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Public Sector Innovation

Case Study on The Red Tape Challenge in the United Kingdom

Framework Service Contract 151364-2009 A08-BE - Specific Contract "Lessons from ten years of innovation policies and of public sector innovations in Europe"



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The Red Tape Challenge

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in Europe"**

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Introduction

Today, the public sector has to innovate itself if it wants to raise its efficiency, to provide solutions for societal challenges and to meet the increasing demands from businesses and citizens in a rapidly changing and technologically evolving environment.

With the objective to deepen knowledge and understanding of public sector innovations, 6 case studies will present a specific case in the most inspirational manner evidenced in Europe or in third countries keeping in mind its replicability to other EU Member States.

The public sector includes all organisations in the field of the public administration, irrespective of their funding source and the legal form of the supplier. The type of innovation can be a product, a process, an organisational innovation, or an innovation on communication.

For the purposed of the case studies, public sector innovation is defined as the following:

- *Product innovation*: the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in technical specifications, components and materials, incorporated software, user friendliness or other functional characteristics.
- *Process innovation*: the implementation of a new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software.
- *Organisational innovation*: the implementation of a new organisational method in the public service's practices, workplace organisation or external relations.

This definition encompasses new innovations as well as the adoption or diffusion of innovations (innovations developed elsewhere). The innovation can directly or indirectly affect the public administration itself, other parts of the sector or a dedicated public sector (such as health, transport, security), and/or the private sector in general or a dedicated group within the private sector (e.g., SMEs, the self-employed, a NACE sector) and/or end users such as citizens.

1. The Red Tape Challenge in short

The Red Tape Challenge (RTC) is an initiative of the UK Government to reduce the administrative burden on the private sector. This goal was thought to be essential to economic growth, and RTC provided a more efficient alternative to achieve this during a period of economic crisis. The aim of the Red Tape Challenge is “to make regulation better”, based on the logic that there should be a clear justification of why regulation exists for the specific sector.

RTC is a cross-government initiative that made a clear call for stakeholders to get involved in the deregulation process. It proposed an innovative way of reaching out to the public by using crowdsourcing and social media at a large scale in order to inform policy-making. Crowdsourcing has been gaining attention from businesses and governments as a means to use collective intelligence for problem solving. After its first appearance as a term in *Wired* magazine in 2006 (Howe, 2006a), crowdsourcing was defined as *the act of an organisation taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call* (Howe, 2006b).

RTC is also considered innovative through the way it has engaged the different Departments (Ministries) of the UK Government in taking a lead in each theme, as part of internal challenges or competitions, and mobilising them to pursue the deregulation process through to implementation. This ensured a dynamic rhythm for solving the challenges. In addition, the process of reviewing the entire regulation in a systematic and comprehensive way has been considered another novelty. These aspects of innovation, together with RTC’s results will be discussed in the following chapters.

2. The beginnings

The Red Tape Challenge was launched in April 2011 and was part of a wider deregulation agenda of the Reducing Regulation Cabinet Committee. It was part of the Prime Minister’s announcement that it intended to make his Government the first one to reduce the stock of regulation existing. Thus, a public target was set to review the 21,000 existing statutory instruments and to decide which ones need to be scrapped, saved or modified by December 2013. In time, the concept crystallised into a process whose goal is not about removing regulation per se, but about questioning what is the purpose of the particular regulation under review and about discovering whether there are better solutions to the issues the regulations tackle.

The programme was led by the Minister for Government Policy and the Minister for Better Regulation. Therefore, it can be said that the programme benefited from more active engagement of the political leadership. The fact that the Red Tape Challenge was given high priority by Ministers helped for setting it up in very short time (around two to three weeks), with the website being launched very quickly.¹ The Ministers reviewing the regulatory proposals are Mark Prisk, The Minister of State for Business and Enterprise, and Oliver Letwin, the Minister for Government Policy.

The team implementing the RTC is a joint cooperation between the Department for Business Innovation and Skills and the Cabinet Office, and was led by a Director General in the Cabinet. Different Departments were supervising each challenged theme. The configuration of the implementation team was very useful, as the initiative benefitted from capitalizing on the advantages of both sides. The BIS ensured the

¹ See the RTC website at <http://www.redtapechallenge.cabinetoffice.gov.uk/>

connection with the business sector, while the Departments brought in the policy perspective.

