Foreword

In 2008 we published the first comprehensive map of the local regulatory landscape, showing for the first time the scale of its complexity. This is a system that involves more than 12 national regulators and government departments and over 400 local authorities delivering nearly 200 pieces of legislation. The map shows how many different policy outcomes local authority regulatory services deliver, spanning better health, safer communities and fair trading. The different regulatory regimes in place to deliver these outcomes result in a complicated landscape, with a large number of bodies with an interest in the work of the local authority regulatory services of environmental health, fire safety, licensing and trading standards.

The system needs to be simplified so that it can function more efficiently and more effectively, and allow scarce resources to be directed at appropriate regulatory interventions for the benefit of businesses and citizens.

The map, updated for 2009, provides an evidence base for our third strategic objective – to improve the regulatory environment by simplifying the system. Our ambition is shared by a coalition of national regulators, government departments and professional and representative bodies. This coalition, facilitated by LBRO, is building consensus and is working hard to develop common approaches for local authorities and national bodies to take, which draw on the best elements of practice and reduce duplication and bureaucracy in the system to enable better regulation to flourish.

As last year, we intend that the map will inform the understanding of all those within the local regulatory system. As before, we welcome your comments and feedback so the map can truly be a ‘living’ document. We have consolidated the report to make it more user-friendly around the six sections:

1. Legislative Landscape
2. Policy Context
3. Wider Organisational Structures in the System
4. Resources
5. Performance
6. Relationships

Each section is available as a separate downloadable document from LBRO’s website. Whilst we have sought to utilise all available evidence and data, naturally it is LBRO that must take responsibility for any errors or blemishes that remain.

Graham Russell
Chief Executive
LBRO

Clive Grace
Chair
LBRO

November 2009
Executive Summary

1. This report is the second map of the local authority regulatory services landscape, as defined by the Regulatory Enforcement and Sanctions Act 2008 (RES Act). It updates the first map, published by LBRO last year, reflecting comments received and bringing key facts and figures up to date.

2. As well as providing an evidence base for LBRO’s strategic objective to improve the local regulatory system, this report is intended to be of benefit to all those working in local authority regulatory services, national regulators and central government departments, by fostering a common understanding of the system in which they operate.

3. The report primarily focuses on England and Wales, in line with the remit of the RES Act, with reference to Scotland and Northern Ireland as appropriate. Within this report, local authority regulatory services (LARS) will be considered as including the fire safety function of fire and rescue authorities (FRAs) and the functions of port health authorities (PHAs), except where explicitly stated.

4. Since last year there has been progress in evidencing the impact of LARS and developing an outcomes-focus. LBRO published a report *Impacts and Outcomes of Local Authority Regulatory Services* that demonstrates the wider impact LARS have on quality of life outcomes. The accompanying toolkit for identifying, measuring and managing the outcomes of LARS is already being used by a number of authorities and there is widespread support and recognition of the potential for this work to deliver real benefits.

5. LBRO’s research and analysis in the last year has also contributed Government’s thinking on interventions to reduce alcohol harm and provided evidence to underpin the Consumer White Paper.

6. There are emerging signs of positive change in the landscape. The National Audit Office’s recent survey of business perceptions showed that businesses in general perceive regulation to be less burdensome than they did in 2007. However there is still more work to be done to consult better with business and give clear guidance on what is needed to be done to comply.

7. The report describes the landscape in six sections. A summary of each section is given below.

**Legislative landscape**

8. LARS enforce a large amount of legislation and play an important role in the implementation of EU Directives. Further details about the specific areas of legislation enforced by LARS can be found in the *Legislation Mapping Report*, which is available from the LBRO website.


10. The Government published *The Total Benefit/Cost Ratio of New Regulations 2008-09* making public for the first time the total annual benefits and costs of regulation resulting from legislation enacted in the last financial year.

11. Rationalising and reducing regulatory legislation are an ongoing challenge.
Policy context

12. Two policy agendas drive change in this landscape. The better regulation agenda at local level is occurring within the wider context of increased autonomy and devolution to local government alongside streamlined, sector-led performance. This is the context in England but the direction of travel is similar in the other devolved administrations. These two policy agendas are the context for LBRO’s mission to secure better local regulation.

13. Alongside these two policy agendas, the impact of the recession on the public finances has yet to become fully apparent. However it is likely that efficiency and value for money will be key policy drivers in this landscape in coming years.

Organisational structures

14. There are three major organisational structures in the system: local government, national regulators and central government. Across the UK the total number of local authorities reduced from 468 to 433 following the creation of nine new unitary authorities in England. In addition there are 58 FRAs and 152 PHAs. At the national level there are 11 national regulators and 12 central government departments in England, with their equivalents in the devolved administrations with an interest in this landscape, plus a number of professional, law enforcement, regional and representative bodies. The sheer number of bodies in this landscape creates complexity and a multitude of interactions.

Resources

15. As a proportion of total local government expenditure, expenditure on LARS remains very small.

16. HM Treasury forecasts of UK public sector net debt are likely to have a major constraining effect on the funding of public services and further efficiency savings targets have been announced.

17. There are declining numbers of qualified environmental health and trading standards professionals. Income streams from various sources, often to undertake specific centrally driven initiatives, have been rising over the last ten years. However it is unlikely these will continue given the constraints on public sector funding.

Performance

18. There are seven national indicators in England directly relating to the performance of LARS, including indicator 182 which measures the satisfaction of businesses with environmental health, trading standards and licensing services. The national indicator 182 baseline figure for the year 2008-09 is 77 per cent.

19. Research commissioned by LBRO identified a number of economic, social and environmental impacts that LARS contribute to, in addition to the specific performance indicators set by government. The first year’s results from the Comprehensive Area Assessment will reinforce the focus on the outcomes achieved by local partnerships.
20. The regulatory services peer challenge project, developed by two Beacon local authorities, LACoRS, the professional bodies and supported by LBRO began piloting self assessment followed up by peer review with 50 LARS. The project is also developing a common excellence framework for LARS, owned by the sector but with the support of the national regulators and central departments with an interest in LARS performance.

**Relationships**

21. LARS operate alongside higher spending local government services that have a greater profile with elected members, senior executive teams and the local community.

22. Beyond the local authority, LARS are involved in a range of local partnerships and activities. Fire and rescue services also operate in a number of partnerships at the local level including working together with LARS.

23. Cross-local authority boundary working is taking place between LARS in certain areas including regional co-ordination of activities. The lessons learned from the Retail Enforcement Pilot fall within four themes: developing partnerships, sharing information, tools and resource and culture. Several partnerships are taking forward some of the basic principles developed during Pilot.

24. The nature and closeness of the relationships between LARS and national regulators stem fundamentally from legislative remits and the extent to which national regulators delegate authority to LARS. Each relationship is therefore different.

25. There are multiple flows of data between LARS, national regulators and central government departments, which form part of each regulatory regime. Research commissioned by LBRO has identified 20 central bodies that routinely collect data from LARS.

26. Professional, representative and organisational networks exist across this landscape. They provide advice and support to LARS, often in collaboration with national regulators.
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Part 1: Legislative Landscape

1.1 This section provides an overview of the key aspects of the legislative framework which underpin or inform the enforcement activities of local authority regulatory services (LARS). Further details can be found in the Legislative Mapping Report, which is available from the Local Better Regulation Office (LBRO) website: www.lbro.org.uk

The Regulatory Enforcement and Sanctions Act 2008

1.2 The regulatory bodies that enforce the legislation in Parts 1 and 2 of the Regulatory Enforcement and Sanctions (RES) Act 2008 are the environmental health and trading standards services provided by local authorities, fire and rescue authorities (FRAs) in their role as enforcers of fire safety legislation, and port health authorities (PHAs). Unless explicitly stated, the term local authority regulatory services (LARS) refers to them all in this report. Licensing functions provided by LARS are also covered by the Act.

1.3 The legislation listed in Parts 1 and 2 of the RES Act and enforced by LARS is extensive and has built up over time. It stems from the original role and function of local government as sanitary authorities, from reactions to unforeseen events, such as the BSE crisis or fire disasters, and from proactive policy development by the Government and the European Union. The duties that are imposed, the powers that can be exercised and the measures that are available to LARS generally stem directly from the legislation.

1.4 The legislation covers a number of broad topics, which are drawn from separate work to map the legislative landscape for LBRO as follows:

- Agriculture: fertilizers and feeding stuffs
- Animal Health and Welfare: companion animals, farmed animals, animal trade/movement, dangerous animals, diseases and by-products
- Consumer Protection: regulation of businesses, protection of consumers, consumer credit, fair trading, product safety, scams, rogue traders, weights and measures
- Environmental Protection: air, land, water, local environment and pollution
- Fire Safety: audit of fire risk assessment in commercial premises
- Food Safety and Food Standards: marketing, labelling, manufacturing, preparation, importing, storage and sale
- Health and Safety: occupational health and safety measures in shops, offices or commercial/service businesses (excluding inspections of industrial premises undertaken by the Health and Safety Executive)
- Housing: landlords, tenants, safety and hygiene standards, overcrowding and multiple occupation, health and safety of occupants
- Licensing: regulation of people, places, vehicle, alcohol, public entertainment, door supervisors, gambling, animals, and sales of prohibited goods to minors.
Local Better Regulation Office statutory functions

1.5 The RES Act sets out six statutory functions for LBRO, as follows:

- Operate the Primary Authority scheme
- Advise the government on local regulation
- Issue guidance to local authorities
- Manage the list of national enforcement priorities
- Encourage innovation and good practice
- Develop formal partnerships with national regulators

LBRO therefore has a mandate that reflects its position at the heart of the relationship between central and local government.

European Union

1.6 The European Union (EU) is a major source of new legislation in the areas enforced by LARS. It makes Directives and Regulations specifying aims that Member States are free to implement in the manner most appropriate to them.

1.7 Most EU negotiations are conducted between the EU Council of Ministers and the European Parliament, with the European Commission proposing the original text and being closely involved in the negotiating process. Increasingly, the rules developed are intended to apply protections, standards and enforcement across all 27 EU Member States. It is possible that this will make it more difficult to achieve common ground.

1.8 The failure of bodies responsible for the implementation of EU Directives can lead to infraction proceedings. This is the legal process by which the European Commission takes a Member State to the European Court of Justice. The role of LARS in enforcing legislation originating from the EU is important in ensuring the UK implements and complies with EU Directives.

Reducing the burden of legislation

1.9 Since the early 1990s, there has been an impetus within Whitehall to review the existing stock, and flow of new legislation with a view to reducing the regulatory burden faced by businesses. In 1994 for example, the Deregulation and Contracting Out Act 1994 was used 48 times to remove burdens from businesses and individuals. This Act was superseded by the Regulatory Reform Act 2001 which itself was superseded by the Legislative and Regulatory Reform Act 2006.

1.10 A significant proportion of the legislation that LARS enforces is derived from the implementation of EU directives. In 2005 the Commission launched a rolling programme to simplify existing EU law which focused on codifying and consolidating legal acts. The benefits to UK stakeholders so far have been modest. More promising was the decision made by the EU Heads of State and Government in March 2007 to set a target to reduce administrative burdens stemming from EU law by 25 per cent by 2012. On 22 October 2009, the European Commission published a Communication setting out progress made so far to achieve this target and outlining new areas for the next Commission to consider taking forward. In addition, it reported that all 27 Member States have now set national targets to reduce administrative burdens since the European Council invited them to do so in March 2007. The
Commission has made good progress on this agenda so far, but much more work needs to be done before businesses feel significant effects as a result of the EU administrative burden reduction programme. The UK Government will continue to work with the Commission, Council and Parliament to secure significant simplification measures in the coming months and years.

1.11 The OECD firmly believes that efforts should be stepped up to encourage the stronger control of new EU regulations to avoid new burdens from this level. In its recent review of regulatory capacity, it argues for local government having a stronger voice at EU level on regulations that require local enforcement.7

1.12 In addition, the House of Commons has the Regulatory Reform Select Committee, which is required to examine and report on all draft legislative reform orders proposed by the Government. The Committee published a report on Themes and Trends in Regulatory Reform in July 20099, examining amongst others the lessons learned from the financial crisis.

1.13 The better regulation agenda aims to simplify existing legislation and to avoid unnecessary regulation. All government Whitehall departments are required to carry out regulatory impact assessments and ensure they are published 13 weeks prior to legislation. Further details about the better regulation agenda can be found in Part 2.

1.14 The Government has recently published its Forward Regulatory Programme.9 This sets out the planned changes to regulations which will impact on business and that are due to come into force between now and the end of April 2011. It should allow businesses and those affected by regulation to plan more effectively. The Government also published The Total Benefit/Cost Ratio of New Regulations 2008-09 making public for the first time the total annual benefits and costs of regulation resulting from legislation enacted in the last financial year. The total ratio of quantified benefits to costs is 1.85.10

Statutory and voluntary codes of practice

1.15 In 1998, the Cabinet Office published the Enforcement Concordat. This is a voluntary non-statutory code of practice to which all local authorities in the UK can sign up. In April 2008, the Regulators Compliance Code came into force as a statutory requirement for all English local authorities under the Legislation and Regulatory Reform 2006 Act.11 It encompasses the Hampton principles for improved inspection, enforcement and outcomes. The Code now also applies in the devolved administrations.

