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PRIME MINISTER

1. I have been asked to attend your meeting on De-Regulation on Monday 1st July 1985 which stems from the scrutiny of "Burdens on Business". I have not seen any papers for the meeting but David Young has shown me the part of his draft White Paper concerned with a possible central unit. As I shall be away for the rest of this week visiting ICI factories in the North East, I am letting you have my views now.
 - (a) Systematic removal of non-essential requirements imposed by new and existing regulations is central to reducing burdens on business.
 - (b) Progress will only be achieved if Ministers and senior officials are genuinely seized of the need to tackle this. The lead you give on it, and any direct incentive which Ministers and Permanent Secretaries can be given to take it seriously, will be crucial. Without Departmental commitment the efforts of any central unit will be largely fruitless and may well lead merely to a new bureaucratic game. (I do not believe that simple imitation of the United States model would be effective). David Young's proposal that each Department should have a team doing systematic "Impact Analysis" on new and existing regulations seems to me to be a good practical way of proceeding.
 - (c) There is a role for a small central team. In my view this should be part of the Enterprise Unit and not a separate entity. It should consist of no more than three or four people. Its role should include encouraging Departments and disseminating good practice and examples of what can be done. It should assemble Departmental targets (not annually but quarterly to give a sense of urgency) and monitor progress. It should do nothing that removes the basic responsibility from individual Departments.
2. I have suggested to David Young that there may be practical and presentational advantage in his becoming a sort of informal De-Regulation "Ombudsman". Any businessman who believed that he was bearing an unnecessary burden for which he had been unable to get a satisfactory explanation from the Department concerned, could ask David to enquire into it. This might help to ensure that attention is given to burdens which in practice bother small businessmen rather than those which civil servants think significant.
3. I am copying this to Sir Robert Armstrong.



Robin Ibbs

27 June 1985