

I'll begin by covering a bit about better regulation and some of the principles involved. As we sort of all know regulation exists to provide protection for individuals and for businesses, to support the economy and to contribute to a just and a fair society.

Basically we all need regulation to provide us with essential protections. However, regulation comes at a cost, it can be time consuming and expensive.

And we've estimated that British business, to say nothing of frontline workers and other groups, British business spend £13.2 billion each year just complying with the administration of regulation.

So that's inspections, form filling, information returns and all that kind of stuff, £13.2 billion is quite a lot. And particularly at a time like this we need to be doing all we can to keep those costs to a minimum.

The Better Regulation Executive started life in the Cabinet Office. And then we moved to the Department for Business Enterprise and Regulatory Reform. Then a few weeks ago we found ourselves in the new Department for Business Innovation and Skills.

So I think we move departments about as often as the HTA moves accommodation. So the shifting landscape of central government changes but our mission basically remains the same.

And that is to work with other departments and other parts of government and the regulators to try and make sure that regulation is proportionate, targeted, risk based, basically to make sure that regulation gets the job done while minimising the cost and the burden for you, for regulated entities and for businesses.

We do this by working with other government departments. We're a cross Whitehall unit that works with other departments. And we challenge department's regulations when we think that they're not quite as streamlined as they could be or they're not going to possibly achieve the right regulatory outcome.

And we often simplify or even scrap existing legislation when we think that there's no longer a need for it or that it's not doing a job well enough.

We also work with regulators on sort of culture change and a Hampton agenda, which is something I'll come onto in a minute. So that's the background to what we do.

This thing, the Hampton Implementation Review, it's quite a strange name we couldn't really think of a better name for it, for this programme.

And I should probably explain what Hampton is, or rather who Hampton is. Philip Hampton is now the chair of The Royal Bank of Scotland. But when he

was at Sainsbury's in 2005 he was asked by the then Chancellor, Gordon Brown, to conduct a review on effective regulatory enforcement and on maximising regulatory outcomes while minimising regulatory costs.

Hampton sort of found out a lot of things, it's quite a dense and long review. You could read it if you want, I've read it a few times. It's quite dry as all of these kind of documents are.

But to summarise I think Hampton is really about risk. And what Hampton found is that the regulatory system as it was constituted in 2005, certainly when the report was written, it imposed too many forms, too many duplicate information requests, multiple inspections, not enough advice and guidance.

And he recommended that introducing risk assessment and underpinning the whole system with risk would allow us to reduce inspections by up to a third saving quite a chunk of money. If you imagine that £13.2 billion figure is quite a big figure – cutting the number of forms that are sent out to businesses and have to be sent back by possibly 25%. And a massive shift from tick box inspection practices to a move towards advice and guidance to try and help people comply. I think the coach not cop model that Adrian described.

And where regulators do find non-compliance to move towards tougher and more consistent penalties to actually deter that non-compliance rather than being, you know, in the right way. We found a lot of penalties sort of didn't quite work.

So this is already about moving from a system. There was this stereotype view, maybe I think pre 2005 that regulators treat all businesses and entities they regulate with suspicion and are waiting in the wings to catch them out wherever they can.

And I think what Hampton was about was trying to move from that into a model where regulators regarded it as their job to facilitate economic progress and to try and bring organisations into compliance and help them into compliance.

Now I've talked a lot about businesses and the costs to businesses. Clearly some of you in this room I think will probably be from businesses. A lot of you are from public sector organisations.

But the Hampton principles, of which these are the first four, could be applied to any regulated entity or regulator, these are the next ones.

And it's the HTA's aim I've been told, oh I think we're going through too fast now. Help. Sorry, it always goes smoothly when I'm at the lectern.

So it doesn't really matter, it's not so much about businesses per se. These principles can really be applied to regulation of any entity. And it's The Human Tissue Authority's stated goal to apply the Hampton principles to all the entities that they regulate.

So that was the Hampton Report. The government accepted all his recommendations and Gordon Brown and Tony Blair stood up and made a hoo ha and said "Great, we're going to do this."

And they want all regulators to behave in line with these principles. And as Adrian said it's one of the jobs of The Better Regulation Executive, and part of my job to make sure that regulators do comply with them.

So I have the honour of going to inspect the HTA with other fellow peer reviewers from other regulators to sort of see how they were doing.

So the objectives of the Hampton Implementation Review, sort of a review to see how well Hampton has been implemented if you will, were to check the performance of the HTA against those Hampton principles. And also checking [Macraurie 0:26:03] characteristics.

[Macraurie] is sort of even drier than Hampton and it's about penalties specifically. I'm not going to go into it in too much detail but it's there to ensure that penalties are consistent and proportionate. But it's something else that they brought to within the scope of these reviews.

The purpose of these reviews is to improve standards and to try and help regulators learn from each other. And to try and make sure that costs are kept to a minimum.

So the key thing, the review is not about producing a nice shiny report it's about trying to improve standards and drive up performance.

And also I think of interest to you, it's also about helping with openness and transparency and highlighting any areas for development that we found with the particular regulator.

How we did the review? As I said earlier there was somebody from The Pensions Regulator, someone from The Gambling Commission and myself, it's a funny motley crew, to go in and look at the HTA, that's that peer review function we're talking about.

We began as I believe an HTA inspection begins and the HTA did a self assessment of themselves. And a team in my office sat down and did a literature review of the HTA and their work.

And we brought all that together and used that evidence across three days where we actually sat in the HTA offices, well one day actually we were in Manchester I think at one of the HTA's consultation events.

We interviewed members of HTA staff about our findings and about the evidence we'd gathered from a variety of different grades, you know, from Adrian across the entire piece.

And we also interviewed and spoke to many, many stakeholders and people who are actually regulated to try and triangulate and make sure that we could really try and work out where the regulator was.

There will be a published report, published possibly today or tomorrow or next week, it's kind of difficult to say. It's quite an interesting time in government at the moment quite a lot of stuff is happening.

But suffice to say that we actually found that the HTA was in a very good place. We found that broadly they were in line, you know, not just compliant but doing very, very well across the range of Hampton principles.

And on that note and to explain more I'll hand over to my partner in crime Sandy. Thank you.