

Open for business

A shared vision for local regulation



OPEN
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Our ambition is for local government to be able to work with businesses in a local area to understand risks and determine what level of regulation is appropriate.

We believe that local trading standards, environmental health and licensing services are best placed to free up businesses from unnecessary regulation. Local authorities can design and operate a scheme which is right for business and right for local communities, without central direction and prescription.

We hope that this vision can provide those involved in managing and delivering local regulatory services with the strategic direction and practical tools to ensure regulation is focussed on supporting businesses locally. This approach builds on the many examples of good practice that already exist around the country.

This document is supported by an online training module specifically targeted at a councillor audience, which highlights the links between regulation and growth alongside connections with the public health agenda.

We believe that councils must have the freedom and tools to work with businesses to decide exactly what level of regulation, if any, is needed in each local area. And it might vary from place to place depending on the risks. The vast majority of businesses regulated and licensed by councils are responsible, and unnecessary routine inspections can be a distraction that achieves little. With the law providing the foundation for consistency for both businesses and consumers, along with tools such as Primary Authority, councils need to be free to focus their scarce resources to do whatever it takes to address problems that are of most concern to their communities.

In order to deliver this vision, we recognise that local regulators must not only be championed for their work tackling rogue businesses and keeping communities safe, but become a trusted and knowledgeable partner with businesses. Every business should feel as comfortable contacting their councils about regulation, as our residents do if they want to discuss bin collection, parking or council tax.

One person's regulation or red tape is another's protection and we need to strike a balance. But councils and councillors are best placed to gauge the needs of their area and respond appropriately. Language about compliance and inspection needs to be replaced with flexible and collaborative partnership working, with formal processes, fines and court sanctions being used as a last resort.

Building on the recognition of the contribution that councils bring to City Deals, Rural Growth Networks and Local Enterprise Partnerships, flexible and business-friendly regulation must be an integral part of the business support offer from councils.

Freedom from red tape will allow businesses to flourish whilst ensuring the public and workers are safe, consumers are confident and the reputation of UK industry is protected.



Our goal is economic growth and job creation

Councils across the country are working hard to encourage economic growth in their area, providing practical support to businesses, tackling barriers to growth and creating the right conditions in which businesses can begin to thrive again. In fact, economic growth is a key priority for every single council and this principle underpins the activity of all business-facing services. With their local partners, councils have been attracting finance to invest in infrastructure and housing, creating local facilities for businesses to access support and services that can help them grow, delivering training and providing access to skills – in short, councils are getting on with promoting growth.

Good regulation means economic growth is safe and sustainable

Our vision for local regulation breaks through the political and media rhetoric, but also provides a clear picture of how regulation can become an invaluable part of the local growth agenda. Moving away from the negative perception of bureaucracy and council inspectors enforcing old rules, to a more modern business-friendly system which rewards responsible businesses with fewer inspections, this new regime will allow councils to prioritise, plan and respond to the emergencies of the future. We want a sustainable approach to local regulation that can continue to deliver real benefits for businesses yet ensure communities are and feel protected whatever is thrown at them. This can only happen if councils have the freedom, flexibility and tools to deliver, based on the needs and risks in their own area.

Delivering the vision

Local trading standards, environmental health and licensing services will need to consider four key principles in order to deliver this vision:

1. We are open to work with businesses – however and whenever

Businesses may not have the opportunity to contact their council during a busy working day and we need to explore every opportunity to make sure councils' services and support are easy to understand and access at any time.

This could include:

- Ensuring trading standards, environmental health and licensing services are a core part of the council offer to businesses and this is reflected in all material made available to businesses.
- Providing comprehensive and simple online information about what support is available, including online licence applications, online payments, easy to access contact details for advice and links to other sources of support. Information should be included within the business section of each council's website and tested by business users to ensure it covers their needs.
- Ensuring information about licence fees is easily available and provides clarity about how fees have been calculated, including references to the Services Directive where appropriate.
- Ensuring businesses can find information on how to contact regulatory services out of hours. Remember to allow people to tell you how and when they would like a response, which will mean your support does not impact on business activity.
- Considering how businesses can interact with named points of contact, whether in response to queries or proactively through account managers or details of specialists for key business sectors.
- Working with businesses to identify if there is a local need for support and guidance in response to new legislation or emerging local trends. Work across your council and with businesses to ensure databases and mailing lists are up to date.
- Considering whether a Primary Authority or Home Authority relationship can benefit businesses, including the potential to reduce burdens and provide assured advice.
- Reassuring businesses that councils can be approached for advice without fear of penalty.

