The Regulatory Review Group (RRG) welcome the Standards, Procedures and Public Appointments Committee’s inquiry into the procedures for considering legislation.

RRG is an independent body which works to promote and develop a culture and environment where both business and Government work together to promote better regulation and sustainable economic growth in Scotland. Members come from the main business, consumer and employee organisations in Scotland. The remit of the group includes trying to resolve specific problems with regulations that cause business concern, and advise the Scottish Government in all aspects of the Better Regulation agenda. Our approach to better regulation focuses on adopting the five principles of regulation - that it should be transparent, consistent, proportionate, targeted and accountable. Where regulation does not meet the principles of better regulation it can place unnecessary burdens on business.

Part of the work of RRG involves reviewing legislation, to consider if the principles of better regulation are met, and whether it is working as intended and the outcomes of the legislation have been achieved. This has included reviewing the Licensing (Scotland) Act 2005, Knife Dealer’s Licensing legislation and more recently looking at legislation coming to the Scottish Parliament. RRG members have also provided oral and written evidence to the Committees involved in the Regulatory Reform (Scotland) Act.

To inform the Committee’s considerations we offer the following comments and reflections based on RRG’s experience and knowledge.

Overall, RRG is aware of the current three stage process and appreciates the need to keep to tight timescales between these stages. RRG, however, feels strongly that there is a need for the introduction of a stage 4 to allow a Bill to be sense checked before it is passed in Parliament. This would allow all the amendments that are introduced during stages 2 and 3 to have a final proof to ensure that the legislation is still fit for purpose and delivering on its original aim. Stage 3 specifically highlights the need for this stage as during debate, amendments and counter-amendments are made and passed with no opportunity to reflect on them before the Bill is introduced into Parliament. Once fit for purpose legislation can lose its original aim and bring unintended costly consequences for business and public bodies, necessitating later amendments, guidance and SSIs by Government and Parliamentary officials.

RRG members note that the informal, round table evidence sessions held by some committees can be extremely useful and recommends fully engaging with business and practitioners at an early stage to ensure the potential impact of proposed legislation is understood. This helps avoid unintended consequences and create the legislation right first time. Committees may also find it helpful to check the level of
Scottish Government involvement with practitioners. RRG believes that engaging in open and constructive dialogue from the initial process and through the development of the legislation leads to a better understanding of issues. In Scotland, on the advice of RRG, Business and Regulatory Impact Assessments (BRIAs) should be completed for all Scottish legislation with the potential to impact on business. BRIAs are useful documents as the information they contain could inform committee scrutiny and consideration to aid understanding of the impact of proposed legislation. At a later stage it could also help inform the post legislative review process to determine whether the legislation has achieved the effect intended. Evaluations on the impact of BRIAs have been completed to ensure that they remain fit for purpose and further information can be accessed here.

The post-legislative scrutiny report issued by the Standards, Procedures and Public Appointments Committee stated that the committee has no proposals to make post-legislative scrutiny a specified function of committees, however the Committee did state that it has made recommendations on what constitutes good practice in relation to post-legislative scrutiny. We would suggest that a consistent approach is applied by all committees when carrying out post-legislative scrutiny.

RRG reiterates its view that it is important that legislation is reviewed where appropriate. Sufficient time needs to be given to enable the legislation to bed down and be implemented before considering a review of whether it is achieving its objectives, issues arising and whether it could be implemented better. Any such review should also be proportionate.

As many regulations are now outdated, and to avoid an on-going plethora of outdated regulations burdening businesses, the introduction of post-legislative scrutiny would provide a systematic vehicle for looking at whether regulation is still required, or whether the policy or regulatory challenge has changed in any way. Businesses and indeed regulators will, therefore, benefit from having regulation that is kept up-to-date or removed when no longer required.

Over the years that RRG has looked at, and reviewed legislation, we have learned that the guidance that accompanies legislation is as important as the legislation itself. Guidance can make legislation work effectively and if not done well can make it unworkable. In some cases, changing the guidance can negate the need for new legislation being introduced, equally when guidance is not kept up to date it can prevent the delivery of the intended legislative outcomes. Therefore, a post-implementation review should look to see whether effective guidance is in place from the start to help those affected by the regulations.

RRG would be happy to provide any further information that would be helpful. More information on RRG can be found at Better Regulation – Regulatory Review Group.

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