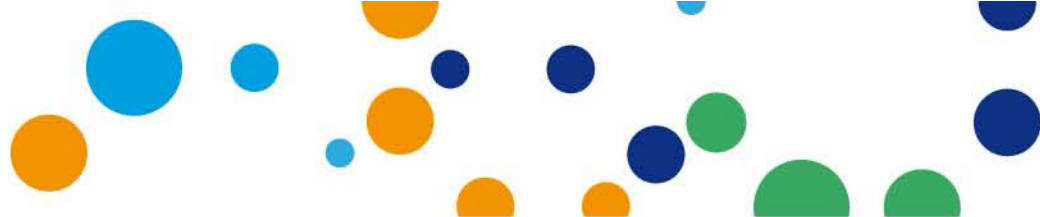


Transforming regulatory services

Developing new ways of working



Our starting point

- Strong and well established working relationships across 12 unitary authorities of Greater Manchester, plus GMFRS
- A vision for how regulatory services should look in 5 years
- Governance & programme management arrangements in place
- Multiple workstreams, each led by one or more Public Protection Managers.

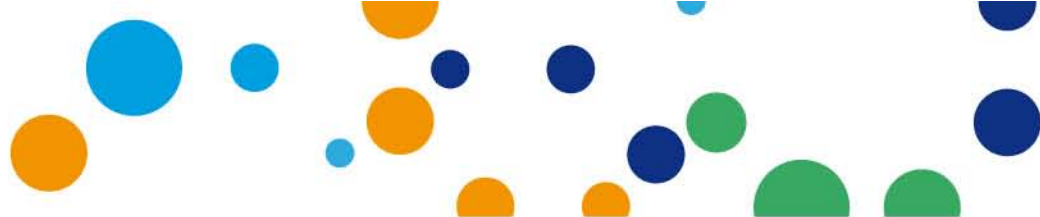




Drivers

- Improved compliance in all sectors
- Minimise burden on business and provide effective support (Hampton)
- Target resources effectively (Rogers)
- Reduce costs by income generation
- Efficiency

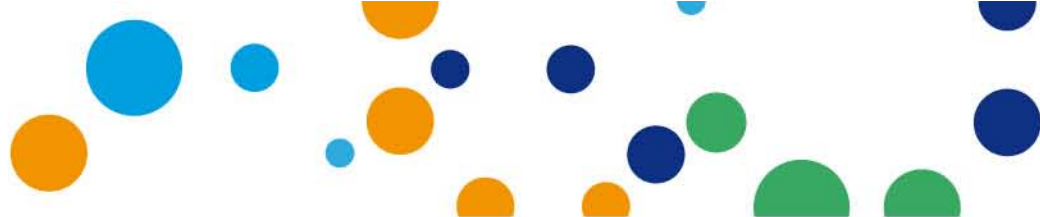




Vision for regulatory services in 5 years

- Locally managed, locally delivered and locally accountable services, with a city region perspective
- Delivery of improved public protection outcomes in line with community needs and national agenda
- Delivery of better regulation principles of consistency, targeted, transparency, accountability proportionate in service delivery to consumers, business, workers and environment

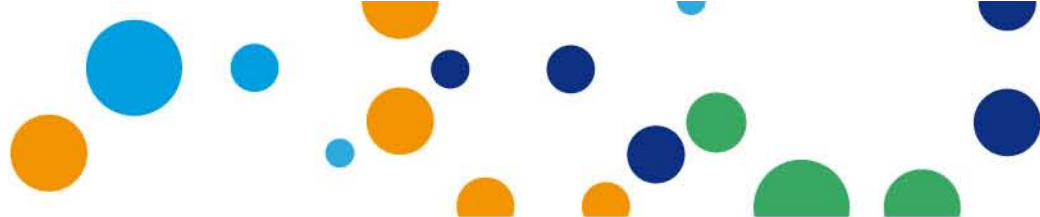




Objectives

- Working across disciplines:
 - Trading Standards, Environmental Health, Licensing, Fire Safety
- Setting up a business to deliver
 - training/advice/consultancy to support business compliance
- Common policies, processes and practices
- Shared services for better value for money
- Drive towards real transformation rather than refinement of existing ways of working

