

These notes refer to the Legislative and Regulatory Reform Act 2006 (c.51) which received Royal Assent on 8 November 2006

LEGISLATIVE AND REGULATORY REFORM ACT 2006

EXPLANATORY NOTES

SUMMARY AND BACKGROUND

3. [Part 1](#) of the Act provides powers for a Minister of the Crown to make orders. The powers replace the power in the Regulatory Reform Act 2001 ("the 2001 Act") to make Regulatory Reform Orders ("RROs"). Part 1 sets out what the powers are, the conditions and restrictions which apply to them, and the procedure which must be followed in exercising them.
4. The impetus for this Part comes from the Government's review of the first four years of the operation of the 2001 Act, and from the findings of the Better Regulation Task Force contained in its report *Less is More: Reducing Burdens, Improving Outcomes*, published in March 2005.
5. [Part 1](#) contains two order-making powers which are subject to a number of substantive and procedural protections which are outlined below.
6. It is important to note that in addition to these protections, at second reading in the House of Commons the then Parliamentary Secretary in the Cabinet Office, Mr Jim Murphy MP, gave "a clear undertaking (...) that orders will not be used to implement highly controversial reforms" (Hansard, 9 Feb 2006: Column 1058-1059).
7. [Part 2](#) contains provisions which are intended to promote more effective inspection and enforcement by regulators and to ensure that they exercise their functions in a way that is consistent and proportionate without compromising regulatory standards or outcomes. In order to achieve this, the Act establishes statutory principles of good regulation, based on the Better Regulation Commission's Principles of Good Regulation, to which regulators exercising regulatory functions specified by order must have regard¹. These statutory principles will also inform a Code of Practice issued by the Minister, to which regulators must have regard when determining any policy or principles by reference to which they exercise specified regulatory functions.
8. [Part 2](#) has its origins in the recommendations of a review entitled *Reducing administrative burdens: effective inspection and enforcement*, which the Government appointed Mr Philip Hampton to lead.
9. [Part 3](#) makes provision about legislation relating to the European Communities. In the first place it amends the Interpretation Act 1978 ("the 1978 Act") to make provision about references in domestic legislation to Community instruments which have already been amended at the time that the domestic legislation is made; and to make provision about references in domestic legislation relating to the European Economic Area. In the second place, Part 3 makes provision about how Community obligations are

¹ From 1st January 2006, the Better Regulation Commission (BRC) took over the duties of the Better Regulation Task Force. The BRC is an independent body whose terms of reference are to advise the Government on action to reduce unnecessary regulatory and administrative burdens; and to ensure that regulation and its enforcement are proportionate, accountable, consistent, transparent and targeted.

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implemented in domestic law, primarily in order to reduce the number of domestic instruments that need to be made. Amendments are made to the European Communities Act 1972 (“the 1972 Act”) so that: an order, rules or a scheme can be made under section 2(2) of the 1972 Act, as well as regulations; certain subordinate legislation can make ambulatory references to Community instruments; and the power to make a statutory instrument under section 2(2) of the 1972 Act can be combined with the power to make a statutory instrument under another enactment, where the procedural requirements attaching to the exercise of the two powers differ.

10. [Part 4](#) contains supplemental and general provision, and the Schedule to the Act details the legislative provisions which are repealed by the Act.