3. Aspects of innovation

One of the most visible innovative aspects of the Red Tape Challenge is the **use of New Media tools** for achieving policy goals for the first time at such a large scale. This initiative is considered the most extensive one to date to use stakeholder comments directly in the process of changing or scrapping regulation. LinkedIn and Twitter were also used for keeping the stakeholders updated with the progress and results of the initiative. The RTC team believed that the advantage of the crowdsourcing process is its ability to enable more citizens and particularly more SMEs to send their comments to the Government. These stakeholders are usually less active in submitting suggestions when asked within formal public consultations. The use of new media tools thus permitted transparency and user-friendliness, which also allowed the RTC team to receive more feedback without bias from interest groups.

The Red Tape Challenge initiative is innovative also through taking **a systematic approach to reviewing regulations**, with “no stone left unturned”. The RTC website enabled the team to publish the entire stock of regulation belonging to each theme for a particular period of time. The stakeholders would have access to the regulation in a user-friendly way and be able to share their views on that topic for the time that the spotlight theme was open for debate. More elaborated comments and suggestions could be sent directly to a specific email address. As it was open to everyone, the RTC platform had over 230,000 visitors, around 30,000 comments and over 1,000 email submissions by October 2012. Out of these, 15% of the website comments and 43% of the email submissions were considered useful. Mostly bigger organisations and companies were sending more structured comments and reports by email.

In comparison to formal consultation processes, the RTC intended to give **more voice to the stakeholders** in a wider and more flexible way. The RTC enabled the public to pinpoint problems beyond the regulations. For example, for some themes, the issues that were problematic were not only the ones posed by the rules themselves, rather the way they were enforced. As a consequence, a new challenge was launched on Transforming Regulatory Enforcement, which ran in the summer of 2011. This motivated the BIS Department to take this process to a different level and start an independent initiative similar in functionality to RTC, called Focus on Enforcement.² This process of generating new ideas was thought less likely to happen within a formal consultation process. The latter generally narrows the focus of the questions to a specific topic identified by the government, but as a matter of fact might miss the point of the problems faced on the ground.

However, it is important to note that **the design of the crowdsourcing platform needs to be very well thought through** in advance, in order to receive relevant contributions. For a large share of RTC themes, the feedback received from the “crowd” seems to be in the form of mostly uninformed comments that lack a detailed engagement with the matter debated in the regulation. Therefore, the quality of the online engagement has been rather low. This was reflected in the very low share of comments that were considered useful by the RTC team (15%). This is a signal that such large-scope crowdsourcing consultations bear the risk of obtaining poor results, unless **considerable preparation, moderation, filtering and analysis efforts are made** by the implementation team. It was acknowledged that where regulations are too complex, the general comments that do not give more detail about specific

² See the Focus on Enforcement website, <http://discuss.bis.gov.uk/focusonenforcement/>

problems could not give much insight and were not taken into consideration. The website also did not offer opportunities for interactivity with the stakeholders, which would have been helpful for further refining the feedback. As a consequence, if it were to re-design the RTC, improvements could be done to refining the questions asked to the stakeholders and making them more interactive, enabling debates on the issues.

One further innovation was the **design of the internal process**, which was also **based on challenges posed to Departments**. The Departments were given the role to lead the regulatory change process from start to finish according to the themes specific to their policy area (see Appendix A for the scheme of the process). They were granted ownership and responsibility for the outcomes of each thematic challenge. The Departments are in charge of analysing the comments received. In five to six weeks after the consultation phase, they need to bring proposals to scrap, modify or improve regulation. The proposals are challenged internally in a “Tiger Team”. While not in its entirety, the internal challenge process has elements of *gamification*, which is a new approach predominantly used by businesses to provide incentives to enhance participation and productivity in reaching the organisations’ goals. By putting a theme in the spotlight and “challenging” the Departments to actively engage, the RTC regulatory change process can be regarded as a new approach to incentivising the work of the public servants.

Depending on the theme, the Departments are also organising a further external challenge with “Sector Champions” from the industry or stakeholder groups, who are invited to give their views on the comments received and provide expertise. The Sector Champions are independent advisers, representing the interests of the businesses or the industry. For instance, the Sector Champion for a recent challenge on “disruptive/challenger business models”³ took one day per week over a period of ten months to discuss with stakeholders from the industry, setting up meetings with them, trying to reach conclusions on the problems faced at the industry level. The results of the discussions were presented in the form of a report with recommendations.

For various other themes, feedback from the industry was also received from members of the Professional Business Services Group, who collected feedback internally and compiled more comprehensive proposals. The PBSG chairman is Sector Champion for the Business Services challenge.⁴ The business sector welcomed this option for direct engagement and openness to feedback, as businesses were convinced that their contributions were taken seriously. Suggestions were given to make the RTC a continuous process. The Government was asked to provide follow-up to the RTC initiative after 2013⁵, as improving the regulation is a process prone to constant iterations.