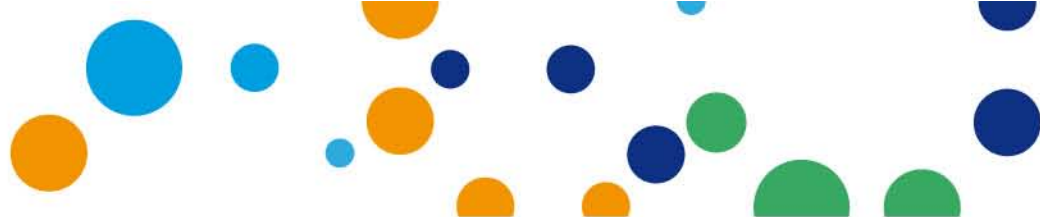




Year One

- Governance, resource and communications in place
- Baseline completed, including Activity Based Costing
- New company established and operating
- Radical new model to assess business compliance
- Joint contract – Dog Warden service out of hours
- Joint enforcement framework
- Joint QMS underway
- Joint operational initiatives with partners in GMP and Health

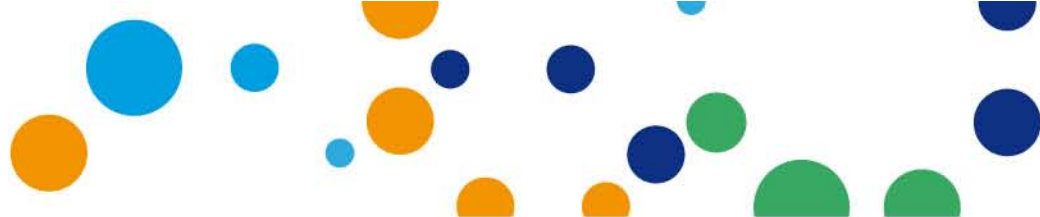




Progress to Date

- Creation of Business Regulation Solutions
 - Local authority owned business
 - Providing training and regulation support to local businesses
 - Small surplus from year 1 trading
 - Increasing service offerings in year 2
- Savings from public analyst procurement collaboration
- New regional dog warden service
 - Improved in hours service
 - New out of ours regional solution
- Major change project for Business Compliance underway

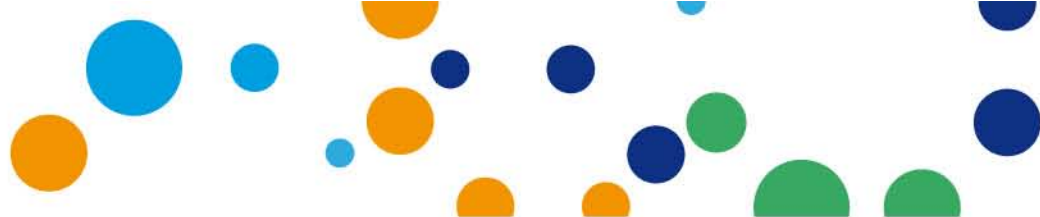




Governance

- 3 tiers of accountability
 - –Senior Responsible Owner (SRO) - strategic ownership, and where the buck stops
 - Steering Group – overview of whole service, leading the transformational process
 - Operational Management– delivering the operational initiatives

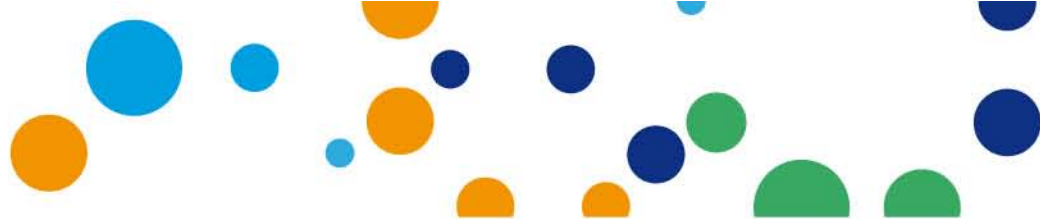




Baselining & ABC

- Needed to establish a starting point
- Data gathered about how time spent on activities in 22 processes by 500 staff
- Costs in the model £13.8 million (salary, NI, pension, car and expenses)
- Using data to explore areas for improvement both collaboratively and on individual LA basis

