

ENTREPRENEUR



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Business owners call for red-tape cull

Regulation

Frustration centres on paperwork more than laws, writes Jonathan Moules

Business owners would like to see less red tape and more flexible compliance rules, according to feedback from a new government website.

Nick Clegg, deputy prime minister, this week launched the Your Freedom website, on which people can suggest changes to laws and regulations they would like to see abolished.

Entrepreneurs are likely

to offer several suggestions about unnecessary rules, given the frustration many feel about the issue of red tape.

Several business owners the Financial Times spoke to had logged on to the Your Freedom site in the first few hours of its operation, although there were also complaints about the pages crashing.

John Timpson, chairman and chief executive of shoe repair shop chain Timpson, said he would like to see a cull of employment laws.

However, he added that his concern was not so much over the rules themselves as the paperwork lawyers and human resources



Nick Clegg launched the Your Freedom site this week Getty

professionals create for businesses to prove that they are obeying the law.

"The problem isn't so much government red tape, but it is all the extra bits that get invented in the gold plating of rules by employment lawyers and HR directors," he said.

"If you go to an employment tribunal, it is the person that has the best filing system that wins."

The British Chambers of Commerce, which tracks the cost of compliance using government data, calculated that health and safety rules alone have cost UK businesses £4bn since 1998, almost half of which was caused by recurring costs.

This area of legislation is a constant concern for Simone Schehtman, who runs Teamwork Karting, a chain of electric go-kart tracks.

"We are much safer than other car tracks because our vehicles are electric, but pretty much every time people file claims against us, the barrister says: 'Just settle,'" she said.

Schehtman said the most welcome change would be for a moratorium on new legislation from Westminster.

"I would like them to just stop making laws for a while so that businesses can catch up with the existing rules," she said.