The ambition of the Ministers to move the process at a faster pace also pushed the Red Tape Challenge team to mobilize Departments to respond quicker to the challenges. The ministerial commitment was seen through their active engagement in Ministerial Star Chambers, where they meet with the officials who lead the specific RTC challenge and the Sector Champions and debate the proposals taking a “zero-base” approach⁶. That is, the Ministers request justifications from the officials on why the regulation exists in the first place, what it is trying to achieve and on whether there are no other better approaches for that specific policy issue. The Star Chambers provided considerable help in galvanizing the proposals for regulatory change, which are then

³ See <http://www.redtapechallenge.cabinetoffice.gov.uk/themehome/disruptive-business-model/>

⁴ See <http://www.redtapechallenge.cabinetoffice.gov.uk/themehome/business-services/>

⁵ See PBSG, 2012: *Seizing the opportunities for Growth*, July 2012,

www.ks.co.uk/seizing_opportunities.pdf (retrieved 8. November 2012).

⁶ The Star Chambers are not new to the UK decision-making process, they have been mostly used in the budgeting process, with Ministers having the role of defending the budget of their Department. In the case of the Red Tape Challenge, the roles of the Ministers were reversed, with Ministers questioning the justifications of the respective regulations.

passed through a political decision-making process before proceeding with implementation (See Appendix B for the status of the decision-making process on the thematic spotlights open by October 2012). While the spotlight phase lasts for five to six weeks, the following steps of analysing the comments, engaging with Sector Champions and the Star Chamber can take around three months in total. The post-Star Chamber process, where regulatory change proposals are taken to the political level has an uncertain time-span.

4. Obstacles and solutions

An obstacle to the implementation of the RTC consisted in **the resistance from several Departments** to get actively engaged in the process. One reason for this resistance was thought to lie in their competing priorities. Many Departments had already begun deregulation processes in their specific themes. Here, the online comments helped to feed into the already existing efforts. Overcoming this inertia was essential, but the Ministerial Star Chambers provided a stronger impetus for change. Thus, having the political leadership engaged throughout the process was considered critical for the Departments to prioritise the RTC goals.

The basic incentive structure that drives the Departments' engagement in the RTC is based on the principle of competition, as the Departments are "challenged" constantly to find solutions for the specific theme. A note from one interviewee mentioned the possible need for more incentives for the civil servants to engage in cutting the red tape. The suggestion was that the roles in the Star Chamber process could have been framed differently, i.e. the Ministers should have been the ones defending the regulations, while the civil servants should have defended the red tape cuts. The interviewee thought that this might have ensured even more commitment from the civil servants to the RTC objectives. In the current set-up, **the need for political leadership to push the process** forward was emphasised by several interviewees. This can be a result of the predominantly top-down design of the process. While this aspect depends to a large extent on the institutional set-up of the UK government, crowdsourcing initiatives are inherently *a mix of open creative processes and top-down, managed processes* (Brabham, 2011).

One interviewee also noted the need for a cultural change in terms of the use of regulation by the civil service and arguably many other stakeholders. Generally, the civil service resorted to regulation as a way to solve problems and there are still conflicting views on this matter. While nowadays, removing regulation or deciding not to regulate but to use different tools is more of a focus in the UK, especially given the new "one in, one out" principle of regulating.⁷ This could be regarded as a snapshot of the transition process to a new mode of governance launched with the RTC and other deregulation initiatives of the government, a mode that puts more trust in the citizen, the public, non-profit and private sectors. It allows them more freedom, but also gives more responsibility and demands more engagement from all sectors.

Another worry was the fact that the public may also experience a "challenge fatigue". Stakeholders are happy to engage in the regulatory change process if they see commitment from the Government and can trace the results of their contributions in the resolutions of the thematic challenges. However, if their suggestions are not always taken into account, it is feared that they might not have energy for further iterations of the process.

⁷ According to the "one in, one out" principle, no new regulation can be added unless previous regulation is eliminated in 2011-2012 (a change of the regulation is expected in 2013). See Gov.uk, <https://www.gov.uk/government/publications/one-in-one-out-rule-for-regulations-methodology>

Some critical voices considered it unclear how the feedback and comments of the stakeholders could be linked to exact changes in regulation, since most proposals were limited in content. An analysis of the feedback given through crowdsourcing identified rather pro-regulatory patterns of comments for the spotlight themes in the first year of RTC, which portrays the conflicting landscape of stakeholder views a deregulatory initiative can face (see Lodge, Wegrich, 2012, p.18). As a caveat, it was not possible to identify the clear source of most of the comments, but arguably, the commenters were predominantly engaged citizens, while businesses and organized interest groups resorted to sending their views more through emails to the RTC team (ibid).

