

The Daily Telegraph

Osborne Lights red tape bonfire

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Official website offers the general public the chance to scrap unnecessary rules

THE lights came back on in Church House, the home of the General Synod of the Church of England, just as George Osborne arrived yesterday morning. The Chancellor was due to set out the Government's "unashamedly pro-enterprise, pro-business" plans at the British Chambers of Commerce (BCC) annual conference. *George Osborne at the BCC annual conference in London yesterday. The Chancellor said he was putting business at the centre of his policies as he launched the Government's 'Red Tape Challenge'*

But the venue had plunged into gloom hours earlier when power was lost across Westminster.

David Frost, director-general of the BCC, battled on, but the microphone only sprang back into life when the Chancellor arrived. The symbolism was not lost on the audience. "The hand of God?" one wag mused.

Mr Osborne said he had put business – "the job creators of Britain" – centre stage of his policies as he launched the "Red Tape Challenge", the Government's latest initiative to encourage more private sector activity.

The challenge is for business, charities and the general public to visit a Cabinet Office website and choose regulations for the chop.

More than 21,000 regulations have been identified and hundreds will be published over the coming months on an industry-by-industry basis. The first 130 regulations on the block cover the retail trades, with hospitality industry and food and drink regulations next in line.

Once the public "crowd-sourcing" consultation period is over – the first lasts four weeks – David Cameron has given ministers three months to respond. They will have to make the case for keeping the regulation if it is required – the Prime Minister has made clear he expects the onus to be on deregulation rather than maintaining the status quo, although European laws and tax red tape are exempt from the exercise.

Vince Cable, the Business Secretary, followed Mr Osborne on to the Church House stage to assure the business audience he was not wasting their time. "We will presume that you are right; we will assume that the regulations should go," he said. "Unless ministers can robustly defend the need to keep an unpopular regulation, departments will get rid of it. We want to be the first government in history to leave office having reduced the overall burden of regulation, not increased it."

Mr Frost urged businesses to take up the challenge. "Business has to take the time to respond," the BCC director-general said. "The offer has been put on the table and a lot of effort has been put in. We have to play a part, but then what we have to see is action. The clear message coming out from small businesses is that there are regulations that are holding back economic growth."

Earlier, Mr Cable had visited London's Spitalfields Market where Noel McManus, the founder of imported furniture retailer Onedeko, set out his main business concerns. The first was restricted access to finance, but the second was regulation. Mr McManus asked why Britain had more onerous fire-safety rules on upholstery than the rest of Europe. "When I go to the Milan furniture fair next week, 70pc of the stands we walk on to will say 'sorry, it's not for the UK'. The regulations we have in place are a media-driven reaction to some high-profile deaths in the mid1970s."

Mr Cable told the BCC audience: "I thought it sounds very sensible. Then I thought about the headlines: 'Fire in house kills children; minister tries to reduce safety standards'. This is an area where we have to tread carefully."

Business leaders at the conference backed the initiative. Mike Wright, executive director at Jaguar Land Rover, urged his company's British suppliers to take part.

Ken McMeiken, chief executive of Greggs, the baker, said his company would submit ideas. He is particularly incensed about the inconsistent enforcement of planning rules by local authorities across the country, which he said were hindering his group's high-street expansion plans.

"I think it's an excellent idea. The question is whether they do something about it," he said. "We can make the request, but something positive has to come of it as we could waste more time by getting involved."

The launch of the website prompted an immediate response from retailers and the general public. Owen Dunn posted a comment calling for Section 6 of the Health Act 2006 to be reformed.

"Mandatory 'No Smoking' signs on buildings are no longer necessary," he wrote. "If there was ever an argument for these signs, it was that the smoking ban was new and people needed to know about it, but the ban has bedded in now. It's a pointless cost on the public sector and businesses alike."

A fierce debate also broke out about the merits of Sunday trading laws, with equal numbers of business owners and the general public in favour of scrapping the rules as there were wanting to see them tightened to give small firms more trading time without competition from supermarkets.

What God may think of more shopping on Sunday, there was no sign.

Visit: www.redtapechallenge.cabinetoffice.gov.uk

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Wolfson says UK being held back by Luddite rules

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LORD WOLFSON of Aspley Guise has said British planning rules are "slow, Luddite and backward-looking" and act as a "powerful brake on UK economic growth".

The chief executive of Next said Britain does not have a hotbed of technological development such as America's Silicon Valley because "it would never get planning permission". The internet, he added, "would never take off in the UK because the planning laws would block it".

The retailer used his speech at the annual conference of the British Chambers of Commerce to call on Government to "seize the chance" to overhaul the planning system, which he argued had hampered "every single business in the land at some stage".

Lord Wolfson also attacked the Government's plans to build a high-speed rail link between London and Manchester. He said there was a choice between spending £17bn on cutting journey time by 20 minutes or "easing the congestion in every major city". He said: "The answer is absolutely blindingly obvious: what makes sense is investing in roads, the lifeblood of the economy."

The retailer, who last week warned that the high street faced the "challenges of global inflation, public sector cuts and limited growth in consumer credit", described himself as a fan of the Government's new Enterprise Zones, areas that are to be given business concessions in order to stimulate economic growth.

However, he said that since the zone really amounted to moving business from one area of the country to another, the policy was "economically a zero sum game".

In order to promote growth, he said, the "Government should build the infrastructure and get out of the way".

He called on the Coalition to build a motorway between Oxford and Cambridge, arguing that it was wrong that the journey between the two areas of innovation currently takes more than three hours.