
REPORT TO:	Environmental and Development Services	AGENDA ITEM: 7
DATE OF MEETING:	20th November 2014	CATEGORY: DELEGATED
REPORT FROM:	Director of Housing and Environmental Services	OPEN
MEMBERS' CONTACT POINT:	Matthew Holford, 01283 595856, matthew.holford@south-derbys.gov.uk	DOC:
SUBJECT:	Health and Safety advice service to businesses in the Derbyshire and Nottinghamshire region	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: EDS13

1. Recommendations

- 1.1 To approve continued support for the provision of a regional health and safety business advice service for the remainder of the 2014/15 financial year.
- 1.2 To approve the submission of a bid to the Regional Growth Fund for the continuation of the service in 2015/16.

2. Purpose of Report

- 2.1 To advise Members of the outcomes of a regional health and safety business advice project delivered by the Council in in partnership with other regulators and the Local Economic Partnership (LEP) as part of the 'Better Business Regulation' (BBR) initiative (formerly known as Better Business for All).
- 2.2 To seek Committee support for the continuation of the service for the remainder of the financial year prior to the submission of a proposed Regional Growth Fund bid for 2015/16 and beyond.

3. Detail

- 3.1 The Better Business for All initiative was established by the Better Regulation Delivery Office (BRDO); part of the Department for Business, Innovation and Skills (BIS) and is currently being rolled out across the country. The main objective of the programme is to bring together local and national regulators with businesses and business representatives within the Local Economic Partnership to encourage a better working relationship and a more supportive approach to helping businesses achieve regulatory compliance. In this way it is anticipated that local authorities can support local businesses to grow by improving confidence and reducing costs of compliance.

- 3.2 Currently a number of work streams are being undertaken under the BBR umbrella. One work-stream was to respond to local business concerns about the perceived burden of complying with health and safety legislative requirements. In response to these concerns South Derbyshire District Council has led an initiative, on behalf of the partnership, to provide free health and safety advice to local businesses within the D2N2 LEP region. The service was promoted through the Derbyshire and Nottinghamshire Chamber of Commerce as a key partner and to seek to alleviate any business concerns or reticence about approaching the regulator direct.
- 3.3 The service was launched towards the end of 2013 and promoted throughout the first half of 2014. The original intention was to run the project for six months and to provide advice to 100 local businesses. However, there was less of a demand for the service than anticipated, although advice has been provided to some 45 businesses across Derbyshire and Nottinghamshire. The main objectives of the project were to seek to:
1. Reduce the potential cost burdens to business of health and safety (and where appropriate) other regulatory requirements.
 2. Improve health and safety standards in the D2N2 region's businesses.
 3. Improve the understanding of the specific areas of health, safety and other laws which may be causing undue burden to business based on objective evidence.
 4. Understand the best ways to engage with businesses in order to help deliver regulatory duties.
 5. Improve trust between the business community and regulators.
- 3.4. An evaluation of the project is contained in the Appendix to this report. It concludes that local businesses gained measurable value from access to the source of free advice. An attempt to quantify the value of the advice received in terms of compliance costs avoided has estimated a total saving of between £33,000 and £75,000. Views are being sought from the Department of Business Innovation and Skills as to whether this is an appropriate conclusion from the internal evaluation of the project.
- 3.5 Other findings from the project evaluation are that a significant proportion of local businesses were reticent about approaching their local authority regulator for fear of the potential consequences; i.e. that they might be exposing themselves to significant compliance costs and/or sanctions for non-compliance.
- 3.6 It is also of interest to note that most businesses that participated in the project did so following either a face-to-face dialogue with the officer from South Derbyshire who was providing the service or a referral from economic development advisors, rather than as a result of responding to a newsletter, website, letter or e-mail promoting the availability of the service. In addition, businesses much preferred talking to an individual rather than being referred to a website for advice or to written advice in the form of a letter or advisory leaflet.
- 3.7 Finally, the project identified that local businesses would welcome a process whereby they could informally challenge advice or instruction from local regulators on the interpretation of the requirements of the law.

- 3.8 The regional Better Business Regulation Steering Group have considered the report findings and believe that this has been a worthwhile project and that whilst demand for the service has not been as great as original anticipated, those business that participated had overwhelmingly benefited from the service. A minority of businesses also indicated that they would be willing to contribute to the cost of the advice. The Steering Group is keen for the existing offering to continue.
- 3.9 A presentation has been given to the Chief Executive of D2N2 LEP who has received the report and is supportive of a BBR bid to the LEP for funding to support the continuation of the service. It is proposed to submit this bid as part of the Growth Hub, which will provide a range of support to local businesses from April 2015.
- 3.10 To ensure the temporary continuation of the current offer, the partnership is seeking contributions from a number of partner organisations as well as directly from the BRDO. All of the funding secured will be used to fund the release of the South Derbyshire officer who has provided the service to date in order to pay for a suitably qualified temporary member of staff to cover the officer's substantive duties. The annual costs for funding a full time health and safety advisor are £42,000.
- 3.11 The LEP have agreed to provide £10,000 to enable the project to continue for the remainder of this financial year. The County Council have also pledged £5,000.
- 3.12 The proposal is to utilise this £15,000 funding in order to continue to enable the South Derbyshire officer to provide the free business support service to businesses across the region. Additional funding may be forthcoming, but is not yet guaranteed.
- 3.13 The business case for the provision of a long term service is currently open to question. From the figures provided in paragraphs 3.4 and 3.10 it is apparent that the savings made by the client businesses is roughly equal to the costs of providing the service. However the extra benefits of the service which are more difficult to quantify at this point are;
- the improvements in employee health / reductions in accidents as a result of the service and the consequential higher levels of productivity;
 - reductions in the perception of regulatory burden in the business community as a result of the service;
 - the contribution of the service to economic growth, by freeing up small and embryonic businesses to grow and to create extra employment.
- 3.14 The delivery of the project between now and the end of the 2014/15 financial year will be used to assess whether the service has sufficient value in terms of savings to business, health protection and jobs growth to support a robust bid for Regional Growth Fund support.
- 3.13 The service is a unique offering in the country and as a model it is attracting significant national interest. Not only do officers feel that it provides a direct way of positively benefiting workplace health and safety, but we hope to derive significant national reputational benefit on behalf of the Council.

4. Financial Implications

- 4.1 In order to backfill the services which our officer will not be able to provide, we propose to utilise the £15,000 (or an appropriate proportion of it) to buy in consultancy support for food safety inspections and health and safety interventions. We do not anticipate the proposals having any impact on our bottom line budget.

5. Corporate Implications

5.1 The proposals meet the Corporate Plan themes of both “sustainable growth and opportunity” and “lifestyle choices”. The pilot project has produced empirical evidence that it can deliver savings to businesses (and therefore promote economic growth) and improvements in workplace health and wellbeing.

6. Community Implications

6.1 The proposals fit with the Community Strategy theme of “A vibrant economy”.

7. Background Papers

7.1 None