Brexit opportunities: regulatory reforms

The UK's exit from the EU created a unique opportunity to review the laws which govern our nation and ensure that they are tailored to support the best interests of business and citizens.

As such, in February, the Prime Minister asked Sir Iain Duncan Smith to convene the new [Taskforce on Innovation, Growth and Regulatory Reform](#) (TIGRR) to examine our existing laws and identify future opportunities following our exit from the EU.

The first phase of the response to this report was the [consultation on reforming the better regulation framework](#) which will close on 1 October and we expect to respond rapidly thereafter.

The second phase of our response includes a package of proposed individual regulatory reforms to laws inherited while a member of the EU which the Government is setting out today.

- **Reintroducing the Crown Stamp** - We will remove the EU-derived prohibition on printing the Crown Stamp on pint glasses and allowing publicans and restaurants to voluntarily embrace this important symbol on their glassware, should they choose to do so.

- **Dematerialisation of shares** - Although the majority of shares are held in electronic form, a minority are held in paper form. It is more expensive and takes longer for holders of paper shares to trade them and there is a risk of certificates going astray. The Government will work with industry, regulators and shareholders in the medium term to determine the best mechanism for converting these paper shares into electronic form, while preserving the rights of existing shareholders.

- **Digital Transformation of Regulation** - The Department for Business, Energy and Industrial Strategy is leading the Digital Transformation of Regulation programme, which aims to use advances in artificial intelligence and machine learning to make regulatory information more accessible and useful. At the heart of this work is a new database of all UK regulations affecting business, enriched with additional data that makes it easier to understand each regulation and its context. This database will be openly accessible so that organizations and individuals can use it to develop new digital applications that help people to understand and navigate the UK regulatory regime. The programme will also develop a tool for businesses, hosted on GOV.UK, that will help firms to identify the regulations that are relevant to them and understand what actions they need to take in response.

- **Review EU restrictions on selling in pounds and ounces** - We will review the EU ban on markings and sales in imperial units and legislate in due course.

- **Specification for the Sharing of Underground Asset Data** - The National Underground Asset Register (NUAR) programme is working to build a secure, interactive data-sharing platform that public and private sector organisations can use to view a digital map of underground infrastructure, such as pipes and cables. Implementing the NUAR will provide planners and excavators with data on the location of underground infrastructure; substantially improve the safety and efficiency of construction and development and deliver economic benefits for industry and local communities. To make sure that planners and excavators have full access to the

data they need, when they need it, the government intends to legislate to prescribe that data is shared through the platform.

- **Expand access to property attribute data held by the Valuation Office Agency** - The Geospatial Commission will introduce a new legislative data sharing gateway to enable building attribute data held by the Valuation Office Agency to be made accessible to the public and private sector. Expanding access to the data will support economic growth, delivery of better infrastructure and essential government functions. For example, it will aid firefighters by providing more information on likely hazardous areas within a burning building, improving responder safety. It will enable insurance companies to provide more competitive quotes and the energy sector to develop higher efficiency heating systems in support of Net Zero.

- **Digital driving licences, test certificates and MoT testing** - The Government will deliver a more convenient, modernised system for British motorists through digital versions of driving licences, driving test certificates, and MOT testing processes.

- **General Aviation Reform** - Having already made some changes to EU rules, the government will remove further unnecessary and burdensome EU requirements on the General Aviation sector (non-scheduled aircraft) - including on crew licencing, airworthiness maintenance, and medical requirements.

- **Heavy Vehicle MOT Reform** - Following the recent DfT Heavy Vehicle Testing Review, the government will explore the possibility of allowing private sector testers to undertake heavy vehicle MOT testing, as they do for car and van testing, increasing choice and flexibility that will realise efficiency savings for commercial road transport businesses. Any exploration will aim to consider both the efficiency savings and any potential road safety impacts, however, roadworthiness standards will not be reduced through these additional flexibilities.

- **Aviation Consumer Policy Reform** - The Government will reposition the UK's approach to air passenger consumer rights in the post-EU world. This means improving consumer confidence and developing trust in booking travel by consulting on additional, flexible and modern tools to enforce consumer rights.

- **Transport Sandboxing** - The Government will take steps to better support time and place-bound regulatory suspension and exemption as part of Sandboxes for road and air transport, and will work with local places to set these up.

- **Modernising diabetes management for lorry and bus drivers** - The Government will allow lorry and bus drivers with diabetes to use a continuous glucose monitoring system in place of regular blood pricking - as is already the case for car drivers.