Further evidence needs to be gathered in time regarding the extent to which the voice of the stakeholders was taken into account in the final decisions on scrapping the specific pieces of regulation or not. However, there are instances where the RTC team could pinpoint direct commitments of the Government, made in response to the stakeholders' online suggestions (see Appendix D for some examples). It is important to note that the Business Panels' or stakeholder groups' role was an essential part of the RTC process in order to balance the online comments. They were confronted with the suggestions filtered from the comments received and helped to test them. The use of Business Panels is very common in the UK for stakeholder consultations and a very useful tool for getting feedback from businesses for instance. There is therefore a **trade-off of using crowdsourcing** as means of informal consultation versus the traditional more targeted approach to formal consultation. The RTC's results cannot be entirely credited to the crowdsourcing process, as it was intensively complemented by the results of the internal process taking place within the Government Departments.

As some interviewees pointed out, a difficulty in satisfying the feedback received from some stakeholders was also due to the origin of the regulations, which stem from the EU level in some cases. The Departments took this into consideration and filtered issues that could be regarded as burdensome enforcement or ill-designed implementation of EU legislation that is in their realm to change. In other cases, the Departments made the effort to pass the information on the perceived regulatory burden to the EU level. Arguably, this problem could have been avoided through better design and narrower scope of the consultation process in the initial set-up of RTC.

One idea from the private sector was to consider the opportunity to scale up the Red Tape Challenge and give it a European stake. This process is ongoing at the EU level through the smart regulation initiatives.⁸ Recently, the Commission opened the consultation on the TOP 10 most burdensome legislative acts for SMEs, and receives ideas until 21 December 2012.⁹ In support of this initiative, the RTC website also invited the SMEs to contribute to the consultation and broadly highlighted specific EU regulations and their application in the UK.¹⁰

Further questions on the RTC were expressed regarding the policy instruments used by the initiative, arguing that deregulation might not necessarily be the most effective tool for spurring growth in the UK in the private sector, but rather policies improving the market conditions for enterprises, supporting the demand for goods or financing of SMEs would be more needed. Other conflict points were for instance the panic of environmental or gender equality organisations that considered the possibility of

⁸ See European Commission, Smart Regulation, http://ec.europa.eu/enterprise/policies/smart-regulation/index_en.htm

⁹ See European Commission, Public Consultations, *Which are the TOP 10 most burdensome legislative acts for SMEs?* http://ec.europa.eu/enterprise/newsroom/cf/itemdetail.cfm?item_id=6203&lang=en&tpa_id=128&title=Which-are-the-TOP-10-most-burdensome-legislative-acts-for-SMEs%3F

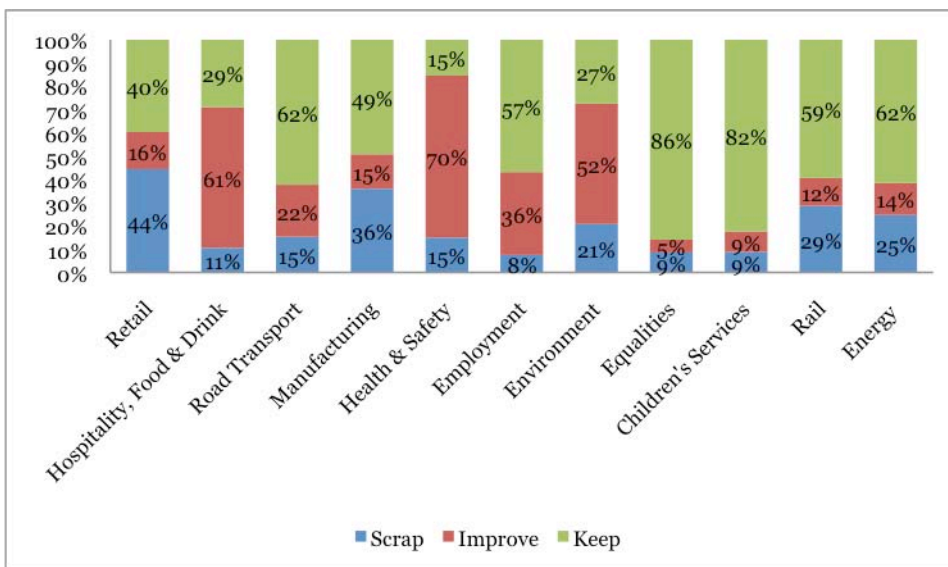
¹⁰ See Red Tape Challenge, Cut EU Red Tape, 2012: <http://www.redtapechallenge.cabinetoffice.gov.uk/cut-eu-red-tape/>

scrapping high amounts of Environmental or Equalities regulations as threatening the results of years of work advocating for better protection of environmental or gender rights. These policy debates are not within the scope of this study, but they pinpoint to the difficulties of introducing such an innovation and the need for a thorough evaluation of the RTC’s overall impact in the future.