1.16 The five principles of good regulation, which form the basis for improved enforcement, were articulated by the Better Regulation Task Force in 2000.12 They are as follows:

- Proportionality – regulators should only intervene when necessary; remedies should be appropriate to the risk posed and costs identified and minimised.
- Accountability – regulators must be able to justify decisions and be subject to public scrutiny.
- Consistency – Government rules and standards must be joined up and implemented fairly.
- Transparency – regulators should be open and keep regulations simple and user-friendly.
- Targeting – regulation should be focused on the problem and minimise side effects.
Impact of devolution

1.17 The 1998 Government of Wales, Scotland and Northern Ireland Acts devolved or transferred legislative powers to the newly created National Assembly for Wales, Scottish Parliament and Northern Ireland Assembly. This process created the devolved administrations. The remit of LBRO extends to LARS in Wales and LBRO has a duty to provide guidance to Welsh Ministers in a similar manner to Ministers at Westminster.\(^\text{13}\)

1.18 LBRO has a limited remit in Scotland insofar as certain measures are reserved matters, meaning that Whitehall has the legislative jurisdiction in these areas.\(^\text{14}\) LBRO has a limited remit in Northern Ireland as the majority of legislation in the RES Act was devolved in the Northern Ireland Act 1998.\(^\text{15}\)

1.19 Devolution has not resulted in new law making institutions nor regional assemblies in England apart from the Greater London Authority. The Regional Development Agencies Act 1998 led to the creation of eight regional development agencies (RDAs) across England. RDAs drive economic prosperity in each region\(^\text{16}\) and, insofar as one of the Hampton principles is to promote prosperity, there is a link between their remit and LBRO.

The duties of local government

1.20 The duties of local government have evolved since the initial legislation of the Poor Law Act 1601 establishing delivery of the welfare state. The functions of trading standards developed from weights and measures legislation dating from the middle-ages.\(^\text{17}\) Local authorities have enforced standardised weights and measures since 1824. They have also been empowered with the mandate to protect public health – with responsibilities, for example, in relation to the Public Health (Control of Disease) Act 1984 – and can have duties as PHAs.\(^\text{18}\) In addition, local authorities have regulatory responsibilities in terms of planning and building control, such as enforcement of building regulations, which are outside the scope of the RES Act.

1.21 The Local Government Act 1972 reorganised the structure and functions of local authorities evolving into the two-tier structure in parts of England. Similarly, the Local Government (Wales) Act 1994 established a system of unitary local government in Wales. The existing organisational structure of FRAs is based upon the recommendations of the Independent Review of the Fire Service that were enacted in the Fire and Rescue Services Act 2004.

1.22 Legislation often imposes a duty upon local councils to draw up or review their existing policies which broaden the impact that LARS have on their communities. For example, Section 17 of the Crime and Disorder Act 1998 gives local councils a remit with respect to reducing crime and disorder. Similarly Crime Reduction and Disorder Partnerships have a mandatory duty to put a local alcohol strategy in place.

1.23 Recent legislation has given local government in England more responsibility to develop local priorities. The Local Government Act 2000 tasked local authorities to promote the economic, social and environmental well-being of their local area. It imposed a statutory duty upon every local authority to produce a Community Strategy to establish local priorities and pursue them in partnership with other public bodies. The Local Government Act 2003 encouraged local authorities to act in partnership with businesses in the area to address local priorities through Business Improvement Districts. The Local Government and Public Involvement in Health Act 2007 also
gave upper tier local authorities responsibility for developing local area agreements with their partners in a local strategic partnership. The proposed Local Democracy, Economic Development and Construction Bill would require local communities to address local priorities and will seek to take forward reforms at a regional level. The Department for Communities and Local Government (CLG) recently published a consultation paper Strengthening Local Democracy. The paper set out a range of proposals to promote democratic renewal and strengthen the power and responsibility of local government.

Bye-laws

1.24 Local authorities are also empowered by statute to make bye-laws to address local priorities where general legislation has not addressed the issue of concern. Bye-laws allow local authorities to criminalise activity undesirable to the local community through the Magistrates Court. The legislation which empowers local authorities has evolved with the duties of local government. Government departments approve the formulation of bye-laws and ensure there is no conflict with existing government policy. Proposed reforms by CLG suggest the Government may intend to reform enforcement of bye-laws towards a fixed penalty regime.
Part 2: Policy Context

2.1 This section sets out the two policy agendas that are driving change in this landscape: regulatory reform and developments in local government.

2.2 In 2009 the extent of the economic downturn following the economic shocks in 2007 and 2008 became apparent. The impact of the recession on public finances has yet to take full effect, although efficiency and value for money are highly likely to become key policy drivers in this landscape in coming years.

Regulatory reform

The evolution of the better regulation agenda

2.3 The Organisation for Economic Cooperation and Development (OECD) has exerted significant pressure on member states to develop and improve the principles of better regulation establishing a Regulatory Reform Programme to this end. The Programme followed the recommendations of the Council of the OECD on Improving the Quality of Government Regulation in 1995. When reviewing the UK, it has highlighted the complexity of the institutional structures of regulatory bodies. Its influence on improving the quality of legislation is aimed at improving economic and social outcomes and creating a mechanism for better governance.

2.4 Several issues and developments affecting local regulation in the UK were highlighted in the OECD's most recent assessment of regulatory capacity in the EU. In summary these are:

- The local authority regulatory landscape is still complex, both institutionally in terms of the number of actors and their relationships, and in terms of the range of regulations enforced at local level. The responsibility of local authorities for the enforcement of national regulations, as well as their responsibilities for licensing and planning, puts them at a critical interface between central government and local stakeholders who stand to benefit from better regulation.

- There is a need to find ways of engaging local governments in administrative burden reduction, as some other countries are already doing with their programmes.

- Local governments are the main interface with the large majority of businesses. Developing an approach to take more effective account of the impact of major new EU-origin regulations is also important, as the roots of some burdens predate the start of the simplification programme. Rebalancing enforcement resources away from inspections in order to put more effort into preventative advice on compliance is a major step forward.

2.5 The OECD believes that to ensure better regulation principles are bourne through local regulation, it is imperative that rationalisation takes place to address complex regulatory and performance demands on local authorities. Recent important initiatives to rationalise and coordinate the approach to local regulatory enforcement, such as the Rogers Review and the establishment of the Local Better Regulation Office (LBRO), represent an important extension of better regulation policy to this level of government, which needs to be developed in other areas too, such as the administrative burden reduction programmes.
2.6 In 2009, the OECD also issued guidance to regulatory policy makers on overcoming barriers to administrative simplification strategies that highlighted the work of LBRO and its role in coordinating multi-level governance.24

2.7 In the UK, the major better regulation policy instruments are:

- departmental regulatory impact assessments
- simplification of legislation
- reduction of administrative burdens on public bodies and business
- independent reviews
- development of a statutory Regulator’s Compliance Code
- support and guidance for better regulation.

2.8 Since 2004 the World Bank’s Doing Business review has tracked regulatory reforms aimed at improving the ease of doing business.25 The most recent 2010 review includes a comprehensive survey across 183 economies, compiled using a range of techniques. Economies are ranked on their ease of doing business. A high ranking means that the regulatory environment is conducive to the operation of business. The UK is now fifth out of 183 countries, moving up one position since the 2009 report.

2.9 The Better Regulation Commission (BRC) was established in 2005 to take forward the work of the Better Regulation Task Force (BRTF),26 which recommended that better regulation policy should be embedded within government departments.27 Since 2007 this has been coordinated by the Better Regulation Executive (BRE) in the Department for Business, Innovation and Skills (BIS). The BRC provided independent advice to Government developed through consultation with business and other stakeholders. The BRC took on several new responsibilities from the BRTF including vetting departmental plans for simplification and administrative burden reduction.

2.10 The 2005 review by Philip Hampton provided the foundation for subsequent policy and improvement activity.28 It made a number of recommendations and articulated seven principles, summarised in Table 1, all of which were accepted by the Government in the 2005 budget. Importantly for this landscape, the Hampton Review concluded that the work of local authority trading standards and environmental health services suffered from inconsistencies in the application of national standards. Ensuring greater consistency is thus a key part of LBRO’s mission.

Table 1. The Hampton principles

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<tr>
<th>Hampton Principles, which underpin the Regulator’s Compliance Code</th>
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<tr>
<td>Regulators, and the regulatory system as a whole, should use comprehensive risk assessment to concentrate resources on the areas that need them most</td>
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<tr>
<td>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</td>
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<td>Businesses should not have to give unnecessary information, nor give the same piece of information twice</td>
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<td>The few businesses that persistently break regulations should be identified quickly</td>
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<td>Regulators should provide authoritative, accessible advice easily and cheaply</td>
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<tr>
<td>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</td>
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2.11 It should be noted that the Hampton Review did not review the work of regulators in devolved administrations, such as the Scottish Environmental Protection Agency. There is a Regulatory Review Group in Scotland and Northern Ireland has its own Better Regulation Strategy at a departmental level.

2.12 The Government has introduced a number of new measures to strengthen the management of regulation, including the Regulatory Policy Committee. This new independent body has been tasked with providing strong and effective external scrutiny throughout the policy making process. The Committee will undertake an advisory role, commenting on whether the Government has been effective in minimising the costs of measures and maximising the benefits of regulation. In this way the Regulatory Policy Committee will bring greater transparency to regulatory decision making within Government.

**Implementation of Hampton**

2.13 The Regulator’s Compliance Code enshrines the Hampton principles and has recently been extended to local authorities and national regulators in Scotland, Wales and Northern Ireland. Work is being done by LARS to embed these principles through activities such as the development of enforcement policies. LBRO has convened a coalition of national regulators, government departments and professional and representative bodies who share an ambition to simplify the complex regulatory system and also to foster the conditions for better regulation. This coalition, facilitated by LBRO, is building consensus and is working hard to develop common approaches for local authorities and national bodies to take, that draw on the best elements of practice and which reduce duplication and bureaucracy in the system. Common approaches to competency and to risk assessment are being developed for example.

2.14 Fire and rescue services established the practices of risk-based enforcement through Integrated Risk Management Plans in 2003-04. The plans are developed by each fire and rescue service using an assessment of local risks to life from fire, to identify how resources should be deployed to tackle these risks and improve the safety of local people.

2.15 The BRE and National Audit Office carried out the first phase reviews of the implementation of Hampton during 2007. The reviews found that there had been good progress in implementing Hampton. However, there remained potential for development, with scope to implement a more comprehensive risk-based approach, increase transparency and accountability, and give more support to economic progress. Since then a further 31 reviews have taken place or are due to take place, including the Gambling Commission, Animal Health Agency and the National Measurement Office, plus a re-review of the Environment Agency.

**Sanctioning powers: Macrory Review**

2.16 The 2006 review of the system of sanctioning powers available to regulators stemmed directly from the Hampton Review, which had found that regulators’ penalty regimes were cumbersome and ineffective. Professor Richard Macrory conducted the review with the aim of understanding how to reduce the inconsistency of enforcement while improving the level of compliance amongst UK businesses. The study looked at the areas of health and safety, food safety and consumer protection among other areas.
2.17 The Macrory Review emphasised that Hampton-compliant risk-based regulatory enforcement will require reforming the sanctioning regime. Macrory found that there are a number of offences for which a range of sanctions would be appropriate across the range of enforcement functions in local authorities. Macrory recommended that civil and administrative sanctions should complement criminal offences to ensure enforcement policy is efficient and effective.

**Table 2. Macrory sanctioning principles**

<table>
<thead>
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<th>Macrory Principles which include recommendations underpinning the RES Act</th>
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<tr>
<td>Regulators should publish an Enforcement Policy</td>
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<td>Regulators should measure outcomes not just outputs</td>
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<td>Regulators should justify their choice of enforcement actions each year to Stakeholders, Ministers and Parliament</td>
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<td>Regulators should follow-up enforcement actions where appropriate</td>
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<td>Enforcement should be in a transparent manner</td>
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<tr>
<td>Regulators should be transparent in the way in which they apply and determine administrative penalties</td>
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<tr>
<td>Regulators should avoid perverse incentives that might influence the choice of sanctioning response</td>
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</table>

2.18 The Regulatory and Enforcement Sanctions (RES) Act 2008 legislates for an extended range of sanctioning powers to be granted to regulators via Ministerial Order. Ministers would approve the extended sanctioning toolkit with the agreement of the Panel for Regulatory Accountability – a Cabinet Office sub-committee – if the regulator can demonstrate that it has put into practice the principles of good regulation primarily through a Hampton Implementation Review. LBRO will have a role in advising government on LARS’ readiness to receive the powers.

2.19 The Department for Environment, Food and Rural Affairs (DEFRA) and the Welsh Assembly Government have recently consulted on their proposals to apply for civil sanctioning powers under the RES Act for the Environment Agency, Natural England and the Countryside Council for Wales. An initiative to test sanctioning powers to deliver restorative justice through pilots with trading standards services is outlined in the section on the Consumer White Paper below.

**Priorities: Rogers Review**

2.20 The 2007 review of national regulatory enforcement priorities by Peter Rogers was conducted in order to address the lack of effective priority-setting from the centre and effective central and local coordination. Again this stemmed directly from the findings of the Hampton Review. To place priority-setting for LARS into context, as the Rogers Review itself stated:

“The Trading Standards and Environmental Health services of local authorities, taken en masse, are the largest enforcement operation in England...They are the means for achieving regulatory objectives of ten government departments and one non departmental public body; they enforce hundreds of pieces of legislation; and they operate in nearly every industrial and commercial sector”
2.21 Consumers, business representatives, LARS and national bodies were consulted on 61 policy areas. Consequently, the six national priorities recommended by the review and currently applicable to LARS in England are:

- Air Quality
- Alcohol Licensing
- Hygiene of Food Businesses
- Improving Health in the Workplace
- Fair Trading

2.22 The intention of the review was to enable local authorities to better plan their resources and prioritise their activities. A statutory function of LBRO is to manage the list of national enforcement priorities. In 2008, LBRO commissioned researchers from the Institute of Local Government Studies (INLOGOV) at the University of Birmingham to work with a representative cross-section of LARS in order to understand how the blending of national and local priorities works in practice.

