

**Item 3**

**‘Open for Business’**

**Purpose of paper**

For decision.

**Summary**

This paper seeks the views of Safer and Stronger Communities Board about proposed LGA activities as part of the regulation and economic growth agenda, with a particular focus on ensuring that the recently published ‘Shared Vision for Local Regulation’ delivers tangible benefits for councils, businesses and residents.

**Recommendation**

Members are invited to discuss the proposed delivery plan of activities under the ‘Shared Vision for Local Regulation’ headline.

**Action**

Officers to progress as directed.

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## **‘Open for Business’**

### **Context: Rewiring Public Services**

1. Members of the Safer and Stronger Communities Board will be aware of the ‘Rewiring Public Services’ discussion paper that was launched at the LGA annual conference this year, which will provide the strategic direction on all LGA policy and campaign work moving forward. It focuses on six key priorities: independent local government, growth, good adult social care, future of children’s services; welfare reform and sustainable future funding.
2. The policy proposals on growth are based on the principle that increased autonomy for councils is the only way to unleash the full power of local growth. In reality there is no such thing as the English economy. It is city regions, county economies and sub-regional labour markets that are driving our economy and whose success is fundamental to creating new jobs and securing long term growth.
3. In more detail, ‘Rewiring Public Services’ suggests that ‘a local Treasury’ could remove silo budgeting and with real power could provide the basis for growth, including the ability to flex business rates and the freedom to lead on skills and new job opportunities. The proposals also make specific reference to the need for a localised and simplified approach to regulation, one which gives councils the ability to decide what approach to regulation best suits the needs of their area in order to free businesses from red tape and really focus limited resources on local priorities.

### **‘Open for Business’**

4. During annual conference, Councillor Mehboob Khan led a workshop to hear directly from business representatives about how councils can improve their work with small businesses to really promote local growth and job creation. At this event we took the opportunity to launch two publications aimed at helping councils to promote their services to businesses and really show that councils are ‘Open for Business’.
5. The first publication is a template leaflet that outlines the range of local services that can help small businesses. Rather than forming a directory of services, it delivers information in three key areas: getting the basics right, getting involved in our community and how we can help you if you have problems. This business focused approach has been welcomed by the Federation of Small Businesses. Councils can tailor the information to reflect local service delivery, contact details and branding. Please see **Appendix A**.

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6. The second publication builds on previous discussions with Board members and is '**A shared vision for local regulation**'. It aims to position regulation as part of the local government offer to support businesses. It provides a statement on behalf of our sector about what we think local regulation should look like and to provide a clear message – both nationally and locally – that councils are truly open for business. We want to ensure that regulatory services are not only championed for protecting residents and tackling rogue businesses, but that every single business feels as comfortable contacting their councils about regulation, as our residents do if they want to discuss bin collection, parking or council tax. The 'Vision' includes practical tips about how councils can break down barriers with local businesses and increase the accessibility of local regulatory services. Please see **Appendix B**.
7. The 'Vision' also conveys a clear message that each council should have the freedom to work with businesses to develop an approach to regulation that is right for business and right for their local communities, without the need for central prescription. This means that while the law provides consistent and clear requirements for businesses to meet, councils must have the freedom and tools to work with businesses to determine exactly what level of regulatory activity, if any, is needed in each local area.

**'A shared vision for local regulation' – Beyond a policy statement**

8. We are keen to ensure that the Vision delivers on the ambition to fundamentally change the relationship that councils have with businesses about local regulation. It is proposed that the Vision acts as the foundation for a range of activities that we hope can benefit the way that regulatory services work with businesses on a longer term basis. This means taking action on a number of different issues aligned to the core principles: licensing; culture change for the regulatory workforce; building links with business representatives at a national level, increased support for councillors and a clear communications plan.