5. Achievements and lessons learnt

The Red Tape Challenge’s main achievements to date are presented in Appendix C. for instance, by October 2012, RTC resulted in a package of employment tribunal reforms, whose impact would amount to over £40 million (over €45 million) in cost savings per year for employers, according to figures provided by the RTC team. There are plans to scrap or improve 85% of health and safety regulations, which among others, would free from health & safety law up to 1 million self-employed people whose work poses no harm to others. A further example of cost savings brought by the RTC regulatory reviews relate to planned environmental reforms that would save businesses at least £1 billion (€1.2 billion) over 5 years, including reducing burdensome bureaucracy but keeping necessary protections. See Figure 1 for an overview of the extent of regulatory changes brought by the RTC campaigns by May 2012.

Figure 1 Red Tape Challenge Decisions - % breakdown of regulations per theme¹¹



Source: The Red Tape Challenge Team, Department for Business, Innovation and Skills

The leadership from the part of the Cabinet Members was considered key to successfully delivering the initiative. They were directly involved in the challenges and put pressure on the Departments to achieve the targets for the themes they were handling. It was also critical that every Department had the ownership of the theme specific to their activities, so that they lead the process of reviewing the regulation and followed it up through to the implementation of the regulatory changes.

An important factor for the successful implementation of the initiative was the flexibility of the core RTC team, with members able to act on a number of themes and being the main contact points for the Departments who were leading the theme. The internal communication with the Departments was therefore a core task of the team

¹¹ Preliminary results for the period April 2011 - May 2012; Percentages have been rounded up to one decimal place so in some instances will not total 100%.

members. In addition, the stakeholders considered that having a single point of contact for the RTC, irrespective of the theme challenged was very helpful for sending comments on proposed changes.

The RTC produced a change to a more dynamic rhythm from the Departments' slower approach to the pace of the policy process. This required a culture change in the way the Government works. The transition was rather more abrupt than incremental in the short time available. From the perspective of the internal organization innovation, the high level of political involvement and clear commitment from the government to get to the bottom of what hampers growth were essential to the success of the initiative. Challenging the Departments themselves created a framework for small competitions, which contributed to enhancing the engagement of the officials as well.