2.23 While the research found little evidence to suggest a significant increase in the commitment of resources at local level to the national enforcement priorities, the research did highlight considerable positive changes to the philosophy and approach to local regulation. This includes greater emphasis being placed on pro-activity and support to promote compliance, more reliance on intelligence-led inspection, joined-up working and information sharing and more focus on the outcomes and impacts of regulatory work.

2.24 LBRO is currently working with the Welsh Assembly Government and representatives of Welsh local authorities to prepare a first set of national enforcement priorities for Wales. A draft set of national enforcement priorities for Wales was issued for public consultation in November 2009.

Guidance to business: Anderson Review

2.25 BIS, as part of its 2008 Enterprise Strategy, asked Sarah Anderson, a member of the Small Business Council, to review the best ways in which government can provide advice to business. The resulting Good Guidance Guide highlighted a need for clearer, consistent and more accessible guidance, particularly for small and medium-sized businesses. This is being taken forwards in several ways, including BRE business helpline pilots and a LBRO/BRE project to develop support for micro-businesses.

Protecting consumers: Consumer White Paper

2.26 The Consumer White Paper (CWP), A Better Deal for Consumers – Delivering Real Help Now and Change for the Future was launched in July 2009. Of particular relevance is Chapter 3 Empowering consumers through better enforcement and information, which drew on LBRO’s role in providing an evidence base to government to underpin policy to support local authorities in delivering economic prosperity and consumer protection. LBRO’s national threats research specifically provided an evidence base in relation to the safety of imported goods at ports and LBRO will be working with Government to develop a national approach to this issue and to the wider issue of internet trading. There was also clear support for a common competency framework and LBRO’s work with national regulators and professional bodies to develop the framework.
2.27 The CWP also contains a commitment by the Government to work with LBRO and the Office of Fair Trading to test the new sanctioning powers under Part 3 of RES Act, particularly those relating to restorative justice, through pilots with local authority trading standards services.

2.28 Table 3 provides a summary of the key regulatory reform initiatives in England.

**Table 3. Key regulatory reform initiatives in England**

<table>
<thead>
<tr>
<th>Aim</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simplifying existing legislation</td>
<td>Simplification Plans: target to reduce the administrative cost that each government department places on businesses and charities by 25 per cent by 2010. In July 2009, the National Economic Council - Sub Committee on Better Regulation NEC(BR) agreed that for 2010-15 the Government would set a target to reduce administrative burdens by a further £1.5bn (net) and policy costs by £5bn (gross), with further details of how this would be delivered announced in the Pre-Budget Report.</td>
</tr>
<tr>
<td>Ensuring that Government Departments and regulators regulate only when necessary</td>
<td>Regulatory Impact Assessments, Economic Evaluation</td>
</tr>
<tr>
<td>Driving forward the better regulation agenda in Europe</td>
<td>Securing agreement from 27 member states and the Commission for a 25 per cent target for the reduction of EU law administrative burdens</td>
</tr>
<tr>
<td>Seeking frontline private, public and third sector input</td>
<td>Consultation via <a href="http://www.betterregulation.gov.uk">www.betterregulation.gov.uk</a></td>
</tr>
<tr>
<td>Rationalising national inspection and enforcement arrangements</td>
<td>Via information sharing, a risk-based approach to assessment and the merging of regulatory bodies. 31 existing national regulators will be consolidated into seven bodies by 2010.</td>
</tr>
<tr>
<td>Ensuring that regulators have access to a flexible set of modern sanctioning tools</td>
<td>Macrory Review as implemented through the RES Act</td>
</tr>
<tr>
<td>Improving the consistency and quality of enforcement by local authority regulatory services</td>
<td>Setting up LBRO and establishment of the Primary Authority Scheme</td>
</tr>
<tr>
<td>Ensuring policy makers focus on maximizing the benefits as well as minimizing the cost of regulations</td>
<td>The Benefits of Better Regulation project, commissioned by BRE, the Health and Safety Executive, Food Standards Agency and the Environment Agency identified best practice case studies and provided guidance on how the benefits of regulations can be maximized.</td>
</tr>
<tr>
<td>Prioritising the policy areas that local authority regulatory services currently enforce</td>
<td>From over 60 to six national priorities, following the independent Rogers Review, being managed by LBRO</td>
</tr>
</tbody>
</table>
Beneficiaries of better regulation: businesses, consumers, workers and the environment

Business and the economy

2.29 Reducing the burdens of regulation on business in order to foster economic prosperity and increased productivity is the key outcome in this landscape. The genesis of this cuts across political boundaries and there has been extensive research on the impact of regulation on businesses. This was the major thrust of the Hampton Review, encapsulated in the recommendations to adopt risk-based approaches and address inconsistencies in local enforcement.

2.30 The policy framework seeks to ensure public protection while sustaining a favourable context for business development and wealth creation. It seeks to reward self-regulation and compliance and focus regulatory effort on rogue business. This work is led by the BRE through initiatives such as the business help-line but is also being developed in each area of regulation by the relevant central government departments and national regulators.

2.31 LBRO has built up a solid evidence base of business views of LARS. Over 1,600 businesses have been interviewed as part of our research to date. LBRO is also developing an evidence-base in relation to the frequency of LARS as an interface between local authorities and businesses. A small-scale survey showed that 56 per cent of face-to-face contacts between businesses and local councils were with LARS officers.

2.32 LBRO’s research to date shows that the views and indeed the needs of businesses differ, primarily according to their size but also due to their sector. This echoes the findings of Sarah Anderson’s review. Furthermore, a survey of 1000 businesses conducted for LBRO by Ipsos MORI shows that:

- Businesses value the advice they receive. This was seen as the most important aspect of the service.
- Officers’ knowledge of the situation of each business was less highly rated by comparison to the other areas of the service provided by LARS.
- Inconsistency of enforcement is an issue. One in three of the businesses operating across local authority boundaries had experienced inconsistency between LARS.
- The burden of locally enforced regulation was perceived as broadly similar to the burden of planning, tax, employment and company law by 58 per cent. However, whilst the perception of overall burden was broadly similar, the survey suggested that businesses took a more positive view in relation to how easy it is to know what needs to be done to comply with regulation enforced locally, than in relation to national areas such as tax, planning, employment and company law.

In addition, the findings of a set of business case studies produced for LBRO by University of Cumbria were that:

- Clear advice was wanted on how to remain compliant.
- The depth of officers’ knowledge was viewed as important.
• The quality and longevity of the relationship between regulatory officers and businesses were also seen as important. It was noted that extra costs were often experienced due to poor communications between officers and business.

• A consistent approach from the regulatory system was required. Some of the case studies highlighted the different interpretation of regulations of different local authorities.

• The cost of the regulatory visit was viewed as only a small part of the total cost of regulatory compliance.

2.33 LBRO issued advice and guidance to local authorities about getting full value from their regulatory services by maximizing their contribution to local economic prosperity in the document *Supporting Businesses Towards Recovery*. The advice and guidance advocates greater innovation and collaboration and outlines practical ways in which councils can harness the potential of their regulatory services. The report is available from the LBRO's website: [www.lbro.org.uk](http://www.lbro.org.uk)

### Consumers

2.34 The CWP, described in paragraph 2.26 above, is structured around four key themes: vulnerable consumers, consumer credit, enforcement and information, and consumer law. It is a policy statement setting out the Government's new, more active and strategic approach to financial and other consumer markets. It explains how this approach will be extended to the major challenges that the global financial crisis and economic downturn have created for consumers, and how consumer regulation will be reshaped to reflect the new ways we shop.

### Workers

2.35 The focus on economic prosperity through the reduction of red tape is not at the expense of public protection. The legislation against which LARS secure compliance is intended to achieve outcomes for workers. Consistent and risk-based enforcement of health and safety legislation will help protect employees from risks in the workplace and open up opportunities for the provision of occupational and general health information as part of the Health, Work and Well-Being Programme.

### Environment

2.36 LARS secure compliance with legislation to address environmental priorities, although Macrory found the reliance upon criminal sanctions had undermined the effectiveness of enforcement, encouraging businesses to become more non-compliant. DEFRA and the Welsh Assembly Government are applying for the introduction of civil sanctioning powers in environmental regulation on behalf of the Environment Agency, Natural England and Countryside Council for Wales under the RES Act. Northern Ireland explicitly links the aims of their better regulation strategy towards improving environmental outcomes.

### Better regulation in the UK administrations

#### Wales

2.37 LBRO's remit extends to Wales and the Welsh Assembly Government worked closely with the BRE to ensure that the RES Act is entirely consistent with devolution. The Assembly Government works with the BRE and LBRO to promote a consistent approach to delivering better regulation across the UK, while operating within a distinct Welsh policy context. Distinctive elements include the fundamental principle
to put citizens first and recognising that effective collaboration across organisational boundaries is key to success. LBRO has been working with the Welsh Assembly Government to develop the first set of national enforcement priorities for Wales that are outcome focused and reflect the One Wales agenda. One Wales aims to improve the quality of life for all people in Wales.

2.38 In September 2009, the Welsh Assembly Government published the Policy Statement Inspection, Audit and Regulation in Wales. The statement sets out the role that the Assembly Government expects inspection, audit and regulation to play in delivering accountable, citizen-centred services and the continual improvement of local services.

Scotland

2.39 The remit of LBRO, and by extension the better regulation agenda of Whitehall, does not formally extend to Scotland except on matters of reserved legislation. The Scottish Government established a Regulatory Review Group in 2004, which continues to be aligned with the Scottish Government’s purpose of increasing sustainable economic growth and LBRO has observer status. The second Scottish Improving Regulation Report was published in 2009, which articulated the five principles of better regulation as the foundation for regulatory improvement.

Northern Ireland

2.40 The better regulation agenda sits within the Department for Enterprise, Trade and Investment within Northern Ireland. While mostly devolved from Whitehall, there appears to be broad acceptance of the tenets of the Hampton and subsequent reviews and recommendations insofar as they can be applied. As in Scotland, LBRO has a limited remit in Northern Ireland. The Northern Ireland Assembly and the local authorities in Northern Ireland have agreed a statement of intent to respect the notification and guidance requirements of the Primary Authority scheme. This is to enable businesses that trade in Northern Ireland and have a primary authority partnership in GB to receive a consistent approach to enforcement.

Developments in local government

England

2.41 The wider local government improvement agenda, as set out in the 2006 White Paper Strong and Prosperous Communities, provides important context for regulatory reform at the local level. The creation of the National Indicator Set, Local Area Agreements and the Comprehensive Area Assessment places the responsibility for the delivery of outcomes and improved performance on local authorities and their partners and less so on central government.

Local government’s place shaping role

2.42 The White Paper noted the improvement in public services that had been achieved through regulation and inspection. It aimed to continue that improvement in public sector performance by making local agencies more accountable to local people and local communities and addressing the tension between competing central and local government priorities. This was reinforced by the 2007 Central-Local Concordat which set out local government’s responsibilities to provide effective leadership and to empower local communities where possible.
2.43 The White Paper emphasised the flexibility of local councils to respond to local needs. The 2007 Lyons Review of local government coined the phrase ‘place shaping’ in relation to empowering local authorities to promote the well-being of communities and citizens through the creative use of their powers and influence.50

2.44 This is at the heart of the evolution of local government in England and builds on evidence from the success of local public service agreements, Local Area Agreements Enabling Measures, Neighbourhood Renewal Funds and the Stronger and Safer Communities Fund.

2.45 The new approach to improvement responsibilities and agreement between central and local government is reflected in the National Improvement and Efficiency Strategy. This is complemented by nine regional improvement and efficiency strategies developed by the local authority led Regional Improvement and Efficiency partnerships (RIEPs). RIEPs drive efforts to find new ways to achieve efficiency savings, improve services, shape markets, and encourage greater innovation. Additional funding was announced in October 2009 to continue this work.

National Indicator set

2.46 A single set of 198 National Indicators was announced as part of the 2007 Comprehensive Spending Review and took effect from April 2008. This is a streamlined set of indicators that reflects priority outcomes for local authorities working alone or in partnership and is the successor to the Best Value Performance Indicators.

Local Area Agreements

2.47 Partnership between local authorities, health bodies, the police, charities and government agencies to deliver services and outcomes is the other guiding principle in the evolution of local government. LAAs are the formal agreement between local partners51 and contain the outcome targets for each local area. From 2008-09 they became the main delivery contract between central government and local authorities and their partners. The achievement of LAA outcomes is assessed by Comprehensive Area Assessment, reviewed by a partnership of seven inspectorates coordinated by the Audit Commission.52 Further details are given in Part 5.

Total Place

2.48 Total Place is an ambitious initiative begun in 2009 that will consider how a ‘whole area’ approach to public services can lead to better services at less cost. The impact of the economic downturn means all of the public sector need to find new and more efficient ways to serve the public. There are 13 pilot areas across England participating in the scheme, with each area ensuring a diverse mix of economic, geographical and demographic profiles. Key Government Departments (including Treasury, Health, Work and Pensions, Home Office) are working closely with the Leadership Centre for Local Government, the Regional Improvement and Efficiency Partnerships (RIEPs), the Government Office (GO) network and the Improvement and Development Agency (IDeA) to ensure that Total Place is successful.53

2.49 This work forms part of the Operational Efficiency Programme (OEP) strand led by Sir Michael Bichard, that seeks to create the environment where collaboration and innovation on the frontline leads to reduced costs and new ways of working, to live within more constrained resources while meeting the public’s expectations of higher quality services.

22
Evolution of Multi-Area Agreements

2.50 In July 2008, the first Multi-Area Agreements (MAAs) were signed. These are designed to be cross-boundary LAAs to tackle issues such as skills deficits, housing market imbalances, transport projects or economic development and were first mooted in the Local Government White Paper 2006. MAAs will reinforce the delivery of outcomes from established joint-working agreements by LARS, for example LARS working together as part of the Association of Greater Manchester Authorities will contribute towards the outcomes of the Manchester MAA.

