

TO: Policy and Resources Committee

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PRIMARY AUTHORITY SCHEME - BUSINESS HUB UPDATE

1. Purpose

- 1.1 To seek Members' views on the opportunities presented by further development of the 'Business Hub concept.

2. Recommendation

- 2.1 The Policy and Resources Committee is asked to note the contents of this report and provide guidance to Officers on the future development of the 'Business Hub'.

3. Risk Assessment

- 3.1 **Political** – the Authority, as a regulator, has a duty to ensure compliance with the Fire Safety Order (FSO) 2005. In doing so it must be cognisant of one of the central pieces of government policy to reduce the regulatory burden for business and simplify enforcement regimes.
- 3.2 **Economic** – a lack of joined up and consistent regulatory advice has the potential to create unnecessary and unjustifiable costs to business.

4. Background

- 4.1 In 2004 the government appointed Sir Phillip Hampton to conduct a review of all regulatory inspection and enforcement activities, with a view to reducing the burden for business and simplifying enforcement regimes.
- 4.2 The subsequent report 'Reducing administrative burdens: effective inspection and enforcement', introduced a number of principles that should apply to regulators and the regulatory framework. These are:
- Regulators and the regulatory system as a whole, should use comprehensive risk assessment to concentrate resources on the areas that need them most;

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- Regulators should be accountable for the efficiency and effectiveness of their activities while remaining independent in the decisions they take;
- No inspection should take place without a reason;
- Businesses should not have to give unnecessary information, nor give the same piece of information twice;
- The few businesses that persistently break regulations should be identified quickly and face proportionate and meaningful sanctions;
- Regulators should provide authoritative accessible advice, easily and cheaply;
- Regulators should be of the right size and scope and no new regulator should be created where an existing one can do the work;
- Regulators should recognise that a key element of their activity will be to allow, or even encourage, economic progress and only to intervene when there is a clear case for protection.

4.3 As part of the implementation of the Hampton Review the government introduced the Regulatory Enforcement and Sanctions Act 2008. This act facilitated the introduction of the Primary Authority Scheme (PAS), which began in 2009 and allowed for the development of nationally recognised schemes, whereby a regulator would work closely with a regulated business through a formal agreement to:

- Quality assure their policies and procedures;
- Provide assured advice and an inspection plan, which other regulators nationally must follow;
- Provide a point of contact that other regulators must consult prior to taking any enforcement action.

4.4 The overall purpose being to provide businesses with a consistent approach to regulation and support across all of their premises nationally. This in turn reduces regulatory burden on business and enables them to focus on growth, thereby supporting the local and national economy.

4.5 All PAS operate on the basis of the regulator concerned, recovering full costs relating to any of their staff involvement in the delivery of the scheme.

4.6 Up until the revision of the act in 2013, the FSO was exempted from the scope of the act and therefore the scope of PAS however the Enterprise and Regulatory Reform Act 2013 extends the scope of PAS to include the FSO. In addition it has also extended the range of organisations that can seek to enter into a PAS to include franchises and trade associations.

5. Impact and Opportunities

- 5.1 As a result of the extension of PAS to include the FSO, the Authority in 2014 approved Officers entering into PAS status with business that was of mutual benefit to both the Service achieving its aims and of business receiving assured advice.
- 5.2 As a result Cambridgeshire Fire and Rescue Service (CFRS) is now acting as the Primary Authority for six organisations. In late 2014 the Service co-located one of its Fire Protection Officers into South Cambridgeshire District Council, alongside Trading Standards from the County Council. This arrangement whilst enabling good practice to be shared and a closer working and understanding across the three regulators has also enabled the sharing of information that further simplifies the inspection regime for business. This model termed the 'Business Hub' in essence provides a one stop shop for business in Primary Authority with either South Cambridgeshire Environmental Health, County Council Trading Standards or CFRS to receive holistic advice across the breadth of these regulators responsibilities and further strengthens the approach towards better regulation.
- 5.3 To date this model has operated under Primary Authority on a cost recovery basis however opportunity exists to further develop the hub towards a more commercial enterprise in which other services that fall outside of the Primary Authority scheme, such as training and risk assessment, could be offered to customers of the 'Business Hub'. Clearly, if the Authority were to move towards this model it would need to satisfy itself that the model would provide sufficient returns to warrant the effort. In addition the move towards a commercial operation would also need to be appropriately governed to ensure clear separation between the Authority and the trading arm.

BIBLIOGRAPHY

Source Documents	Contact Officer
Reducing Administrative burden: effective inspection and enforcement. Enterprise and Regulatory Reform Act (2013) Regulatory Enforcement and Sanctions Act 2008 Business Safety Competence Framework	Rick Hylton Rick.hylton@cambsfire.gov.uk 07900 267865