boots Ltd)

**Key Measure to be delivered April 2009 – May 2010**

**Employment Law:**

- Dispute Resolutions Review – abolition of costly statutory dispute resolutions procedures in the new Employment Act will deliver £150m of savings from April 2009 onwards.

BERR is also committed to reducing regulatory burdens on the Public and the Third Sectors and has implemented its obligations under the Hampton Report.