2.51 The MAA model is likely to become more prominent following the 2007 joint HM Treasury, BERR and CLG review of Sub-national Economic Development and Regeneration. This concluded that local authorities have a greater role to play in reducing economic disparities and suggested that cross-boundary partnerships were effective in achieving strategic outcomes. The Local Democracy, Economic Development and Construction Bill currently being legislated upon proposes a new statutory duty on upper tier local authorities to assess local economic conditions including, subject to consultation, the potential to develop statutory partnerships. There is a wider role for some local authorities in agreeing the revised Regional Strategy in partnership with regional development agencies.

Wales

2.52 Local authorities in Wales are monitored annually against national objectives through the Wales Programme for Improvement. The Welsh Assembly Government monitors the performance of local authorities in Wales through best value performance indicators (established by statutory instrument) that focus on inspection activity.

2.53 The 2006 Beecham Review considered the delivery of public services in Welsh local authorities and recommended greater collaboration and cross-boundary working through the establishment of local service boards and delivery agreements. Local authorities sit on Local Service Boards that work across sectoral and organisational boundaries to deliver local services at a sub-regional level. Each Local Service Board has selected a number of collaborative projects to drive forward, on the basis of local needs assessments and engagement with citizens. They are drawn from the Community Strategy and other existing local plans and strategies. The purpose of the Local Delivery Agreement is to describe the problem being solved, demonstrate the citizen benefits and to set out clearly the direction of travel, key project milestones and how success will be measured.

2.54 The Welsh Assembly Government has taken forward the Beecham recommendations through the Making the Connections policy for public service reform and its current local government policy statement A Shared Responsibility: Local Government’s contribution to improving people’s lives outlines the vision of local governments becoming more responsive to local needs.

Scotland

2.55 The Scottish Government has established a concordat with local authorities for the period 2008-09 to 2010-2011. The Concordat set out proposals for a Single Outcome Agreement (SOA) between each local council and the Scottish Government, based on 15 key national outcomes agreed in the concordat. The SOA sets out the outcomes which each local authority is seeking to achieve with its partners to reflect local needs, circumstances and priorities and have been extended to Community Planning Partnerships. SOAs are in place in all 32 councils.
Northern Ireland

2.56 The Review of Public Administration in Northern Ireland has recommended that the 26 local councils should be amalgamated into eleven in order to reduce the size of the administration of Northern Ireland and the timescale for implementation is May 2010. The Department for Enterprise, Trade and Investment delivers trading standards services centrally for Northern Ireland. Environmental Health services are delivered by local authorities. Some responsibilities for alcohol licensing are delivered by the Police Service for Northern Ireland. The balance between local and central government in Northern Ireland is different to the rest of the UK and work is ongoing in this area.
Part 3: Wider Organisational Structures in the System

3.1 This section sets out the organisational structures in the system within which local authority regulatory services (LARS) operate.

Local government

3.2 LARS are a function of local government. Local government in England, Wales and Scotland is structured in two contrasting ways. In Scotland, Wales and parts of England, single tier 'all purpose' councils are responsible for all local authority functions. These are the unitary or metropolitan councils. The remainder of England has a two-tier system, in which responsibilities are divided between district and county councils. The system in Northern Ireland has evolved differently but follows a single tier model.

3.3 Across the UK, there are currently 433 local councils summarised in Table 4. The reduction since last year is due to the creation of nine new unitary authorities in England from seven county councils and 36 non-metropolitan districts, taking effect from April 2009. The numbers of local councils will reduce further as a result of restructuring in Northern Ireland.

Table 4. Numbers of local councils in the UK

<table>
<thead>
<tr>
<th></th>
<th>England</th>
<th>Scotland</th>
<th>Wales</th>
<th>Northern Ireland</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unitary or ‘single tier’ (including metropolitan councils)</td>
<td>125</td>
<td>32</td>
<td>22</td>
<td>-</td>
<td>179</td>
</tr>
<tr>
<td>County Councils</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27</td>
</tr>
<tr>
<td>District Councils</td>
<td>201</td>
<td>-</td>
<td>-</td>
<td>26</td>
<td>227</td>
</tr>
<tr>
<td>Total Councils</td>
<td>353</td>
<td>32</td>
<td>22</td>
<td>26</td>
<td>433</td>
</tr>
</tbody>
</table>

3.4 Local councils are autonomous entities operating under local democratic structures. As detailed in Part 1, they take their powers and duties from specific legislation which has been defined broadly as the duty to promote community well-being. The machinery of local government across the UK is steered by locally elected councillors representing local communities on a ward basis. Since the Local Government Act 2000, local government democratic governance can be through several types of council constitutions:

- A council leader with a cabinet
- A directly elected mayor with a cabinet
- A directly elected mayor with a council manager
- A streamlined committee system (for small areas)

The executive responsibility for LARS falls within one or more of the cabinet or committee portfolios, the remit of which is decided locally. The arrangements for where LARS sit are different from council to council.
3.5 Across the UK, the responsibility for the enforcement of regulation as a function of local government has increased over the years in response to the increase in regulation. Each unitary local authority currently, therefore, will enforce legislation for the regulation of environmental health, licensing and trading standards (as listed in the Regulatory Enforcement and Sanctions (RES) Act 2008) although in Scotland licensing is dealt with by Licensing Boards. A number of local authorities across the UK function as PHAs with responsibilities for health controls at sea and airports.

3.6 Unitary authorities cover all functions of LARS, but these are split in those parts of England with a two-tier system. Here, trading standards and environmental health are the responsibility of county and district councils respectively, while licensing is undertaken at both levels. A more detailed breakdown of how LARS’ functions are apportioned by authority type is shown in Table 5.

### Table 5. LARS’ functions by authority type

<table>
<thead>
<tr>
<th>Main Enforcement Functions</th>
<th>District</th>
<th>County</th>
<th>Single tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol and entertainment licensing</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Animal health</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Public health</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Environmental protection (air pollution, noise pollution, nuisance)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Fair trading</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Food labelling</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Food safety</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Health and safety</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Infectious disease control</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Pest control</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Pricing</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Private rented housing standards</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Product safety</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Taxi licensing</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Weights and measures</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

**Fire and Rescue Authorities (FRAs)**

3.7 The enforcement of fire safety legislation is carried out by the 58 FRAs across the UK. There are 46 fire service authorities in England. County councils provide 15 fire services and the rest are separate statutory bodies known as combined or metropolitan fire services. London is a regional fire service, and there are 3 regional authorities in Wales. The numbers of FRAs across the UK are listed in Table 6.
Table 6. Numbers of FRAs in the UK

<table>
<thead>
<tr>
<th></th>
<th>FRAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>46</td>
</tr>
<tr>
<td>Scotland</td>
<td>8</td>
</tr>
<tr>
<td>Wales</td>
<td>3</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>1</td>
</tr>
<tr>
<td>UK</td>
<td>58</td>
</tr>
</tbody>
</table>

3.8 FRAs have a wide remit set out in the Fire Service National Frameworks for England and Wales respectively under the following 4 themes:

- Prevention, protection, response (including fire safety)
- Resilience
- Diversity
- Governance and Improvement

Port Health Authorities (PHAs)

3.9 PHAs and local authorities have a number of different port health functions which together protect the public, environmental and animal health of the UK. These include ensuring infectious disease does not spread from vessels, enforcing controls on imported food and sampling shellfish beds for contamination. PHAs are also an integral part of the strategy to deal with national emergencies. PHAs are represented by the Association of Port Health Authorities.

3.10 There are over 150 inspection points for PHAs at airports, sea ports and other points of entry to the UK and a breakdown of these is given in Table 7. The majority of port health functions are delivered by local authorities, although a small number of standalone PHAs exist.

Table 7. Numbers of PHAs in the UK

<table>
<thead>
<tr>
<th></th>
<th>Estimated PHA Inspection Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>68</td>
</tr>
<tr>
<td>Scotland</td>
<td>62</td>
</tr>
<tr>
<td>Wales</td>
<td>11</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>10</td>
</tr>
<tr>
<td>UK</td>
<td>151</td>
</tr>
</tbody>
</table>

64

65
National regulators

3.11 There are a number of bodies responsible for enforcing legislation, regulating markets or monitoring standards, collectively known as national regulators.66 Not all of the national regulators are inside this landscape, for example those covering the privatised industries, financial sector or education.

3.12 The remit of national regulators may not always extend beyond England. There is usually an equivalent body in a devolved administration for a national regulator without a legislative remit. Alternatively, a national regulator may work in partnership with the devolved administration and have a dedicated office.

3.13 The national regulators that have direct involvement in this landscape are listed below and Table 8 summarises their UK coverage. There are others such as the Health Protection Agency, Intellectual Property Office and the UK Border Agency that also have an interest. The extent to which national regulators enforce legislation with local authorities or provide guidance to local authorities varies with each national regulator. Further details are given in Part 6.

- Animal Health Agency: an executive agency of DEFRA, primarily responsible for ensuring the health of Britain’s farmed animals, which also works on behalf of the Scottish Government and the Welsh Assembly Government.

- Environment Agency (EA): a non-departmental public body of DEFRA and an Assembly Sponsored Public Body of the National Assembly for Wales that is responsible for protecting and improving the environment in England and Wales. The Scottish Environment Protection Agency has a similar remit in Scotland and the Northern Ireland Environment Agency in Northern Ireland. The Environment Agency and local authorities have complementary powers in some areas, such as air quality, contaminated land and environmental protection regulation. They also have a duty to consult each other on some issues, such as planning and waste.

- Food Standards Agency (FSA): a UK government department that oversees local authority enforcement activities for food law. This agency is responsible for advising ministers and the devolved authorities on food safety and standards matters. It also negotiates with the EU on behalf of the UK in relation to food safety legislation.

- Gambling Commission: a non-departmental public body of DCMS and the independent regulator of all commercial gambling in the UK excluding the National Lottery and spread betting. It provides guidance to local authorities responsible for the licensing of premises for the purposes of commercial gambling.

- Health and Safety Executive (HSE): a non-departmental public body sponsored by the Department for Work and Pensions. It deals with health and safety at work, providing direct services and advice to LARS through its Local Authority Unit and field partnership teams. There is a Health and Safety Executive for Northern Ireland.

- Meat Hygiene Service: an executive agency of the Food Standards Agency responsible for the protection of public health and animal health and welfare in Great Britain. The Livestock and Meat Commission for Northern Ireland has a wider remit but is the equivalent body for Northern Ireland.
- National Measurement Office (NMO): an executive agency of the Department for Business Innovation and Skills responsible for ensuring that all trade measurements are accurate, legal and fair to buyer and seller. As well as having policy responsibility for weights and measures and hallmarking legislation, NMO carries out a variety of regulatory functions.

- Office of Fair Trading (OFT): a non-ministerial government department with responsibility for the enforcement of competition and consumer law. It is the UK’s competition authority. The OFT provides support for trading standards where their remits overlap and coordinates the national intelligence function.

Table 8. UK coverage of national regulators with a direct interest in this landscape

<table>
<thead>
<tr>
<th>National Regulator</th>
<th>England</th>
<th>Wales</th>
<th>Scotland</th>
<th>Northern Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animal Health</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Livestock and Meat Commission for Northern Ireland</td>
</tr>
<tr>
<td>Environment Agency</td>
<td>Yes</td>
<td>Yes</td>
<td>Scottish Environment Protection Agency</td>
<td>Northern Ireland Environment Agency</td>
</tr>
<tr>
<td>Food Standards Agency</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Gambling Commission</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Department for Social Development</td>
</tr>
<tr>
<td>Health and Safety Executive</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Health and Safety Executive for Northern Ireland</td>
</tr>
<tr>
<td>Meat Hygiene Service</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Livestock and Meat Commission for Northern Ireland</td>
</tr>
<tr>
<td>National Measurement Office</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Office of Fair Trading</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes Department for Enterprise Trade and Investment</td>
</tr>
</tbody>
</table>

Central government departments

3.14 Regulatory policy is developed and promoted primarily through government departments. They have the common feature of setting overarching policy aims, providing guidance and producing legislation.

3.15 As highlighted in Part 1, local authorities across England, Wales, Scotland and Northern Ireland are responsible for enforcing legislation derived from EU Directives. The implications of devolution are that some Whitehall departments will rely on secondary legislation to implement EU Directives on reserved matters in devolved nations.
Whitehall

3.16 The Whitehall departments with the most direct interest in this landscape are as follows and further detail is given below.

- Department for Business, Innovation and Skills (BIS)
- Department for Communities and Local Government (CLG)
- Department for Culture, Media and Sport (DCMS)
- Department for Environment, Food and Rural Affairs (DEFRA)

Direct interest is defined here as providing a combination of policy direction, guidance or stipulating regulatory or other outcomes. This list not exhaustive however as there are other departments with an interest in LARS such as:

- Cabinet Office
- Department of Health
- Department for Transport
- Department for Work and Pensions
- Home Office
- HM Revenue and Customs
- HM Treasury
- Ministry of Justice

Department for Business, Innovation and Skills: BIS was formed from the merger in 2009 of the Department for Business, Enterprise and Regulatory Reform and the Department of Innovation, Universities and Skills. BIS promotes the creation and growth of business and leads work to create the conditions for business success through competitive, flexible and fair markets. It has an interest in consumer protection legislation and, as well as being the voice for business across government, is responsible for regulatory reform policy and works across government and the regions to raise levels of UK productivity. BIS now has science, innovation, skills and further and higher education responsibilities and sponsors a number of bodies including the Intellectual Property Office and the National Measurement Office. It is responsible for legislation on intellectual property, weights and measures and hallarking, much of which is enforced by LARS. The BRE is a unit within the department and sponsors LBRO.