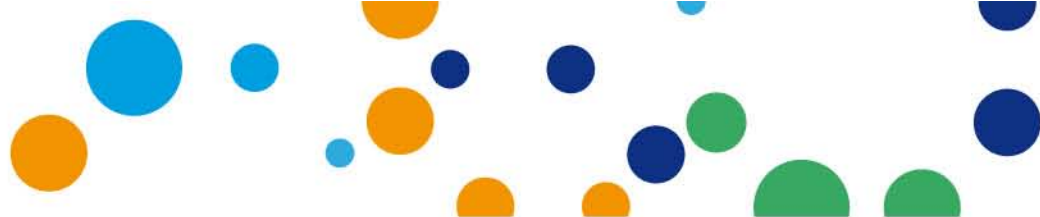




‘Future Basing’ extract – Relationships with businesses

- We will support local businesses to help them to succeed. We will achieve higher levels of compliance by enabling and supporting extensive self-regulation, focused on the business activity rather than our internal, traditional professional disciplines. We will work with businesses as facilitators of compliance and will have confidence in their management of risk.
- We will target our enforcement activity at the ‘real’ criminals, using shared intelligence to deal with them. Honest businesses will trust us as partners and self-regulation will be the norm. We will not focus inspection or enforcement activity on honest businesses only on the highest risk ‘problem’ premises.





New company – Business Regulation Solutions

- Not for profit company to deliver training and other services to businesses around regulatory requirements
- Company also provides training services for staff
- Surplus used to fund service improvement
- All partners represented on Board
- In first 6 months delivered training to 1500 delegates from 248 companies with surplus of £70,000

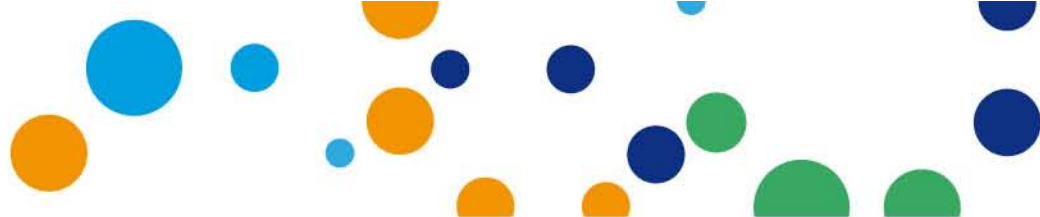


Business Compliance Project

- Aim to replace lengthy inspections with simpler assessments for “broadly compliant” businesses
- Funding from BRE as an R&D project of REP, then LBRO.
- Project will:
 - Deliver efficiency savings
 - Reduce number of business contacts
 - Allow routes to business training and improved compliance
- Pilot due Oct 09 with roll out in April 2010 if successful

Objectives of the Business Compliance Project

- Deliver services in line with Better Regulation principles
 - Lighter touch, Compliance based, Proportionate, Transparent, Well targeted, Consistent...
- Develop **data sharing capability** to enable better use of intelligence across services/boundaries. Focus resources on businesses that need most attention. (ie non-compliant businesses).
- Develop **business compliance assessment process**
 - Create a unified risk rating system
 - Develop competence to conduct joint assessments
- Engage with businesses to ensure new approach meets the needs of both regulator and regulated and is fit for purpose.



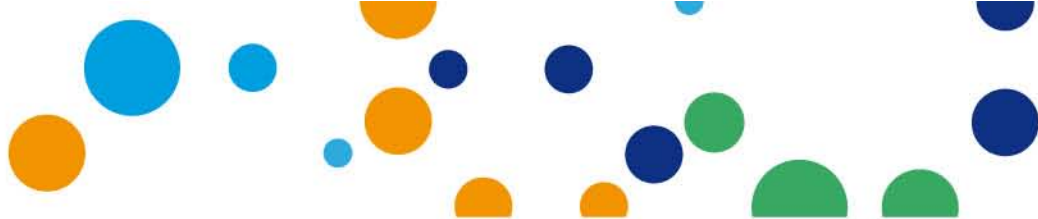
Benefits of a Joint Approach to compliance

- Greater public protection - effort targeted at the least compliant.
- Consistency of assessment criteria between disciplines
- Consistency of enforcement activity between disciplines and authorities and across geographic boundaries.
- Reduced duplication of regulatory effort, and increased productivity
- Reduced visit time
- A single interface between regulator and regulated – improved relationship
- Enables regulators to restructure to achieve efficiency
- Enables regulators to develop systems to provide a holistic view of the business and work smarter

