

# **SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT ACT 2015**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2: REGULATORY REFORM**

##### **Business impact target**

##### *Section 23: Duty on Secretary of State to publish reports*

204. This section sets out the duty on the Secretary of State to publish reports covering the impact of qualifying regulatory provisions.
205. For a five year fixed-term Parliament, there are five reporting periods: the first period (between the general election and the 12 month anniversary of the Queens' speech); three successive 12 month periods; and a final period ending at the next general election (subsection 7). Reports must be published within one month of the end of each reporting period, except for the final report which must be published before the dissolution of Parliament (subsection 10).
206. In the event of an early election held within 12 months of the start of the new Parliament, the reporting obligations are disapplied (see subsections (9) and (10) of section 21). For an early election held after that date, a final report would still be required, but one or more of the three annual reports may be omitted (depending on the timing of the election) (subsections (8) and (9)).
207. The reports, which must be laid before Parliament, must include:
- i. a list of all the qualifying regulatory provisions that came into force (or ceased to have effect) during the reporting period, together with their economic impacts, and a total for all measures for that reporting period (subsection 3 (a) to (c)). For the final report, this may include measures that are expected to come into force within the reporting period, but which are not actually in force at the date of publication.
  - ii. other than for the first report, the aggregate impacts across all reporting periods since the general election (subsection 3(d)).
  - iii. an assessment of the contribution of each Government department to the overall impacts for the period, and since the general election (subsection (3)(e)).
  - iv. a list of other regulatory provisions that came into force or ceased to have effect which are not classed as qualifying regulatory provisions and which do not score towards the targets.
208. The report must also cover two other topics:
- i. the actions of Government departments during the reporting period to mitigate disproportionate burdens on small businesses (subsection 4);

*These notes refer to the Small Business, Enterprise and Employment Act 2015 (c.26) which received Royal Assent on 26 March 2015*

- ii. any examples of “gold-plating” (i.e. going beyond minimum provisions necessary for implementation) of EU or international obligations during the reporting period, together with the reasons (subsections (5) and (6))