Department for Communities and Local Government: CLG has responsibility for policy in relation to local government and FRAs across England. This includes regulation of private sector housing. It has the power to promote new legislation and guidance within existing legislation and allocate resources for specific activities. The department also sets the overall performance framework for local authorities in England.

Department for Culture, Media and Sport: DCMS is responsible for gambling and licensing policy as well as policies for arts, sport and the regulation of the media. It aims to improve the quality of life for all through cultural, sporting and other recreational activities and through the strengthening of the creative industries. The Secretary of State provides guidance for the setting of gambling licensing fees which is reviewed by an independent panel.
Department for Environment, Food and Rural Affairs: DEFRA seeks to enable everyone to live within their environmental means. DEFRA champions sustainable development and is also the focal point for rural and environmental policy, with a role in both European Union and global policy making. The Directorate General for Animal Health and Welfare oversees regulatory functions relating to animal health. LARS are coordinated through the Delivery Partners Co-Ordination Unit (DPCU).

3.17 The devolved administrations have government departments or directorates which map onto this landscape.
Part 4: Resources

4.1 This section provides an overview of the resources for local authority regulatory services (LARS) in terms of expenditure, funding flows and staffing.

Funding for LARS

4.2 Local government expenditure as a whole stands at around a quarter of total public sector expenditure and has remained constant at that level since 2001-02. The budgets for LARS are determined solely by local councils, which are funded from locally raised council tax and central grant depending on devolved arrangements.

4.3 In 2007-08, the latest year for which data is available, local authorities in England, Scotland and Wales spent nearly £1.35 billion providing environmental health and trading standards services. This was equivalent to just under one per cent of total local authority expenditure on services, which was £139 billion. At this aggregate level therefore, the proportion of public expenditure used in the provision of LARS is very small.

4.4 Table 9 breaks down LARS’ gross expenditure by devolved administration in 2007-08. Gross expenditure is financed from the council budget and incomes accrued from the delivery of services. It includes expenses relating to employees, premises, transport, supplies and services, third party payments, support services costs and capital charges. The table is based on data submitted to the Chartered Institute of Public Finance and Accountancy (CIPFA) and supplemented by data from Scottish Local Government Finance Statistics.

Table 9. LARS gross expenditure 2007-08 across Great Britain

<table>
<thead>
<tr>
<th></th>
<th>Environmental Health</th>
<th>Trading Standards</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross expenditure £m</td>
<td>Gross expenditure £m</td>
<td>Gross expenditure £m</td>
<td></td>
</tr>
<tr>
<td>England</td>
<td>936.5</td>
<td>189.7</td>
<td>1126.2</td>
</tr>
<tr>
<td>Wales</td>
<td>63.7</td>
<td>18.6</td>
<td>82.3</td>
</tr>
<tr>
<td>Scotland</td>
<td>112.4</td>
<td>24</td>
<td>136.4</td>
</tr>
<tr>
<td>GB</td>
<td>1112.6</td>
<td>232.3</td>
<td>1344.9</td>
</tr>
</tbody>
</table>

4.5 The estimated total expenditure of the relevant national regulators in this landscape in 2007-08 is £1.68 billion, which is of a similar magnitude to the total expenditure of LARS, as set out in Table 10 (gross figures have been used where possible). It is important to note however that each national regulator listed in Table 10 has differing enforcement responsibilities and different relationships with local authorities.

4.6 Table 10 also shows that most obtain the majority of their funding from the national department that sponsors them and from statutory charges and levies. However, the Food Standards Agency is a non-Ministerial Department and obtains its funding in the same way as other national departments. The Gambling Commission is mainly self-funded.
### Table 10. Expenditure of the national regulators 2007-08

<table>
<thead>
<tr>
<th>National Regulator</th>
<th>Total expenditure 2007-08 £m - rounded</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment Agency</td>
<td>1102.9&lt;sup&gt;73&lt;/sup&gt;</td>
<td>DEFRA and Welsh Assembly Government</td>
</tr>
<tr>
<td>Health and Safety Executive</td>
<td>213.9&lt;sup&gt;74&lt;/sup&gt;</td>
<td>DWP</td>
</tr>
<tr>
<td>Food Standards Agency</td>
<td>142.5&lt;sup&gt;75&lt;/sup&gt;</td>
<td>HM Treasury</td>
</tr>
<tr>
<td>Office of Fair Trading</td>
<td>68.8&lt;sup&gt;76&lt;/sup&gt;</td>
<td>BIS</td>
</tr>
<tr>
<td>National Measurement Office</td>
<td>4.29&lt;sup&gt;77&lt;/sup&gt;</td>
<td>BIS</td>
</tr>
<tr>
<td>Gambling Commission</td>
<td>16.7&lt;sup&gt;78&lt;/sup&gt;</td>
<td>Self-funded</td>
</tr>
<tr>
<td>Animal Health</td>
<td>130.5&lt;sup&gt;79&lt;/sup&gt;</td>
<td>DEFRA</td>
</tr>
<tr>
<td>Total</td>
<td>1679.59</td>
<td></td>
</tr>
</tbody>
</table>

4.7 The trend in LARS expenditure over time is increasing, although the scale of responsibilities given to LARS has also grown. Figure 1 overleaf shows the growth in real terms in total expenditure since 1996-97.<sup>80</sup>

4.8 Going forwards, it is unlikely that this rising trend will continue. Following the shocks in the world economy in 2007 and 2008, almost every major advanced economy went into recession. The most pessimistic forecast for the UK’s growth in GDP is -4.5 per cent (average -4.3) in 2009 and -0.5 per cent (average 1.3) in 2010. This indicates that most observers believe the UK will remain in recession through 2009 and may only just emerge into positive growth in 2010.<sup>81</sup> The Treasury has forecast that the UK’s public sector net debt will increase to 55.4 per cent of GDP in 2009-10 and 76.2 per cent of GDP in 2013-14.<sup>82</sup> This is likely to have a major constraining effect on the funding of public services.

4.9 Equivalent data for fire safety enforcement is not included as it is not possible to disaggregate from total fire and rescue services expenditure. However, collectively, the fire service in England and Wales spent around £2.3 billion in 2007-08.<sup>83</sup>

### Efficiency

4.10 The 2007 Comprehensive Spending Review set the public sector a target to achieve three per cent annual efficiencies, all cash releasing. Following the findings of the Operational Efficiency Programme that reported in April 2009, the 2009 Budget announced that an additional one per cent will be required in 2010-11 raising the target from £30 billion to £35 billion. In the next Spending Review period additional efficiencies will be sought rising to £9 billion by 2013-14.<sup>84</sup>
4.11 Together, for councils in England, this amounts to a target of £5.5 billion cash-releasing efficiencies by the end of March 2011. While there are no mandatory targets for individual authorities, each council will be required to report their progress through National Indicator 179 – total net value of ongoing cash-releasing value for money gains. In 2008-09, councils in England reported a total of nearly £1.8 billion value for money gains against this Indicator.85

4.12 Regional Partnership Boards have been created in Wales to pool expertise, share best practice and increasingly plan and deliver joint services. The Boards should also see substantial efficiency savings.86

**Figure 1. Gross expenditure (in real terms) of trading standards and environmental health services since 1996-97** 87

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**Other funding flows for LARS (excluding fire safety)**

4.13 These services generate income during the course of their work, a large proportion of which are licensing fees. Table 11 provides a breakdown of the income figures, again using CIPFA data supplemented by data from Scottish Local Government Finance Statistics.
Table 11. LARS total income 2007-08 across Great Britain

<table>
<thead>
<tr>
<th></th>
<th>England</th>
<th>Wales</th>
<th>Scotland</th>
<th>GB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Health</td>
<td>£m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total income</td>
<td>284.2</td>
<td>14.1</td>
<td>33.2</td>
<td>331.5</td>
</tr>
<tr>
<td>Proportion of gross</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>expenditure (see Table 9)</td>
<td>30</td>
<td>22</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Trading Standards</td>
<td>£m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total income</td>
<td>26.1</td>
<td>2</td>
<td>2.3</td>
<td>30.4</td>
</tr>
<tr>
<td>Proportion of gross</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>expenditure (see Table 9)</td>
<td>14</td>
<td>11</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Environmental Health and</td>
<td>£m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading Standards</td>
<td>310.3</td>
<td>16.1</td>
<td>35.5</td>
<td>361.9</td>
</tr>
</tbody>
</table>

4.14 The figures in Table 11 show that income received by environmental health services was a greater proportion of their total gross expenditure than for trading standards services.89

4.15 The trend in income over time is increasing. Figure 2 below shows a steady increase of total incomes since 1996-97, again in real terms.

Figure 2. Incomes (in real terms) of trading standards and environmental health services since 1996-97

4.16 Despite the rises in incomes from other sources, LARS are accountable first and foremost to their local council and therefore their local community. However income streams indicate the level of commitment taken on by LARS to tackle different priorities and the extent to which they are delivery partners of other bodies. These data suggest this is an increasing trend and this is explored further below.
Incomes to trading standards services

4.17 Incomes to trading standards services are classified in four ways in the CIPFA statistics: specific grants, grants to undertake Department for the Environment, Food and Rural Affairs (DEFRA) SLA work, prosecution costs and ‘other’. Figure 3 overleaf shows the proportions of each type of income for trading standards in 2007-08. It shows that ‘other’ income forms the largest proportion at 44 per cent, with specific grants and DEFRA grants being similar at 27 and 23 per cent respectively. Prosecution costs are a much smaller proportion of income at six per cent.

4.18 Table 12 sets out what the ‘other’ and ‘specific grants’ categories of income comprise, using notes accompanying the CIPFA statistics and giving illustrative examples in each case. It shows that trading standards receive income primarily from metrology and licensing, but also receive grants for specific activities such as copyright and patent enforcements, tobacco control and regional activities. It does appear however that some income sources may have been mis-recorded as, for example, tobacco control features in both ‘other’ income and ‘specific grants’.

Figure 3. Types of income as a proportion of total income received by trading standards in 2007-08

<table>
<thead>
<tr>
<th>Income Type</th>
<th>Proportion</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Income</td>
<td>44%</td>
<td>£12.4m</td>
</tr>
<tr>
<td>Specific Grants</td>
<td>27%</td>
<td>£7.5m</td>
</tr>
<tr>
<td>Grants to undertake DEFRA SLA work</td>
<td>23%</td>
<td>£6.4m</td>
</tr>
<tr>
<td>Prosecution Costs</td>
<td>6%</td>
<td>£1.8m</td>
</tr>
</tbody>
</table>

**Total £28.1m**

Differences in the proportions will be due to rounding.
Table 12. Details of ‘other’ and ‘specific grants’ trading standards income categories

<table>
<thead>
<tr>
<th>CIPFA Statistics Category</th>
<th>Common examples cited in accompanying notes (number of authorities, excluding Scotland)</th>
</tr>
</thead>
</table>
| Other income              | Weights and measures (69)  
                            | Licensing/license fees e.g. petroleum, poison, explosives (57)  
                            | Tobacco control (3)  
                            | No cold calling (2)  
                            | Food standards agency (2) |
| Specific grants           | DTI copyright designs and patents enforcements (Gower’s Review) (75)  
                            | Food standards agency food hygiene (21)  
                            | Consumer support network (5)  
                            | Smoke free/tobacco funding (6)  
                            | Consumer advice (2)  
                            | Regional intelligence (2)  
                            | Regional coordination (2)  
                            | Animal movements (DEFRA) (2)  
                            | LAA (4)  
                            | BERR (2) |

4.19 Figure 4 shows the trend in trading standards income since 2001-02 when the DEFRA grants began, coinciding with the foot and mouth outbreak. When adjusted for inflation there was an increase in income of 20 per cent in 2007-08 compared to 2006-07. This is mainly due to a 180 per cent increase in the amount of ‘specific grants’ received. This indicates that new initiatives came on stream in that year.

Figure 4. Trading standards income streams (in real terms) since 2001-02

![Graph of trading standards income streams](image-url)
Incomes to environmental health services

4.20 Incomes to environmental health services are classified according to nine categories by CIPFA, giving somewhat greater visibility than for trading standards. Figure 5 shows the proportions of each type of income for environmental health in 2007-08. It shows that the majority of income is from licensing activities (the three licensing categories total 40 per cent) and ‘other income’ at 26 per cent.

Figure 5. Types of income as a proportion of total income received by environmental health in 2007-08

4.21 Table 13 gives examples of what is included in the ‘other’ and ‘licensing-other’ categories. The category ‘Incomes from Recharges to Other Accounts of the Authority’ is income obtained by LARS for providing goods and services for another part of the local authority.

Table 13. Details of ‘other’ and ‘licensing-other’ environmental health income categories

<table>
<thead>
<tr>
<th>CIPFA Statistics Category</th>
<th>Common examples cited in accompanying notes (number of authorities, excluding Scotland)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other income</td>
<td>Only two authorities are cited</td>
</tr>
<tr>
<td>Licensing - other</td>
<td>Street trading (22)</td>
</tr>
<tr>
<td></td>
<td>Gambling Act 2005 (14)</td>
</tr>
<tr>
<td></td>
<td>Lotteries and gaming (11)</td>
</tr>
<tr>
<td></td>
<td>Sex establishments (7)</td>
</tr>
</tbody>
</table>

Differences in the proportions and with Table 11 will be due to rounding.
4.22 Figure 6 overleaf shows the trend in environmental health income since 2001-02. When adjusted for inflation, it shows that income increased sharply between 2006-07 and 2007-08. This is accounted for by a 19 per cent increase in licensing income compared to an increase in total income of 12 per cent.

