

Principles of Good Regulation

The five principles of good regulation, and its enforcement, should be proportionate, accountable, consistent, transparent and targeted.

- **Proportionate:** Regulators should only intervene when necessary. Remedies should be appropriate to the risk posed, and costs identified and minimised.
- **Accountable:** Regulators must be able to justify decisions, and be subject to public scrutiny.
- **Consistent:** Government rules and standards must be joined up and implemented fairly.
- **Transparent:** Regulators should be open, and keep regulations simple and user friendly.
- **Targeted:** Regulation should be focused on the problem, and minimise side effects.

Source: 'Principles of Good Regulation', published by the Better Regulation Task Force, 2003

Principles of Inspection and Enforcement

Box E2: Principles of Inspection and enforcement

- Regulators, and the regulatory system as a whole, should use comprehensive risk assessment to concentrate resources on the areas that need them most;
- Regulators should be accountable for the efficiency and effectiveness of their activities, while remaining independent in the decisions they take;
- All regulations should be written so that they are easily understood, easily implemented, and easily enforced, and all interested parties should be consulted when they are being drafted;
- No inspection should take place without a reason;
- Businesses should not have to give unnecessary information, nor give the same piece of information twice;
- The few business that persistently break regulations should be identified quickly, and face proportionate and meaningful sanctions;
- Regulators should provide authoritative, accessible advice easily and cheaply;
- When new policies are being developed, explicit consideration should be given to how they can be enforced using existing systems and data to minimise the administrative burden imposed;
- Regulators should be of the right size and scope, and no new regulator should be created where an existing one can do the work; and
- Regulators should recognise that a key element of their activity will be to allow, or even encourage, economic progress and only to intervene when there is a clear case for protection.