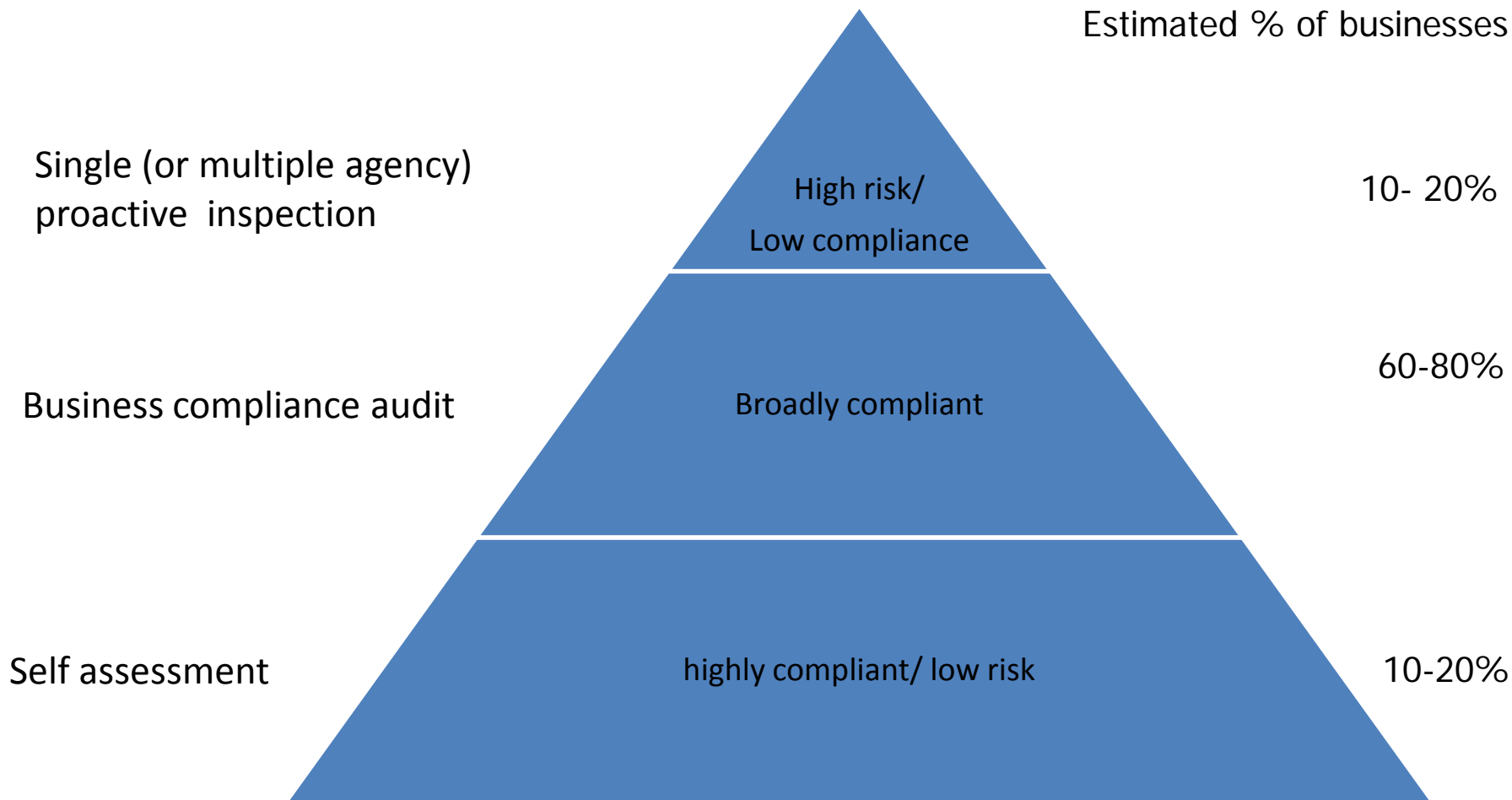


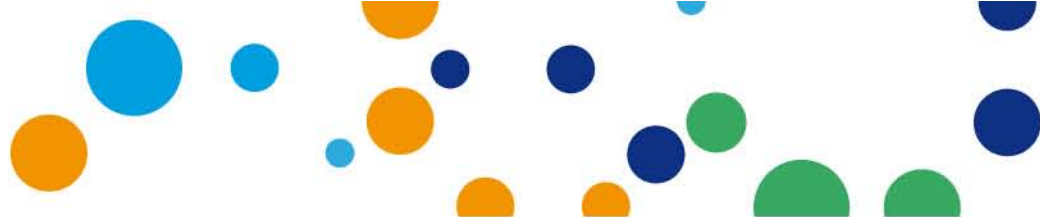
Business compliance model principles

- Starting with a blank canvas
- Model based on regulators compliance code
- A single risk model across Fire, Food and Health & Safety
- Businesses are categorised to establish
 - Inherent hazard
 - Assessed risk
- Compliance assessment undertaken by staff with appropriate knowledge, skill and experience
- No formal enforcement at the point of assessment
- Enforcement will be risk based and consistent (based on HSE Enforcement Management Model)