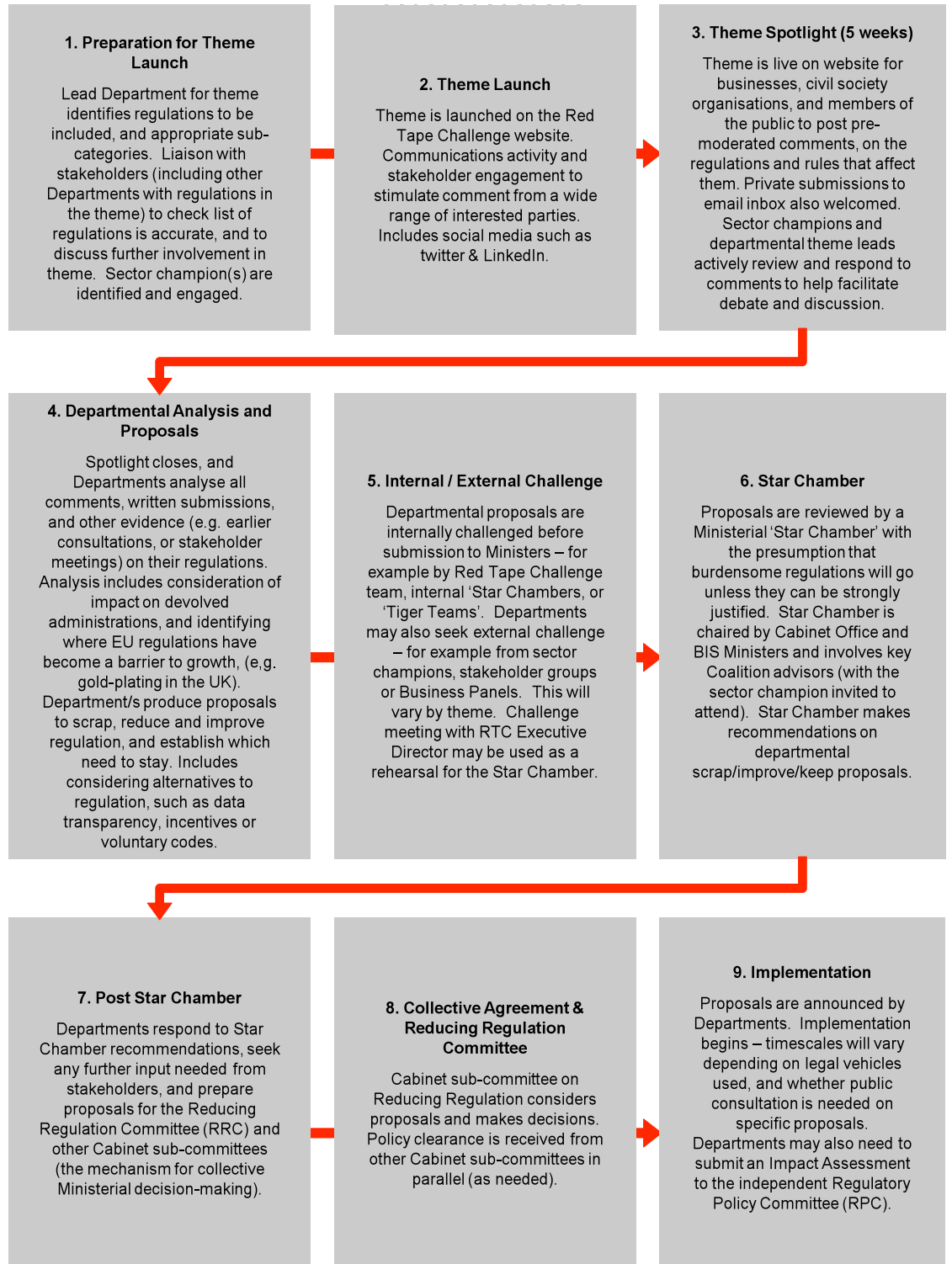
At the same time, the constant updates and activity on the RTC website were used as a means for communicating with the stakeholders more efficiently, for promoting the aims and the success of the initiative better, and becoming more visible. It brought more transparency to the regulatory change process. This is also considered a factor that accelerated the decision-making process, as it was used as a tool to legitimate some regulatory changes. The use of social media within the RTC also helped to receive increased amounts of comments. As a lesson, it is important to drive users to share their problems, but also keep them informed and show the impacts of their contributions. However, pre-moderating the web comments is very important, even if users can be frustrated.

In short, there are several messages that were commonly expressed in the discussions with the stakeholders, regarding ways to ensure the success of such initiatives:

- **Political leadership** in driving the deregulation process was key to ensure the engagement of the implementing Departments, as well as to enhance participation from the citizens and private sector.
- The existence of a “**single point of contact**” coordinating the initiative and the interaction with the external as well as internal stakeholders represented by the Red Tape Challenge team was key to keeping the implementation in track, to mobilize the Departments and also provide the interface with the public.
- **Organization innovation** took place through instilling a more dynamic reaction chain in the work of the Departments. This was possible by framing the RTC initiative into internal challenges for the Departments, and making sure that they are accountable for the success or failure of the theme in spotlight was essential for timely implementation.
- The **direct contact with the relevant stakeholders** through the Sector Champions was seen as important for receiving well-informed feedback and the needed expertise for testing and filtering the proposals for regulatory changes.
- As a lesson for future such initiatives, the **crowdsourcing platform** needs to be well designed in order to be made more user-friendly to receive more targeted and informed comments, and **allow interactivity** and debates with / between the participating stakeholders.

All in all, the Red Tape Challenge has been pioneering the UK Government's use of crowdsourcing for public consultation purposes at a wide-ranging scale. The RTC experience shows that there can be several critical design elements that need to be taken into account in using the crowdsourcing platform, in order to really capture the *wisdom of the crowds*. The internal organization model used for challenging the Government Departments to engage in the RTC is another innovation that could pave the way for transforming some Government activities into more dynamic processes, that are better placed to respond to current societal challenges.