- **Repeal of the EU Port Services Regulation** - When legislative time allows, the government will repeal the EU's Port Services Regulations - a good example of a regulation which was geared heavily towards EU interests and never worked for the UK.

- **Ofgem Strategy and Policy Statement (SPS)** - The Energy White Paper committed the Government to consulting on an energy sector strategy and policy statement (SPS) for Ofgem during 2021. The SPS will set out the strategic priorities and policy outcomes of the Government's energy policy. Once the SPS has been designated, it will impose a legal obligation on Ofgem to have regard to the strategic priorities and policy outcomes when exercising its regulatory functions. Ofgem will be required to report on how it intends to implement the SPS at the outset, and then report annually

on its performance and its plans for the coming year. The intention is that the SPS will last the length of a Parliament and it must be reviewed 5 years after being designated.

- **Offshore Network Coordination** - The Government will shortly be publishing the Enduring Regime Consultation under the Offshore Transmission Network Review. The Department for Business, Energy and Industrial Strategy is aiming to develop an improved approach to connecting offshore wind and other users of offshore networks, and to delivering the associated onshore infrastructure.

- **Medicines and Medical Devices Act 2021 and the new medical devices regulatory framework** - Following the UK's departure from the EU, the MHRA has an opportunity to exercise powers as a sovereign regulator; creating a world-leading regime that prioritises patient safety while fostering innovation. Today, we are launching a public consultation on how medical devices (such as COVID-19 test kits and cardiac stents) are regulated across the UK, with a view to having the future framework in place from July 2023.
https://www.gov.uk/government/consultations/consultation-on-the-future-regulation-of-medical-devices-in-the-united-kingdom

- **Software and artificial intelligence as a medical device –updated approach to regulation** - The Medicines and Healthcare products Regulatory Agency (MHRA) has announced today that it is undertaking two substantial work streams to update regulation to ensure it is fit for purpose for software and Artificial Intelligence (AI) as a medical device. This extensive work programme will ensure protection for patients and the public, also providing guidance for manufacturers and streamlined processes suitable for software. This leading regulatory model for software and AI will address many key challenges, helping ensure that we attract a world-class life sciences industry and innovators without compromising on safety. This change programme for software and AI builds upon the wider reform work on the medical devices regulatory framework detailed above.

- **Reconsider regulations to allow the spraying of plant protection chemicals from drones** - Current regulation does already allow for the precision farming technique of spraying of plant protection chemicals through the use of drones provided this can be done in a way that does not harm human health or have unacceptable effects on the environment. The Health and Safety Executive (HSE) stands ready to consider applications to apply pesticides by drone and has updated its guidance to encourage businesses to contact HSE for advice on the application process. https://www.hse.gov.uk/pesticides/using-pesticides/general/aerial-spraying.htm

- **Electronic Trade Documents** - The Government intends to legislate to place electronic versions of business-to-business trade documents on the same legal footing as physical documents. The proposed legislation will make it easier, cheaper, faster and greener for companies to trade. It will bring global trade law into the 21st century by enabling businesses in the UK and around the world to move from paper-based to digital-based transactions when buying and selling internationally.

- **Execution of Documents** - The Government is sponsoring an independent, judicially-chaired Industry Working Group of experts to look at increasing best practice and confidence in the use of electronic signatures and other electronic ways of executing documents. By improving clarity in this area, the group's work will help ensure businesses can use electronic documentation with confidence, in turn enabling them to make the most of digital innovations and greener working practices.

The Group was recommended in a Law Commission report (https://www.lawcom.gov.uk/project/electronic-execution-of-documents/) which concluded that e-signatures were legally valid for the vast majority of business and legal transactions.

- **Environmental Licencing and Permitting -** Defra is continuing to rationalise the existing Environmental licensing and permitting (ELP) regimes so they are more streamlined and easier for businesses and users to navigate, whilst maintaining and even enhancing environmental protections.

- **Promote a flexible, market-based trading system for biodiversity offset credits -** Biodiversity Net Gain (BNG) is a critical part of Defra's strategy for enhancing the natural environment and promoting sustainable growth. Defra will shortly be publishing a consultation on our plans for implementing BNG. This consultation will include proposals for a market-based approach to delivery of biodiversity offset units.

- **Digitalisation of Export Health Certificates, Imports, and Trade** - Defra is continuing work to further digitise certification for imports and exports in order to bring benefits to businesses. Defra will announce further details in due course.