Figure 6. Environmental health income streams (in real terms) since 2001-02

![Environmental Health Income Streams Graph](image)

4.23 Subtracting incomes and capital charges from gross expenditure gives a figure for net expenditure. Figure 7 overleaf shows the trend over time in net expenditure, again in real terms. Income is increasing at a faster rate than expenditure which means that net expenditure is increasing slower than gross expenditure. Net expenditure for trading standards services actually went down this year due to the large increase in income compared to expenditure.

**Staffing for LARS**

4.24 LARS are delivered by trained officers and staff costs account for around two-thirds of expenditure. The breakdown of full-time equivalent (FTE) staff for environmental health and trading standards services across Great Britain is given in Table 14. Since last year, there has been an increase of 175 staff across environmental health and trading standards services in England, a decrease of 125 staff in Wales across both services and a decrease of 25 staff in trading standards services in Scotland.
4.25 In the Local Government Workforce in England Survey 2008, environmental health officers (EHOs) and trading standards officers (TSOs) were ranked fourth and eighth respectively in the top ten local authority occupations experiencing recruitment difficulties in 2008. Forty per cent of local authorities answering the survey experienced difficulties recruiting EHOs and 28 per cent experienced difficulties recruiting TSOs. Retention also appears to be an issue for EHOs, as a fifth of authorities (20 per cent) reported difficulties retaining them. The Audit Commission has also recently noted the potential impact of a shortage of EHOs.

Table 14. LARS total FTE staff 2007-08 across Great Britain

<table>
<thead>
<tr>
<th></th>
<th>England</th>
<th>Wales</th>
<th>Scotland</th>
<th>GB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Health</td>
<td>FTE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14,720</td>
<td>1,238</td>
<td>N/A</td>
<td>15,958</td>
</tr>
<tr>
<td>Trading Standards</td>
<td>FTE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3442</td>
<td>381</td>
<td>491</td>
<td>4314</td>
</tr>
<tr>
<td>Total</td>
<td>FTE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18,162</td>
<td>1,619</td>
<td>491</td>
<td>20,272</td>
</tr>
</tbody>
</table>
Part 5: Performance

5.1 Local authority regulatory services (LARS) have a joint role with national regulators and government departments in providing safeguards for people and the environment and maintaining fair trading practices for businesses. This section places their performance management and assessment within the wider local government performance framework.

Local government performance assessment

5.2 The introduction of Local Area Agreements (LAAs) and the National Indicator Set has shifted the focus towards outcomes, with an emphasis on developing partnerships to deliver local priorities. This single performance framework in England stemmed also from the need to reduce the administrative burdens on local authorities. Research commissioned by LBRO estimates that the administrative cost of reporting activity and other data to central bodies by LARS is in the order of £6 million per year.\(^95\) FRAs are subject to National Frameworks in England and Wales which set out governmental expectations of them.\(^96\)

National Indicator Set

5.3 Table 15 lists the performance indicators for LARS matched to the central government department/national regulator for which they are a priority outcome and to the regulatory service(s) being measured. It is important to note that LARS can contribute to a much wider number of indicators. Recent research commissioned from RAND Europe by LBRO found that LARS contribute to a number of economic, social and environmental impacts. This research resulted in a toolkit to assist LARS in identifying and evidencing their outcomes and impacts.\(^97\)

5.4 There are two indicators for FRAs that flow from CLG’s Departmental Strategic Objective to ensure safer communities by providing the framework for the Fire and Rescue Service and other agencies to prevent and respond to emergencies. The two fire indicators are:

- NI 33 – Arson Incidents (deliberate fires)
- NI 49 – Number of primary fires and related fatalities and nonfatal casualties (excluding precautionary checks)

Comprehensive Area Assessment

5.5 Comprehensive Area Assessment (CAA) replaced the Comprehensive Performance Assessment (CPA) in April 2009. CAA places an emphasis on the outcomes that partners are achieving for local communities, reflecting the roles of local strategic partnerships and the advent of sustainable community strategies and LAAs. CAA is also a response to the reducing burdens agenda as it will be a joint inspectorate assessment. The six inspectorates working together through CAA are:

- the Audit Commission
- HM Inspectorate of Constabulary
- HM Inspectorate of Prisons
- HM Inspectorate of Probation
- the Office for Standards in Education (OFSTED)
- Care Quality Commission\(^98\)
Table 15. National Indicators directly relating to the performance of LARS in England

<table>
<thead>
<tr>
<th>No.</th>
<th>National Indicator Description</th>
<th>Government Department/National Regulator</th>
<th>LARS or FRAs being measured</th>
<th>Results 2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>NI 182</td>
<td>Satisfaction of businesses with local authority regulatory services</td>
<td>BIS</td>
<td>Trading standards, environmental health and licensing (fire safety is not specifically excluded)</td>
<td>The national indicator 182 baseline figure for the year 2008-09 is 77 per cent</td>
</tr>
<tr>
<td>NI 183</td>
<td>Impact of local authority regulatory services on the fair trading environment</td>
<td>OFT</td>
<td>Trading standards</td>
<td>Not available at time of writing</td>
</tr>
<tr>
<td>NI 184</td>
<td>Food establishments in the area which are broadly compliant with food hygiene law</td>
<td>Food Standards Agency</td>
<td>Environmental health</td>
<td>Not available at time of writing</td>
</tr>
<tr>
<td>NI 190</td>
<td>Achievement in meeting standards for the control system for animal health</td>
<td>Defra</td>
<td>To be introduced 2009-10</td>
<td>Will not be measured until 2009-10</td>
</tr>
<tr>
<td>NI 194</td>
<td>Level of air quality</td>
<td>Cross-cutting Public Service Agreement Target/Defra</td>
<td>Environmental health, housing, estate management and vehicle fleets, depending on local arrangements</td>
<td>Baseline data not yet available</td>
</tr>
<tr>
<td>NI 195</td>
<td>Improved street and environment cleanliness (graffiti litter, detritus, fly-posting)</td>
<td>Defra</td>
<td>Environmental health, depending on local arrangements</td>
<td>93 per cent of sites had an acceptable level of cleanliness</td>
</tr>
<tr>
<td>NI 196</td>
<td>Improved street and environment cleanliness (fly tipping)</td>
<td>Defra</td>
<td>Environmental health, depending on local arrangements</td>
<td>61 per cent of LAs graded as ‘effective’ or ‘very effective’. An ‘effective’ grading means that the service has improved compared to last year</td>
</tr>
</tbody>
</table>
5.6 Through CAA, these partners will make a joint assessment of the outcomes for people in local areas and the future prospects of sustainable improvement for those areas. CAA will consist of two annual assessments: area and organisational:

5.7 The area assessment will assess the extent to which councils and their partners are delivering improvements on the issues that matter to people within the local area. This is encapsulated in the three key questions:

1. How well do local priorities express community needs and aspirations?
2. How well are the outcomes and improvements needed being delivered?
3. What are the prospects for future improvement?

5.8 The organisational assessment will focus on the individual public bodies within an area, to make sure they are accountable for quality and impact. These vary according to the type of organisation, but for local authorities will be made up of two elements: managing performance and use of resources, consisting of three themes: managing finances, governing the business and managing resources.

5.9 In order to ensure coherence and to reduce the burden of data collection, both the area and organisational assessments of CAA are informed by the national indicator set and data from sector-led improvement activities such as self-assessment and peer review and communities of practice. The first results from CAA will be available in December 2009 with the launch of the ‘Oneplace’ website.\(^{101}\)

**Local government performance assessment in devolved administrations**

5.10 The devolved administrations are developing their own performance frameworks for local authorities.

5.11 The Wales Programme for Improvement was introduced in Wales in 2002 as a new approach to stimulating and supporting improvement in the delivery of local services. Under the programme, councils examine the performance of the range of services they provide. Indicators for measuring shared outcomes between national and local government will feature in the development of cross-sector Local Service Boards and Local Delivery Agreements, both of which are currently subject to consultation by the Welsh Assembly Government.

5.12 Table 16 sets out the performance indicators monitored by the Data Unit of the Welsh Assembly that relate to LARS. The Welsh Assembly also measures the outcome of fire safety duties performed by FRAs in Wales. These are supplemented by a number of other ‘core-set’ indicators. The table shows the results for 2007-08 and 2008-09. The results for both years are broadly similar.

5.13 Within Scotland, single outcome agreements agreed with the Scottish Government form the basis of the relationship between the administration and local authorities.\(^{102}\) The performance of local authorities is assessed against 45 indicators which contribute towards the Scottish Government’s 15 strategic objectives. LARS are not assessed explicitly in the indicators, but their work contributes to the delivery of local objectives.

5.14 In Northern Ireland the Review of Public Administration recommended a performance assessment mechanism for local government. However local government in Northern Ireland is undergoing major re-structuring with the reduction of council areas from 26 to 11 in May 2011. The Department for Enterprise, Trade and Investment delivers the Trading Standards service for Northern Ireland.
### Table 16. Relevant performance indicators in Wales

<table>
<thead>
<tr>
<th>Welsh Indicator</th>
<th>Description</th>
<th>Results 2007-2008</th>
<th>Results 2008-09</th>
</tr>
</thead>
</table>
| PPN/008 (replaced PPN/005 in 2008-09) | a) The percentage of new businesses identified which were subject to a risk assessment visit by each of the following service areas during the year:  
   b) The percentage of new businesses identified which returned a self-assessment questionnaire during the year, for:  
   i) Trading standards  
   ii) Food hygiene  
   iii) Animal health  
   iv) Health and safety | PPN/005  
   a)  
   i) 48%  
   ii) 83%  
   iii) 50%  
   iv) 25%  
   b)  
   i) 7%  
   ii) 2%  
   iii) 19%  
   iv) 15% | a)  
   i) 40%  
   ii) 81%  
   iii) 55%  
   iv) 28% |
| PPN/001 | The percentage of high risk businesses that were liable to a programmed inspection that were inspected, for:  
   i) Trading standards  
   ii) Food hygiene  
   iii) Animal health  
   iv) Health and safety | i) 98%  
   ii) 99%  
   iii) 94%  
   iv) 99.7% | i) 99%  
   ii) 99%  
   iii) 99%  
   iv) 97% |
| PPN/007 | The percentage of significant breaches that were rectified by intervention during the year for:  
   i) Trading standards  
   ii) Animal health | i) 75%  
   ii) 86% | i) 80%  
   ii) 77% |
| PPN/004 | The percentage of all eligible food businesses with a valid food hygiene award | 13% | 15% |
| STS/007 | The percentage of reported fly tipping incidents which lead to enforcement activity | This is a new indicator in 2008-09 | 8% |

5.15 There are 34 indicators for FRAs in Wales including the number of deaths and number of injuries caused by fires per 100,000 population, number of deliberate fires attended by the FRA per 10,000 population and percentage of fires attended where smoke alarm fitted and activated, fitted and not activated, or not fitted.
Independent reviews

5.16 Since last year, there have been several independent performance reviews. The HSE, for example, commissioned an evaluation of the partnership between local authorities and the HSE that reported in December 2008. The evaluation found that, although the partnership has achieved a lot in its first four years, effort and resource need to be committed to ensure the partnership continues to deliver benefit. The report acknowledges that the regulatory landscape for the partnership is changing and that the partnership will therefore need to evolve.\textsuperscript{105}

5.17 In March 2009, the inquiry into the September 2005 outbreak of e-coli in South Wales led by Professor Hugh Pennington reported its findings.\textsuperscript{106} The inquiry found that, whilst responsibility ultimately lay with the proprietor of the abattoir where there were food hygiene failures, there were systemic issues that both local authority inspectors and the Food Standards Agency needed to address.

5.18 Also in March 2009, CLG published an initial evaluation of the effectiveness of the Regulatory Reform Order (Fire Safety) 2005.\textsuperscript{107} Overall, enforcers welcomed the introduction of the FSO, though concerns were expressed on the following themes:

- Low compliance rate due to lack of awareness of the FSO requirements of a significant proportion of responsible persons
- The quality of advice from consultants
- Fear of litigation
- Legal capability and capacity.

The evaluation also reported that, broadly, the businesses interviewed had a positive experience of the FSO, but for some there was still some uncertainty about their responsibilities and where to get further advice.

National regulators and central government departments

5.19 National regulators and some central government departments routinely request activity data from LARS. These data flows do not constitute a formal performance management regime as such and are dealt with in more detail in Part 6.

5.20 The Food Standards Agency however has an EU mandate to inspect and audit the work of local authorities. It conducts a range of ‘Audit Schemes’ in relation to food sampling, internal monitoring, food law enforcement and the Home Authority principle. Other national regulators publish the outputs of local authority work in relation to their statutory responsibilities. For example, the HSE publishes information about relevant offences prosecuted by local authorities in England. The Office of Fair Trading also publishes details on action by local authorities under section 8 of the Enterprise Act 2002.

5.21 National regulators also conduct reviews and evaluations which encompass LARS in relation to particular issues or initiatives where there is joint interest or enforcement. For example, in June 2009, the Office of Fair Trading published an evaluation of the impact of trading standards services fair trading work.\textsuperscript{108} This found that trading standards deliver direct savings to consumers of £347million per year, with a benefit-cost ratio of 6:1.
Local government performance improvement

Self assessment and peer reviews

5.22 Two Beacon local authorities: Coventry City Council and Westminster City Council, along with LACORS, LBRO, CIEH and TSI are working together to pilot self-assessment and peer challenge with 60 LARS. This is due to complete in March 2010. This form of performance assessment has been developed in a number of areas of local government in England and puts the focus on the self-assessing service to take ownership of identifying issues and taking action to improve, in line with the approaches being encouraged by the Improvement and Development Agency for local government.109

5.23 The excellence framework, used as the basis for LARS self-assessment and peer challenge within this project, also stemmed from a LARS/LACORS initiative. LBRO is currently working with the national regulators and central departments within its World Class coalition to ensure the framework aligns with their performance measures.