2. Our services understand how businesses work

Historically the public sector and private sector have been very different places to work. This has begun to change with councils engaging in millions of pounds worth of contracts with the private sector each year and a growing record of successful joint ventures. Our services must understand the unique pressures and drivers in the business world and in particular the needs of small businesses. We need to understand not only how regulation fits into the day to day activity of a business, but also how the help needed by a start-up business will be very different to a multi-national corporation.

Businesses are also understandably deterred from contacting our services by the media picture of red tape and inspectors with clipboards.

In order to break through these barriers and enable businesses to play a role in designing the future of local regulation, we must ensure that our workforce is ready and able to work with businesses in a way which suits them, rather than us.

This could include:

- Ensuring regulation is discussed strategically – as part of cabinet discussions, local budget setting, Local Enterprise Partnerships, City Deals, Rural Growth Networks, Business Improvement Districts or other strategic economic engagement. Incoming investors will want to see a joined up approach, with regulatory services as part of the overall business support offer.
- Training officers on the life cycle of a business, clarifying their understanding of what advice can help and when, or the wider support a council may be able to offer.
- Ensuring officers are aware of the business-facing services offered by a council and can ensure queries about other services are rapidly resolved.
- Providing targeted help for start-up businesses and other key sectors that are important to your local area.
- Supporting any opportunity to get businesses talking directly with each other.
- Working with businesses ahead of service planning to identify priorities, areas that need support, the impact of policy decisions and new opportunities to provide work in partnership with businesses.
- Asking local business networks to share information on regulation with their members or provide links to services.
- Developing an easily accessible list of commitments to and expectations of businesses, including a clear message that requests for help are seen positively and will not result in an inspection.
- Establishing a business mentoring scheme that can help provide one to one support for struggling businesses or develop effective training.
- Working with businesses to understand how regulation can support the reputation of local businesses, such as recognised trader schemes or the National Food Hygiene Rating Scheme.

3. Our work to support businesses is targeted and effective

Ultimately, our vision can give local regulators the freedom to move away from traditional inspections because responsible businesses will be ready and able to approach local regulators for advice as and when it is needed. However, we recognise that where inspections continue to play a part in our work and act as a key interface with businesses, it is vital that we get this right.

Councils can consider:

- Focusing all inspections on high risk business activity and businesses that break the law or in response to complaints.
- The most appropriate time to inspect based on the need and nature of the business.
- Providing notification to the business where it does not undermine the aim of the visit or the ability to protect consumers. This can help businesses plan additional staff cover.
- Council officers making the aim of the visit clear, explaining what to expect and why, and stress that businesses can take the opportunity to ask for advice.
- Leaving feedback forms after inspections and making them available online.
- Joint visits across council services or with other regulatory partners where at all possible.
- Primary Authority inspection plans to ensure visits are focused on risk.
- Providing the opportunity to raise queries about wider council services and ensure these are owned until the business receives a response.

4. Our services are transparent and open to scrutiny

Councils pride themselves on being the most open and accessible part of the public sector. In fact, residents across the country would readily be able to tell you how to get in touch with their council and what services they care about most. However, businesses feel that these routes to contact, scrutinise or complain about a council are not suitable for them. In short, complaints processes seem cumbersome and businesses are worried that they'll get into trouble for speaking up.

This is bad news for business, because worries and problems grow rather than being nipped in the bud, and bad news for councils because grudges and bad feeling fester and prevent a healthy working relationship that delivers mutual benefits. It also prevents councils from really designing a local service based on local need.

You may not know what you are doing wrong if you don't ask, but equally you may not know what you are doing right. Compliments are always rarer than complaints, but are just as important to support continuous improvement, so make sure you also give people a chance to tell you what they value.

To help break down this barrier, councils can consider:

- Providing easy access to managers who can be contacted about concerns and links to both corporate complaints procedures and elected member contact details. Clear reassurance should be provided that businesses will not be targeted as a result of complaints.
- How accessible complaints processes are, including details of how to refer matters to the Local Government Ombudsman.
- Using elected members, who are there to represent all parts of the community and provide leadership. Take them out on visits to businesses in their wards if you don't already. They provide a degree of independent challenge that can make them of benefit to shy or aggrieved businesses, as well as a regulator that needs to be challenged or defended.
- Having easily recognised business representatives that can be contacted by a business if they have a gripe or concern about the action of local regulators, but feel uncomfortable making a full complaint.
- Engaging business representatives to act as arbitrators in discussions about complaints.
- Undertaking business and resident surveys; provide the option for anonymous feedback and show how your council has responded to feedback.
- Providing easy access to relevant business plans and policies, including details of how to contribute to these.





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