Risk/compliance model





Unified Risk Assessment Model

Inherent Hazard

The potential impact of non-compliance on regulatory outcomes

(consequences of non-compliance)

Assessed risk

The likelihood of non-compliance

- past compliance records and potential future risks
- Assessed compliance with legislation
- the existence of good systems for managing risks
- evidence of recognised external accreditation; and
- management competence and willingness to comply.



Overall assessment

Consequences of non-compliance

Hazard 1 (eg Fire)

Seriousness of hazard

Scale of effect

Hazard 2 (eg Food hygiene)

Seriousness of hazard

Scale of effect

Hazard 3 (eg H&S unsafe practice)

Seriousness of hazard

Scale of effect

Hazard 4 (...eg Fraudulent Trading)

Likelihood of non-compliance

History of compliance

'Broadly compliant' last audit?

Complaint History/PA referrals

Current evidence of compliance

Confidence in management

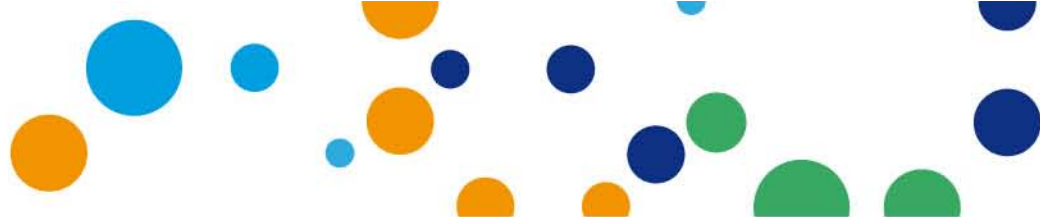
Management competence

Willingness to comply

Systems for managing risk

Recognised external accreditation

Problem trade sector / trading practice ??



Business Categorisation – Risk

- All businesses will be inspected or assessed to gauge level of risk and where they fit on the risk model.
- Risk = consequence x likelihood of non-compliance
- Level of risk will determine the approach taken by regulators
 - High risk - concentrated effort by one or more regulators
 - Medium risk/broadly compliant – business compliance assessment
 - Low risk – self assessment





Piloting Business Compliance Assessment



Phase 1 – October 2008

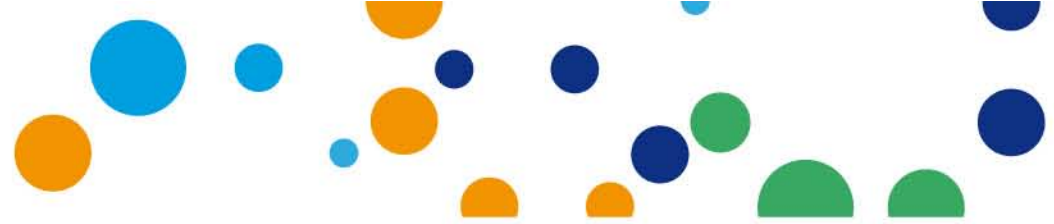
- Piloted the audit process across all 10 authorities
 - 1000 businesses assessed for compliance by
 - 35 assessors from Fire, Licensing, Environmental Health, Trading Standards
- Competence
 - Assessors were mostly at professional level – from newly qualified to very experienced
 - No training was given – just initial briefing
- Key findings
 - +/-80% businesses are broadly compliant – 20% referred for specialist investigation
 - An assessment takes on average 30 minutes (inspections from 1-3 hours)
 - Assessor judgement was validated through further investigation



Project Manager's Final Report Phase 1 (extracts)

