

A LOCAL PARTNERSHIP BETWEEN BUSINESSES, SOUTH EAST LEP (LOCAL ENTERPRISE PARTNERSHIP) AND REGULATORY SERVICES

Economic and Community Development Advisory Committee – 8 July 2014

Report of Chief Officer Environmental and Operational Services

Status: For Consideration

Key Decision: No

Executive Summary: This paper considers how local authority regulators in the South East might work with the LEP to help regulatory services work more effectively with business, with the aim of supporting economic regeneration.

It introduces the Better Business For All (BBFA) scheme which aligns regulators with the current push to reduce red-tape and to support economic growth.

This report supports the Key Aim of Supporting and Developing the Local Community

Portfolio Holder Cllr. R Hogarth

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Recommendation to: Economic and Community Development Advisory Committee

It is recommended that Members endorse the Council's involvement in this initiative.

Reason for recommendation: If the Council supports its regulators being involved in this initiative, it will facilitate their access to skills and funding that will enable better cross working with regulatory agencies in the District, across the County and nationally. The programmes and projects that will be thus facilitated, will lead to reduced regulatory burdens and encourage greater prosperity for local businesses.

Introduction and Background

1. Good regulatory delivery provides essential protections from risks posed by day-to-day business operation. It protects citizens from unsafe food and products, from public and occupational health risks, and from fraud and financial detriment. It also protects businesses, ensuring fair competition and a level playing field.
2. Good regulation is also good business. This is an important message to convey to the business sector. Regulatory services should be seen to positively support businesses. It can reduce compliance costs by clarifying requirements, providing accessible advice about solutions, developing monitoring processes, and enabling recognition of investment in compliance. By supporting local and national businesses to grow, it can also contribute to the development of economic wellbeing within communities,

creating new jobs, raising levels of income and providing greater choice and availability of local services.

3. It is no surprise perhaps then that **Local Enterprise Partnerships (LEPs)** have identified that regulators have a potentially important role to play in supporting economic development. The Government response to the consultation on Transforming Regulatory Enforcement published in January 2012 also highlighted the potential for LEPs to bring regulators and business together.
4. The report recognises that, to create the conditions for growth, not only does legislation need reviewing but there also needs to be consideration of the way in which regulation is delivered and enforced. The majority of legislation affecting businesses is enforced by local authority regulators.
5. Among the report's key findings is that:
 - The local regulatory system is too often a burden.
 - Businesses complain of inconsistency and unpredictability.
 - There is a need to transform the relationship between regulators and business from one based on central oversight and intervention towards one built upon better local accountability and transparency.
6. In response, the report made a number of proposals. They include:
 - LEPs using their position to promote best practice across business sectors.
 - Building greater understanding between local authority regulatory services and the business community.
 - Identifying ways to work together to simplify things for business and save money for local authorities.
 - Combining the work of regulators with other business services (e.g. creating a 'one stop shop' for businesses).
 - Using business forums to discuss regulatory priorities and agree key priority areas.

Scope of the Multi-Agency Group

7. The aim of this Group is to develop the Better Business for All Partnership model [Appendices 1 and 2] in the South East LEP area. The model is intended to promote co-operation between local regulators and businesses to deliver specific support and improvements to assist businesses comply with the law quickly, easily and economically.
8. Regulatory service delivery is both about the way in which inspections, advice, service of notices and prosecutions are carried out and the attitudes, competency and actions of inspectors. All these activities have potential for greater co-operation and sharing of good practice amongst Kent, Southend, Thurrock, Essex, East Sussex and Medway regulators. It is suggested that initially the local regulatory functions within

the scope of this work in the South East could include Environmental Health, Licensing, Trading Standards, Fire and Rescue, with the potential to widen it out to other regulators such as the Environment Agency, Planning and Building Control as the scheme gains momentum. The Health and Safety Executive, HM Revenue and Customs and the Maritime and Coastguard Agency are currently being approached to join the group.