5.24 Sector-led improvement is a key complementary element of the new national performance framework for local government in England. The vision for sector-led improvement was set out in the Local Government White Paper and Local Government and Public Involvement in Health Act 2007. The 2008 National Improvement and Efficiency Strategy builds on the principles and framework laid down in the White Paper and Act. Specifically, the Strategy sets out how improvement in localities would be supported, as follows:

a) Placing Regional Improvement and Efficiency Partnerships (RIEPs) at the heart of delivery support arrangements, and building the capacity and capability of RIEPs to support councils and partners to take increased responsibility for a range of improvement issues.

b) Leading locally the coordinated support of councils in difficulty and tackling poor performance where it persists through:

   i. Tailored and coordinated support from the RIEPs, working in partnership with Government Offices (GOs), inspectorates and other government departments where concerns arise.

   ii. Peer support and challenge by the Improvement and Development Agency (IDeA).

   iii. Political challenge by the LGA Improvement Board lead members, where councils are not utilising the support available or where there exist political blockages to improvement.

c) Putting in place strong accountability arrangements to ensure that improvement support is correctly targeted to the right areas and priorities.

5.25 Responsibility for delivery of outcomes and improved performance has shifted from central government to local authorities and their partners. This provides the context therefore to improvement activities relating to LARS.
Part 6: Relationships

6.1 What follows is not an exhaustive map of all the relationships in this landscape as the intention is to highlight the contours and key features. It is important to note that local authority regulatory services (LARS) services can be a delivery vehicle for other initiatives, such as business continuity planning or improving diet and nutrition, while LARS officers are likely to be the only local authority staff that have regular direct contact with businesses.\textsuperscript{110} The modern professional role of LARS increasingly goes beyond the traditional role of ensuring compliance with regulations.

6.2 The relationships of LARS with different bodies are discussed in the following order:

- Within their local councils and partnerships
- With each other (both intra- and inter-council)
- With national regulators
- With professional and representative bodies

6.3 LBRO is carrying out work to understand the delivery chains of the 20 key policy areas that LARS are tasked to deliver. This will shed further light on the nature of the relationships across the landscape.

LARS within their local councils and partnerships

6.4 The primary relationship LARS have is with their respective local council democratic and executive structures, not least because they provide their budgets. The models of democratic governance are set out in more detail in Part 3.

6.5 Part 4 highlighted that the share of total local government expenditure on LARS is very small at less than one per cent. LARS operate alongside higher spending services that have greater profile with elected members, senior executive teams and the local community. LBRO’s survey of members of the public, commissioned from Ipsos MORI, showed that of those who would contact their local council in relation to concerns about goods, services, hygiene and health and safety, knowledge of environmental health services is greatest.\textsuperscript{111} Research conducted by LACoRS suggested that some regulatory services are more successful than others in getting on the ‘corporate radar’.\textsuperscript{112}

Service delivery plans and partnerships

6.6 Local authorities have a statutory duty to develop strategic plans for the delivery of the services for which they are responsible. LARS must therefore demonstrate how they will meet local and national priorities for their services and set out their resource requirements and performance objectives. Service-planning will also set out arrangements for partnership working and the delivery models being adopted in order to achieve priority outcomes. This is the key accountability mechanism between LARS and their local councils.
6.7 In terms of relationships with other local partners, Crime and Disorder Reduction Partnerships (CDRPs) place a duty on local authorities and the police to work together to combat crime and disorder. These have involved LARS, particularly fire and rescue authorities (FRAs) and trading standards, whose service plans have to reflect their role in helping the local council meet its duties in respect of CDRPs. Suitably qualified trading standards staff are empowered by legislation to prevent the sale of alcohol to minors and can also play a key role in alcohol harm reduction strategies. Air Quality Action Plans, which involve environmental health services, should also be integrated with Local Transport Plans thus extending the impact that environmental health services can have on local policies. Research commissioned by LBRO to uncover the impacts and outcomes of LARS identified a range of areas in which LARS contribute, usually in partnership.

6.8 For FRAs, the most common links are between FRAs and local authorities and the most widespread circumstances for working together are the requirements of sports grounds, the Licensing Act and the Housing Act. Fire and rescue services draw up mandatory service performance plans which include an Integrated Risk Management Plan (known as Risk Reduction Plans in Wales) for their local areas. In addition, FRAs work with:

- Care Standards Inspectorate for the Care Standards Act 2000
- Local Authority Building Control for the Building Act and the Building Regulations
- Licensing Authority under the Licensing Act
- HSE
- the private sector, Housing Renewal Schemes under the Housing Act, and
- Ofsted.

6.9 As set out in Part 2, partnership working has been consolidated further via Local Area Agreements in England and Local Service Boards in Wales.

LARS with each other

Unitary authorities and two-tier areas

6.10 The positioning of LARS in unitary and in two-tier areas is a structural feature of this landscape. Unitary authorities deliver environmental health, trading standards and licensing services in their local area. In two-tier areas in England, LARS are split between the district and the county levels. In unitary areas, LARS can produce joint enforcement policies and comprehensive service delivery plans. Co-location can also allow for effective working in dealing with local priorities such as anti-social behaviour and alcohol disorder where trading standards officers and environmental health officers have complementary powers. However, joint working arrangements do exist in two-tier areas also, as inter- rather than intra-organisational relationships.

6.11 Thirty six non-metropolitan district councils became nine unitary authorities as of April 2009. These new authorities supported by mechanisms such as local area agreements and comprehensive area assessments echo the current drive towards devolution to a strong and increasingly autonomous local government system, unlocking the potential for increased local accountability and consistency. LBRO has been working closely with the new unitary authorities, facilitating the sharing of experience and good practice as a peer group.
6.12 The focus on joined-up services, transparency and accountability has clear links to the better regulation agenda. Partnership working is crucial in supporting the effective collaboration needed at a local level, facilitated through data sharing, to enable the delivery of shared services.

Retail Enforcement Pilot

6.13 The project delivering the Retail Enforcement Pilot (REP) was completed in October 2009. The last partnership finished its pilot in June 2009 and the subsequent Lessons Learned Report from the pilot published in November 2009.116

6.14 The Lessons Learned Report covers the following four main themes:

a) developing partnerships
b) sharing information
c) tools and
d) resource and culture.

6.15 The research centred on the analysis of the feedback from senior management and front line enforcement officers from the partnerships who carried out REP inspections. These lessons are available via the LBRO website along with a report, commissioned by the LBRO, from the Centre for Regional Economic Development (CRED) based at Cumbria University that carried out research into the impact the introduction of REP had on business. This research was based on intensive feedback from six businesses, the results of which were reviewed at forums attended by representatives from business associations. The findings confirmed the wider view that businesses welcomed the interaction with local enforcement officers, whilst seeing the administration surrounding regulation as the major burden.

6.16 The pilot is now finished, however most of the partnerships who were involved in the pilot are taking forward some of the basic principles developed during REP. In addition, AGMA (GMPPP) are continuing with its R&D exercise in exploring improved methods of regulatory inspections through Business Compliance Assessment.

Cross-boundary working

6.17 There are a number of collaborations, partnerships or joint working arrangements across LARS in different councils, referred to collectively as shared services. The main reason for the creation of shared service arrangement is the need to deliver efficiency savings.117

6.18 Local authorities operate schemes within which a single local authority takes a lead role in the regulation of a particular business.118 These schemes act to improve the consistency, targeting and proportionality of enforcement. This is achieved through an authority developing an in-depth understanding of a business and providing advice. Information is then shared between local authorities in a coordinated way to maximise the efficiency of the local regulatory system, as well as to minimise burdens for business.
Regional working

6.19 There are currently 11 trading standards groups providing coordination of operations across England, Scotland and Wales at a national and regional level. In 2008-09, LBRO and the OFT provided joint funding for coordination with match funding from local authorities. In 2009-10 to sustain the network, LBRO continued to contribute to coordination funding with match funding from local authorities with a view to developing a sustainable long term solution for coordination. Regional groups' structure and governance varies from region to region and this has been developed to meet local authority needs and priorities. The Regional Coordination framework has facilitated the implementation and delivery of a number of national projects and initiatives such as Consumer Direct, Scambusters, Illegal Money Lending, Regional Intelligence and Tobacco strategy.

6.20 Environmental health services operate similar coordination networks at regional or sub-regional levels in particular regulatory areas. There are established partnerships for environmental health on a regional level where the local authorities are unitary such as London and Wales where similar sizes and local issues have facilitated the authorities to come together and work more efficiently and effectively. Most environmental groups work on a sub-regional, county level and vary from sharing best practice and expertise to being more cohesive and undertaking joint sampling and project work.

6.21 Four pilot projects also began in 2008-09 looking at regional coordination across trading standards and environmental health. These were funded by LBRO and took place across the East of England, the North West, North East and the South West. Learning continues to be extracted from the pilots with authorities being encouraged to look for sustainable solutions.

6.22 All pilots are exploring different approaches to embed the principles of better regulation as well as working better together to achieve greater efficiencies and economies of scale. Strong governance and engagement with business have been identified as key priorities areas of work going forward. LBRO are also supporting regional groups that are looking to develop regulatory services partnerships such as the Yorkshire and Humber Regulatory Services Group and the East Midlands Group.

6.23 The Welsh Assembly also has an emphasis on collaboration and regional working for the delivery of better outcomes by local authorities including regulatory services. The Local Government Policy Statement outlines the vision of local governance:

- ensuring that public services are centred on the needs and experiences of citizens encouraging specialisation and economies of scale to be achieved through cross boundary collaboration, and
- encouraging integration and responsiveness to the diverse needs of citizens to be achieved through cross sector collaboration.

6.24 In addition, across England and Wales there are regional structures that can intersect with the activities of LARS in the form of Regional Development Agencies and Regional Innovation and Efficiency Partnerships in England and Regional Partnership Boards in Wales.

LARS with national regulators

6.25 Alongside local councils and partners LARS, as local regulators, have relationships with the relevant national regulators. An overview of these bodies is given in the organisational structures section of this report.
Legislative remit and delegation

6.26 The nature and closeness of these relationships stems fundamentally from the legislative remits given to LARS and national regulators and the extent to which national regulators delegate authority to LARS.

6.27 The legislation sets out who the enforcing bodies are, whether national regulators or LARS. For example, Schedule 1 of the Health and Safety (Enforcing Authority) Regulations 1998 outlines in law where local authorities undertake enforcement duties under Health and Safety legislation. Part IV, part 69 of the Weights and Measures Act 1985 explicitly defines the local weights and measures authorities. However, in contrast, the Food Hygiene (England) Regulations 2006 do not explicitly task local authorities with food safety duties but give the Food Standards Agency powers to delegate authority.120

6.28 Table 17 summarises the legislative remits of national regulators and LARS in England using the following two characteristics.

1. Delegated. This is where a national regulator has a legal or regulatory responsibility that is delivered by LARS.

2. Shared. This is where LARS and national regulators both undertake enforcement of legislation.

Table 17. The legislative remits of national regulators and LARS

<table>
<thead>
<tr>
<th>National regulator</th>
<th>Standards</th>
<th>Inspection for Regulatory Compliance</th>
<th>Enforcement &amp; Prosecution</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Measurement Office</td>
<td>EU/BIS</td>
<td>Shared</td>
<td>Delegated</td>
</tr>
<tr>
<td>Food Standards Agency</td>
<td>EU</td>
<td>Delegated</td>
<td>Delegated</td>
</tr>
<tr>
<td>Office of Fair Trading</td>
<td>BIS</td>
<td>Shared</td>
<td>Shared</td>
</tr>
<tr>
<td>Health and Safety Executive</td>
<td>DWP</td>
<td>Shared</td>
<td>Shared</td>
</tr>
<tr>
<td>Gambling Commission</td>
<td>Home Office/DCMS</td>
<td>Shared</td>
<td>Shared</td>
</tr>
<tr>
<td>Animal Health</td>
<td>DEFRA</td>
<td>Shared</td>
<td>Delegated</td>
</tr>
<tr>
<td>Environment Agency</td>
<td>DEFRA</td>
<td>Shared</td>
<td>Shared</td>
</tr>
</tbody>
</table>

6.29 Table 8 in Part 3 shows the UK coverage of national regulators. Where a national regulator does not apply in a devolved administration, then the characteristics listed above may differ.
Liaison, coordination and collaboration

6.30 Given the linkages between them, as summarised in Table 14, national regulators may liaise with LARS, sometimes through dedicated teams or units, on issues relating to the coordination of enforcement. They may also provide advice, facilities and expertise either directly or through central government departments. In addition, national regulators and local authorities collaborate through the sharing of best practice, championing, training and guidance.

6.31 National regulators and LARS may work together formally under Memoranda of Understanding and similar agreements. In addition, some national regulators, LARS and other partners may work together on agreed local priorities through Local Area Agreements and through engagement with Local Strategic Partnerships and Community Strategies.

6.32 National regulators, LARS and other partners also work together more informally to address specific local issues when they arise. For example, LARS officers may sit down with their counterparts in the Environment Agency and Health and Safety Executive to assess available tools and develop a strategic solution where a site presents both significant environmental and safety risks.

Information and intelligence

6.33 LARS have expertise and knowledge about businesses, risks and enforcement actions in their areas and national regulators have a national perspective. An example of where the two perspectives can meet is in the UK Threat Assessment co-ordinated by the OFT with the Local Authorities Coordinators of Regulatory Services (LACoRS) Trading Standards Policy Forum (TSPF). The focus of the assessment is on ‘harmful trading practices’ and concentrates on those areas of the economy not covered by sectoral regulators such as Ofcom and Ofgem. The purpose of the assessment is to provide the TSPF with an overview of the main threats and emerging issues, with an evidence-based to help identify priorities that could be included in various strands of activity.