- The concept of assessing business compliance by conducting a Business Compliance Assessment has been proven to be workable and effective
- Results measured 72% of food premises and 78% of non food premises assessed to be broadly compliant
- Appropriate training would result in competent compliance assessors being able to assess premises swiftly, accurately and consistently
- LBRO is supportive of the project and has agreed to fund its continuation
- The project should continue with a revised set of aims and objectives which should be shaped and agreed via a series of workshops in early 2009
- The project should plan to conduct an extended pilot in Autumn 2009
- If the extended pilot proves the methodology to be robust compliance audits should be extended as mainstream working in 2010





Phase 2 Pilot

October 2009





Objectives

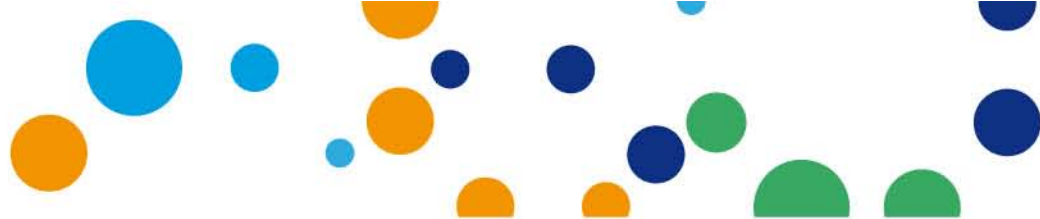
- Provide evidence to show whether the new model will provide a robust, alternative means of achieving compliance
- Provide evidence to show whether a sufficient degree of competence can be achieved in cross discipline assessment through the approach taken
- Assessments will be conducted across a range of premises types by enforcement officers with no food or health & safety experience.
- Sufficient assessments should be conducted to robustly evidence the efficacy of the model as a generally applicable approach

Objectives

- Provide evidence of accuracy and consistency of assessment across wide range of business types.
 - Premises selection more tightly controlled
 - Low-tech project with fewer critical success factors
 - Staff to be technical grade rather than professional
 - Staff to have no prior knowledge of either H&S/Food enforcement, nor of premises.
- Determine levels of non-compliance in medium hazard premises for purpose of designing/costing regulatory model (and building business case).

Phase 2 Pilot – October 2009

- Scope – variety of business types, predominantly food retail and categorised as hazard level 3 or 4 and some outliers
- Scale – 500 business premises
- Period – 5th October for 3 weeks
- Assessors – Fire, Licensing, Trading Standards background
- Approach
 - Solo Assessment
 - Joint Assessment – alongside full H&S/Food/Fire inspection



Approach to developing competence

- Determine levels of knowledge, skill and experience required to conduct business compliance assessment
- Knowledge required: Regulatory requirements in health and safety, food safety and fire safety with ability to recognise and report compliance/non compliance. Background reading and desk based training.
- Skills – pilot will use existing enforcement officers of a technical rather than professional level (detail on next slide)
- Experience – for the purpose of the pilot it is assumed that there is some pre-existing enforcement experience. Shadowing inspectors of different disciplines.



Competence Assessment

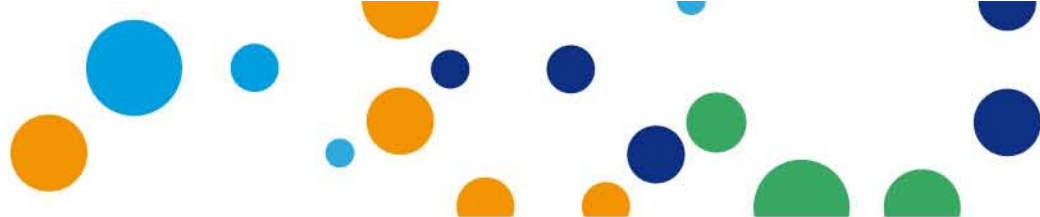
Assessment of

- Understanding of background, objectives and context of BCP
- Knowledge of regulation in H&S, Food, Fire, TS and Licensing
- Understanding of how to: conduct assessment, capture data, issue alerts in cases of non compliance etc
- Ability to advise and signpost businesses appropriately where improvement is needed



Overall:

- One of a number of changed ways of working with business – information, advice, training, self assessment of compliance etc.
- Goes with the grain of the Regulators Compliance Code – light touch for broadly compliant businesses.
- Audits are quick and therefore cheaper than inspection
- Frees up resources for better targeting of non-compliant businesses.



What makes the partnership work?

- Partners are fully signed up to the 4 key principles:
 - Intelligence led
 - Innovative
 - Outcome focused
 - Collaborative
- Partners want to make it work, and have gained the confidence to believe they can