Appendix A The Red Tape Challenge Decision Map



Source: The Red Tape Challenge Team, Department for Business, Innovation and Skills

Appendix C Main achievements of the Red Tape Challenge

Results of RTC so far include:

1. A radical package of employment tribunal reforms, expected to deliver £40 million of savings per year to employers. The qualifying period for unfair dismissal has already increased from one to two years (BIS).
2. A portable Criminal Records Bureau check, which employers can view instantly online, will be available from Spring 2013 (HO).
3. The deregulation of many live music performances (DCMS) and the scrapping of regulations dictating location and design of No Smoking signs (DH).
4. Planned reforms to environmental regulation to save business at least £1 billion over 5 years, while keeping important protections. This includes reducing burdensome bureaucracy with the 23.5m paper Waste Transfer Notes currently produced in the UK each year (Defra).
5. A significant reduction in the paper required to run a car, including scrapping the paper counterpart to driving licences in 2015, saving UK drivers up to £8 million (DfT).
6. Legislation tabled to get rid of unnecessary burdens in the Equality Act, in recognition that bureaucracy and prescription are not routes to equality - e.g. ensuring employers are no longer liable for the harassment of staff by a third party such as a customer (GEO).
7. A comprehensive programme of consumer law reform to scrap or improve some 12 pieces of overlapping and costly consumer legislation (BIS).
8. A consultation on proposals to simplify the EU Emissions Trading System, to reduce the administrative burden of compliance, e.g. by replacing 13 sets of regulation with one. Revised regulations will take effect from January 2013 (DECC).
9. A fundamental review to significantly rationalise the forest of Codes, Standards, rules, regulations and guidance that add unnecessary cost and complexity to the house-building process, with an external challenge panel to guarantee the level of ambition, leading to a clear plan of action by Spring 2013 (DCLG).
10. Plans to scrap or reduce 85% of health & safety regulations (DWP / HSE), including:
 - i) legislation to ensure that businesses will only be held liable for civil damages in health and safety cases if they can be shown to have acted negligently, ending the current situation where businesses can automatically be liable for damages even if they were not actually negligent;
 - ii) binding new rules on both the HSE and on Local Authorities to, from April 2013, exempt hundreds of thousands of low risk businesses from health & safety inspections;
 - iii) freeing from health & safety law up to 1 million self-employed people whose work poses no harm to others

Source: The Red Tape Challenge Team, Department for Business, Innovation and Skills

Appendix D Examples of comments from businesses and individuals driving regulatory changes

Retail spotlight

Martin Allen (27 April 2011): *"I have worked in the field of consumer protection and information for 18 years and in that time the level of consumer knowledge of rights has remained poor, despite huge effort and awareness campaigns... What is needed is a simplification of the rights and obligations of both businesses and consumers and clear understanding of remedies when things go wrong – more often than not situations escalate because consumers have unrealistic expectations or demands – fuelled by incorrect or unclear information about what they are legally entitled to..."*

Commitment made: a comprehensive programme of consumer law reform, including a Consumer Bill of Rights, to scrap or improve some 12 pieces of overlapping and costly consumer legislation.

Mark Ramsden (5 May 2011): *"This Act requires retailers to notify the TV Licensing Authority whenever a TV, DVD, video recorder, digital box or PC with TV card is sold within 28 days of every sale and provide full details of the customer. The Act was introduced in 1967. Modern communication methods means that such steps are now redundant and the law should be repealed."*

Commitment made: remove the requirement on retailers to notify TV Licensing about TV sales.

Employment-related Law

C Angel (Nov 30 2011): *"A fee paid to lodge an ET1 with the Employment tribunal to discourage frivolous claims yet protects those who are unfairly dismissed. Increase the limit for dismissal if dismissal is unfair – this is fair for both the employer (now it is harder for employees to file frivolous claims) and fair to employees (harder for employers to target individuals by hiding behind dismissal laws e.g. especially by redundancy)."*

Stephen Perrett (Nov 14 2011): *"Extend the qualifying period to 2 years – compulsory mediation like you are introducing in other areas such as divorce."*

Commitment made: introduce major reforms to employment tribunals e.g. making consideration of early conciliation mandatory, introducing fees to deter vexatious claims, a root and branch review of tribunal rules etc and increasing the qualifying period for unfair dismissal from 1 to 2 years from April 2012.

On environmental permitting:

Tony H (6 September 2011): *"In terms of pollution control that the legislation and permits create, the main issue for the larger A1 installations (particularly waste) is that land use planning consent is required before the permit can be granted. This can and does involve lengthy delays in permitting. Requiring planning applicants to hold a permit before applying for planning permission would streamline the process of acquiring consent to operate as it would remove the environmental reasons for refusal in the planning process, which would be dealt with up front by the permit..."*

Laurie W (2 September 2011): *"The time it takes to get a permit issued is far too long. In 2009 I applied for a permit to operate a small recycling plant for waste TV equipment. The permit application took 9 months to be approved and I was told that this was "quick" for a waste permit. It should be mandatory that permit applications take no longer than 3 months to be processed..."*

Commitment made: work to enable all businesses to decide the sequencing of their planning and permitting applications and a 13 week Environment Agency processing time for all except the most complex permits.