6.34 LARS contribute activity data and intelligence to national regulators and central government departments through formal, information reporting systems. Research commissioned by LBRO found that 20 central bodies across England and Wales routinely collect data from LARS, on a mandatory or voluntary basis. They are listed in Table 18, along with the principal information systems used.

6.35 It is worth mentioning that national regulators can have relationships with local authorities more broadly and interact with other local authority services such as planning, waste management and transport. The Health and Safety Executive, Food Standards Agency and the Environment Agency are named partners which local authorities have a duty to consult with in developing LAAs. National regulators may also be involved in Local Service Boards in Wales. In this way, local authorities, national regulators and other partners agree local priorities and delivery of actions against joint targets. National regulators, local authorities and other partners also work together more informally to address specific local issues, sharing resources, assessing options and making decisions on an appropriate approach and their respective roles. In addition, national regulators may report to central government on the performance of local authorities on some national indicators. Finally, local councils may themselves be subject to regulatory activity. The Health and Safety Executive for example, reports to the Ministerial Taskforce on Health, Safety and Productivity on reducing and managing sickness in local authorities.
### Table 18. National bodies that collect data from LARS

<table>
<thead>
<tr>
<th>National body</th>
<th>Principal information system/return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Standards Agency</td>
<td>Local Authority Enforcement Monitoring System</td>
</tr>
<tr>
<td>Chartered Institute of Environmental Health</td>
<td>Noise management statistics</td>
</tr>
<tr>
<td>Department for Environment, Food and Rural Affairs</td>
<td>Local Air Quality Management System (LAQM)</td>
</tr>
<tr>
<td></td>
<td>Local Pollution Control Statistical Survey</td>
</tr>
<tr>
<td></td>
<td>Animal health and local authority return</td>
</tr>
<tr>
<td>Welsh Assembly Government</td>
<td>Performance indicators (see Part 5) (Collected by Wales Data Unit)</td>
</tr>
<tr>
<td>Communities and Local Government</td>
<td>Housing Strategy Statistical Appendix</td>
</tr>
<tr>
<td>Chartered Institute of Public Finance Accountancy</td>
<td>Trading Standards Survey</td>
</tr>
<tr>
<td></td>
<td>Environmental Health Survey</td>
</tr>
<tr>
<td>Health and Safety Executive</td>
<td>Prosecutions Database and RIDDOR</td>
</tr>
<tr>
<td></td>
<td>Local Authority Health and Safety Return</td>
</tr>
<tr>
<td>Department for Culture Media and Sports</td>
<td>Alcohol and entertainment licensing statistics</td>
</tr>
<tr>
<td>Gambling Commission</td>
<td>Quarterly Returns on permits, temporary use notices, occasional use notices, premises inspection and outcomes of reviews</td>
</tr>
<tr>
<td>Office of Fair Trading</td>
<td>Consumer Direct Central database</td>
</tr>
<tr>
<td></td>
<td>Central Register of Convictions</td>
</tr>
<tr>
<td>Environment Agency and Department for Environment, Food and Rural Affairs</td>
<td>Flycapture</td>
</tr>
<tr>
<td>Department of Health</td>
<td>Tobacco control survey</td>
</tr>
<tr>
<td></td>
<td>Smoke free legislation compliance survey (England)</td>
</tr>
<tr>
<td>National Measurement Office</td>
<td>Local Authority Data from NMO from Section 70 Reports</td>
</tr>
<tr>
<td>Department for Transport</td>
<td>Taxi Licensing Survey</td>
</tr>
<tr>
<td>Health Protection Agency</td>
<td>Notifications of Infectious Diseases</td>
</tr>
<tr>
<td>Trading Standards Institute</td>
<td>Hallmarking Act</td>
</tr>
<tr>
<td>Wales Head of Trading Standards</td>
<td>Performance indicators</td>
</tr>
<tr>
<td>National Pest Technicians Association</td>
<td>National Annual Rodent Survey</td>
</tr>
<tr>
<td>Dogs Trust</td>
<td>Stray Dog Return</td>
</tr>
<tr>
<td>Department for Business, Innovation and Skills (BIS)</td>
<td>National indicator (see Part 5)</td>
</tr>
</tbody>
</table>
6.36 National regulators and government departments often coordinate policy and enforcement activities or undertake joint initiatives. The Regulators of Hampton Implementation Network Group (RHING) was established in 2006 to coordinate activities of mutual interest. It includes a number of the national regulators as well as several government departments, the Better Regulation Executive, LBRO and LACoRS.

LARS and professional and representative bodies

6.37 LACoRS is a local government central body under the umbrella of the Local Government Associations for England (LGA), Scotland (COSLA), Wales (WLGA) and Northern Ireland (NILGA) and is responsible for overseeing LARS across the UK. It is funded mainly by local government and works closely with LARS, professional bodies and other stakeholders in the provision of advice, information and guidance on regulatory services issues and also provides guidance to councils and councillors.

6.38 LARS have a collective voice through the representation and consultation provided by LACoRS and their professional bodies, which are listed in Table 19 below. Importantly, the representative and professional bodies provide the links between practitioners and the policy-making process. For LARS in England, LACoRS coordinates Policy Fora for environmental health, trading standards and licensing and these are the key mechanisms for consultation with practitioners. In Wales, the WLGA and WAG work closely with the Directors of Public Protection Wales. For FRAs in England, a Practitioners Forum has been set up chaired by the Chief Fire Officers’ Association. In Wales the Fire and Rescue Consultative Forum, comprises senior FRA representatives, senior police and local Authorities representatives along with representation from business and industry, operates at a strategic level advising Welsh Ministers on the development of policy and issues affecting fire and rescue.

Table 19. Professional bodies

<table>
<thead>
<tr>
<th>Professional body/grouping</th>
<th>UK Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chartered Institute of Environmental Health</td>
<td>England and Wales</td>
</tr>
<tr>
<td>Royal Environmental Health Institute of Scotland</td>
<td>Scotland</td>
</tr>
<tr>
<td>Trading Standards Institute</td>
<td>England, Wales, Scotland</td>
</tr>
<tr>
<td>- Association of Chief Trading Standards Officers</td>
<td>England and Wales</td>
</tr>
<tr>
<td>- Society of Chief Officers Trading Standards</td>
<td>Scotland</td>
</tr>
<tr>
<td>Directors of Public Protection Wales</td>
<td>Wales</td>
</tr>
<tr>
<td>- Welsh Heads of Trading Standards</td>
<td>Wales</td>
</tr>
<tr>
<td>- Welsh Heads of Environmental Health Group</td>
<td>Wales</td>
</tr>
<tr>
<td>Institute of Licensing</td>
<td>England, Wales, Northern Ireland</td>
</tr>
<tr>
<td>Chief Fire Officers Association</td>
<td>England, Wales, Scotland</td>
</tr>
<tr>
<td>Institute of Fire Engineers</td>
<td>England, Wales, Scotland, Northern Ireland</td>
</tr>
</tbody>
</table>
6.39 The professional bodies organise training and develop accredited qualification frameworks. They are working closely with LBRO via the coalition for excellence to develop a common approach to competency.

The list comprises Department for Business, Innovation and Skills (BIS), Department for Communities and Local Government (CLG), Department for Culture, Media and Sport (DCMS), Department for Environment, Food and Rural Affairs (DEFRA), Cabinet Office, Department of Health, Department for Transport, Department for Work and Pensions, Home Office, HM Revenue and Customs, HM Treasury and the Ministry of Justice.

For these purposes, fire and rescue authorities and port health authorities have been counted separately to local authorities but in practice these responsibilities may be the responsibility of a single local authority.

The Public Health Act dates from 1848

Further details about the European Union can be found via the English-language web pages www.europa.eu/index_en.htm

All Acts of Parliament can be found via the Office of Public Sector Information web pages www.opsi.gov.uk


The Regulatory Reform Committee’s report can be viewed via the UK Parliament web pages www.parliament.uk

The October 2009 Regulatory Forward Programme is available via the BIS web pages www.berr.gov.uk or via www.bis.gov.uk

Available from the BIS website, published 21 October 2009.

Briefings on these are available on the LBRO website www.lbro.org.uk and from the LACORS website www.lacors.gov.uk. The Compliance Code itself is available from the BIS website www.bis.gov.uk


Advice to Government is a statutory function of LBRO.

See Schedule 5 of the Scotland Act 1998 for details of reserved powers via the Office of Public Sector Information web pages


See www.englandsrdas.com

There is a useful short history of trading standards on the Hampshire County Council website www.hants.gov.uk/regulatory/tradingstandards/tshistory.html

Cited as indicative legislation in the 2007 Rogers Review

The Strengthening Local Democracy consultation document is available via the CLG web pages www.communities.gov.uk


The Communities in Control: Real people, real power: The making and enforcement of byelaws consultation document was published in August 2008 and can be found via the CLG web pages

Further details via the OECD website www.oecd.org


Overcoming barriers to administrative simplification strategies. Guidance for policy makers, OECD, 2009

See www.doingbusiness.org

 Archived material. See http://archive.cabinetoffice.gov.uk/brc/about_us.html
Reducing administrative burdens: effective inspection and enforcement. Philip Hampton, March 2005

Further details via the Scottish Government website www.scotland.gov.uk

Further details via the Department for Enterprise, Trade and Investment website www.detini.gov.uk

See the Hampton Implementation Reviews compendium report by the NAO Regulatory Quality: How regulators are implementing the Hampton vision, National Audit Office, 2008.

The full list of regulators undergoing Hampton Implementation Reviews and published reviews are available from the BIS website


National Enforcement Priorities for Local Authority Regulatory Services, Peter Rogers, March 2007, Crown Copyright 2007, page 8

National Enforcement Priorities for Local Authority Regulatory Services, Supplementary Volume, March 2007

The research report can be found via the LBRO’s website www.lbro.org.uk

The consultation paper can be accessed via www.lbro.org.uk


The Benefits of Regulation study published October 2009, is available from the BIS website

1,000 as part of Ipsos MORI Business Perceptions of Local Authority Regulatory Services. A survey of businesses conducted for the Local Better Regulation Office, September 2008. 403 as part of Research by Design Protecting Young People from Alcohol Related Harm, April 2009. Six in University of Cumbria Centre for Regional Economic Development Review and assessment of the methodology of the retail enforcement pilot in a business environment, May 2009. 200 as part of Kirkman Associates/Telephone Surveys Business Relations with Local Authorities, February 2009


Survey of 1,000 businesses. Ipsos MORI Sept 2008

Ipsos MORI Sept 2008. 41 per cent saw the provision of advice by LARS as very important, 34 per cent saw it as fairly important. For Fire, 52 per cent saw this as very important, 31 per cent saw it as fairly important

Six business case studies from six different local authorities involved in the Retail Enforcement Pilot, built around interview with business. Focus group of seven business support groups: BRC, FSB, ACS, CBI, BHF, BCC, FPB

Further details via the Health and Safety Executive’s website www.hse.gov.uk


Further details via the Scottish Government website www.scotland.gov.uk

Further details via the CLG website www.communities.gov.uk


The Local Government and Public Involvement in Health Act 2007 establishes the framework and statutory duty of local area agreements

Further details via the Audit Commission website www.audit-commission.gov.uk

For further details see the Leadership Centre for Local Government website www.localleadership.gov.uk/totalplace/

Although the concept of regional or sub-regional issues is not new

See the Manchester Multi-Area Agreement, June 2008

Further details via the Welsh Assembly Government website www.wales.gov.uk or the Wales Audit Office website www.wao.gov.uk

Further details via the Welsh Assembly Government website www.wales.gov.uk

Further details via the Scottish Government website www.scotland.gov.uk

See the Local Government Boundaries Commissioner for Northern Ireland website www.lgbc-ni.org
Data collections from local authority regulatory services: Data mapping and costing the administrative burden. Completed by CIPFA for the Local Better Regulation Office, 2009. Forthcoming.


LBRO/RAND Europe Impacts and Outcomes of Local Authority Regulatory Services October 2009. Available from the LBRO website

Formerly the Commission for Social Care Inspection and the Healthcare Commission


Results available from the Data Interchange Hub via www.hub.info4local.gov.uk
Further details via the Audit Commission website www.audit-commission.gov.uk
Further details via the Scottish Government web pages www.scotland.gov.uk
Further details via the Wales Data Unit Wales www.dataunitwales.gov.uk

Results available from the Wales Data Unit www.dissemination.dataunitwales.gov.uk

Local Authorities and HSE in Partnership An Evaluation, prepared by PA Consulting Group for the Health and Safety Executive, 2008


Available from the CLG website


Further guidance on peer reviews can be found on the Idea website www.idea.gov.uk

A survey of 200 businesses commissioned by LBRO in February 2009 found that 56 per cent of face-to-face contacts with local authorities in the last year had been with LARS officers.

Ipsos MORI Public Perceptions of Local Authority Regulatory Services. A survey of consumers conducted for the Local Better Regulation Office, November 2008

Leading by Listening Summary of Initial Findings, LACoRS

See the Office of Public Sector Information web-pages for details of relevant legislation www.opsi.gov.uk

RAND Europe reference

Licensing Boards are separate in Scotland.

The Lessons Learned Report prepared by Middlesex University will be available from the LBRO website.


These are the Primary Authority scheme created by the RES Act 2008, the Lead Authority scheme, now closing and the Home Authority scheme, which is voluntary.

Scotland has a National Co-ordinator performing the equivalent role of a Regional Co-ordinator

See the Office of Public Sector Information web-pages for details of relevant legislation www.opsi.gov.uk

CIPFA Data collections from local authority regulatory services: data mapping and costing the administrative burden. Completed by CIPFA for the Local Better Regulation Office, forthcoming, available from the LBRO website. 22 collecting bodies are cited in the report, WAG and WAG Animal Health were counted separately as were DEFRA (England) and WAG (Wales) in relation to animal health. Here only DEFRA and WAG are counted.