9. In the Sevenoaks District , the Environmental health team are already engaged in supporting local businesses through the delivery of accredited qualification training, seminars and drop-in sessions to support small food businesses achieve the aims above. This is in addition to the advice given to start up food and licensed businesses and also to using every inspection visit as an opportunity to deliver advice and support to proprietors.
10. It is important that through coordinated corporate working across the Council we continue to develop the culture of regulatory services adding value to business in a positive way. This can apply across the board to a range services and be coordinated through a cross cutting group of officers.

Priorities for the South East

11. Pilot projects have already been established in a number of LEPs across the country, supported by the Better Regulation Delivery Office (BRDO), aimed at improving regulation in their locality. These involved the LEPs consulting businesses to identify their priorities. These local consultations reinforced the findings of the Government Consultation response and highlighted some additional specific areas. Responses to the consultations revealed very similar results and the following were identified as priorities for regulators to address:
 - building stronger partnerships between local authorities and business
 - improving accessibility to information, advice and support, such as a single point of contact;
 - developing clear, simple and consistent messages/communication
 - helping officers to understand business pressures
 - ensuring the transparency of inspections
 - improving communication and coordination across regulatory services
12. It is certainly the case that local authority regulators in this region also wish to concentrate their efforts upon these aspects of improving both direct service delivery and perception of the business community. However, the challenge coming from business is also what can be done collectively across local authorities to create an easier interface with a range of regulators. Specifically, what can regulators in the South East do to share good practice amongst themselves and be seen to positively support businesses across those various fields of regulation to maximise their contribution to supporting local economic development and growth?

13. It is suggested that there would be merit in tackling the issues collectively. This could involve sharing good practice and innovation, and developing new arrangements which might deliver improved benefits to business and help create an environment that attracts new business to the region.
14. It is also suggested that there would be merit in improving understanding across different regulators within the region of what each other does and how this is delivered in order to help improve linkages and better signpost business to other sources of advice and information which might also be of benefit.

Working with the SE LEP

15. The Better Regulation Delivery Office (BRDO) has supported the Leicester and Leicestershire LEP as a pathfinder initiative to identify areas where progress could be made in respect of improving local regulation and supporting economic growth. This has generated a wide range of activity some of which could be replicated in the South East in working with our own LEP to deliver similar or even greater benefits. A flavour of that broad range of activity and the perceived achievement to date is captured in their first 'end of year report' which is attached with this report.
16. To date initial discussions have taken place between the region's regulatory services, BRDO and business organisations to explore the opportunities for the work of regulators to contribute to the South East LEP priorities for economic regeneration. Additionally the Group has been represented on the Kent Business Advisory group and responded to the consultation on the Kent and Medway Economic Plan.
17. Our next steps are to meet with the relevant representatives of the LEP to establish their appetite for supporting the progression of the better regulation agenda.
18. Our proposal to the LEP will comprise:
 - Evidence that greater consistency of approach would deliver benefits to business as well as regulators
 - a common approach to regulation could be adopted
 - single point of contact that could be developed with their support and the support of local business organisations
 - progression towards the Better Business for All model promoted by the BRDO

Key Implications

Financial

19. The Group is likely to be seeking funding from the BRDO for developing certain aspects of its work programme such as the development of a single point of contact.
20. By better empowering and equipping local businesses to meet their legal duties, this will reduce the need for intervention by enforcement agencies and potentially the resource required for reactive work.

Legal Implications and Risk Assessment Statement

21. This initiative underpins the approach to regulation promoted by the Regulators Code and aims to support responsible and responsive businesses to improve compliance, whilst applying a consistent approach to enforcement to those small number of businesses that blatantly refuse to make efforts to meet minimum legal requirements, for gain.
22. This initiative has the potential to be beneficial for existing and new businesses across the area. It complements the work of a number of the Council's operations teams, including Environmental Health (Food Safety, Health and Safety and Environmental Protection), Community and Business and Licensing.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	Proposals are designed to assist local businesses through the application of regulatory services.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	Yes	
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		

Appendices

Appendix 1 – Better Business for All Partnership model

Appendix 2 – Better Business for All - 12 Months Summary

Background Papers:

None

Richard Wilson - Chief Officer Environmental and Operational Services