Source: The Red Tape Challenge Team, Department for Business, Innovation and Skills

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Materials provided by the Red Tape Challenge Team.

The case study was based on valuable information obtained through semi-structured interviews with several stakeholders engaged in or analysing the Red Tape Challenge process:

Sophie George – Assistant Director, Red Tape Challenge, Better Regulation Executive, Department for Business, Innovation & Skills

Allan Mayo – Head of Services Policy Unit, Department for Business, Innovation & Skills

Prof. Kai Wegrich – Professor of Public Administration & Public Policy, Hertie School of Governance

Mark Littlewood – Director General, Institute for Economic Affairs, Sector Champion for the “Disruptive / Challenger Business Models” RTC spotlight

Kate Ingram – Senior Manager, PricewaterhouseCoopers UK, PBSG Group

Ray Taylor – Director, Public Policy and Regulatory Affairs, PricewaterhouseCoopers UK, PBSG Group

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Appendix B Status of the Red Tape Challenge Spotlight Themes

Theme	Lead Department	No. of regs in theme	Spotlight start	Spotlight finish	When outcome announced
Retail	BIS	257	7 April 2011	10 May 2011	28 July 2011
Hospitality, Food & Drink	DCMS	114	6 May 2011	3 June 2011	29 September 2011
Road Transportation	DfT	376	20 May 2011	17 June 2011	15 December 2011
Equalities	GEO	1 ¹²	9 June 2011	30 June 2011	15 May 2012
Health & Safety	HSE	207	30 June 2011	21 July 2011	28 November 2011 – Government response to the Lofstedt Review Further announcements made in February 2012 and in 2012 Budget
Manufacturing	BIS	128	21 July 2011	1 September 2011	29 November 2011
Enforcement	BIS	‘open’ theme ¹³	11 August 2011	1 September 2011	7 December 2012 - Government response to <i>Transforming Regulatory Enforcement</i> consultation, including an announcement that all regulators will be reviewed. <i>Focus on Enforcement</i> website launched March 2012
Environment	Defra	255	1 September 2011	2 October 2011	19 March 2012
Employment Related Law	BIS	160	3 October 2011	26 October 2011	23 November 2011
Children’s Services and Independent Schools	DfE	122	26 October 2011	10 November 2011	Undergoing Star Chamber process
Disruptive Business Models	BIS	‘open’ theme	10 November 2011		Undergoing Star Chamber process
Maritime and Rail	DfT	396	10 November 2011	19 December 2011	Undergoing Star Chamber process
Energy	DECC	284	25 November 2011	6 January 2012	Undergoing Star Chamber process
Housing & Construction	DCLG	208	12 January 2012	17 February 2012	Undergoing Star Chamber process

¹² The Equalities spotlight covered the measures in the Equality Act 2010, which is primary legislation counted as one, rather than individual regulations. However, the scope and impact of this theme is comparable to other Red Tape Challenge themes.

¹³ “Open” themes do not start with a total number of regulations to be reviewed – these are about identifying general regulatory burdens affecting particular sectors, and then addressing them.

Theme	Lead Dept	No. of regs in theme	Spotlight start	Spotlight finish	When outcome announced
Company & Commercial Law	BIS	120	26 January 2012	16 February 2012	Awaiting Star Chamber
Water & Marine	Defra	415	16 February 2012	12 April 2012	Awaiting Star Chamber
Medicines	DH	255	8 March 2012	12 April 2012	Awaiting Star Chamber
Sports and Recreation	DCMS	283	29 March 2012	31 May 2012	Awaiting Star Chamber
Pensions	DWP	163	19 April 2012	10 May 2012	Awaiting Star Chamber
Civil Society	CO	'open' theme	17 May 2012	Tbc	Awaiting Star Chamber
Legal Services	MoJ	Tbc	31 May 2012	Tbc	Awaiting Star Chamber
Aviation	DfT	Tbc	21 June 2012	Tbc	Awaiting Star Chamber
Insurance & Financial Services	HMT	Tbc	12 July 2012	Tbc	Awaiting Star Chamber
Business Services	BIS	Tbc	2 August 2012	Tbc	Awaiting Star Chamber
Planning Administration	DCLG	Tbc	23 August 2012	Tbc	Awaiting Star Chamber
Healthy Living & Social Care	DH	Tbc	4 October 2012	Tbc	Awaiting Star Chamber

Summary

Total regulations with scrap/improve/keep decisions made	1498
Total regulations still undergoing challenge process, with scrap/improve/keep decisions still to be made	2246

Source: The Red Tape Challenge Team, Department for Business, Innovation and Skills