**Licensing**

9. Looking across the regulatory landscape it becomes clear that the principle of licensing has become an anomaly, one which does not consider risk and has simply become an annual paperwork exercise for responsible businesses. Tens of licensing regimes have emerged over the past 100 years and we would like to lead the debate about how licensing can become more flexible to focus regulation where it is actually needed.
10. Firstly, we propose to lobby Government to conduct a coordinated review across at least five Whitehall departments to remove outdated or unnecessary licence regimes. The LGA has already considered this with licensing officers and has a clear list of licences that can be abolished or combined. For example, the licences for performing animals and hypnotists can be potentially abolished and there is the opportunity to create single, simplified licences for common areas such as licensing animal establishments, road closures, street activity (including charity collections) and holiday premises.

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11. Secondly, we would like Government to provide a simplified approach to all licensing regimes. Each licensing regime has its own unique legal framework of renewal periods, supporting documentation and information, inspection requirements, statutory forms and appeals which is confusing for businesses. We propose that all licensing regimes should be based on a common legal framework, one which recognises the 'licence for life' principle under the Licensing Act, which only requires businesses to submit an annual fee rather than the complete a full, bureaucratic renewal for a licence.
12. Importantly, we are proposing that a simplified approach to licensing would legally embed the role of local licensing committees into all licence regimes, providing a transparent way of making licensing policies and decisions accountable to both residents and businesses. With the licensing committee providing the true link to local priorities and risks, they should be given full power to remove licensing that is stifling growth and no longer appropriate in a local area and be able to respond to emerging local risks, such as growing concerns about numbers of betting shops.

**Changing the culture of the regulatory workforce**

13. Historically the public sector and private sector have been very different places to work. However, this has begun to change with councils engaging in millions of pounds worth of contracts with the private sector each year and an ever growing record of successful joint ventures. Our services must make an effort to understand the unique pressures and drivers in the business world and in particular the needs of small local businesses. Throughout our conversations with councillors, service managers and businesses it has been recognised that there are still significant improvements to be made to ensure that our regulatory workforce is ready and able to work with businesses in a way which suits them, rather than us.
14. It is proposed that the LGA Workforce team work with a number of councils to establish what how far there is a cultural challenge for regulatory services to really understand businesses, what practical tools already exist to address this, any additional support required by local services and links made to broader challenges for the local government workforce as a whole if relevant.
15. The LGA will also ensure that the opportunity to review culture change is included in an updated, re launched peer review for regulatory services. There are currently still remaining places for a cost free review for those councils that are interested.

**Councillor training - online and licensing committee members**

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16. In July 2013, the LGA will be launching an online training tool for councillors that want to understand more about the role local regulation has in supporting businesses and protecting local communities.
17. The LGA recognises that the role of licensing committees has fundamentally changed, with new powers such as the late night levy and early morning restriction orders giving committees the power to fundamentally change the night time economy in their area and tackle community safety issues in an area. The potential for a health related licensing objective under the Licensing Act and LGA proposals for the future role of licensing committees will take the leadership role yet further and place the decisions of committees under increasing scrutiny by both businesses and residents.
18. The LGA propose to hold a number of free, regionally based training sessions for licensing committee members to further develop their understanding of the leadership potential now and in the future and how to respond to the increased focus on decisions made by licensing committees.

**Increasingly links to business representatives at a national level**

19. Through the process of developing the Vision we have established a positive relationship with a range of business representative bodies, including the Federation of Small Businesses (FSB), Association of Convenience Stores (ACS) and representatives on the Better Regulation Delivery Office (BRDO) Business Reference Panel.
20. It is proposed that these relationships can continue to benefit our work on regulation and we should not only engage them directly as issues arise, but also hold a roundtable with both businesses and local politicians to be hosted by Councillor Khan. The meeting would aim to maintain the dialogue and momentum established by the Vision and identify remaining matters for further work. The meeting would encourage business organisations to approach the LGA about areas of concern relating to local regulation, allowing us to offer practical resolution and challenge myths, rather than businesses feeling they need to push national policy changes that restrict local government freedoms.

**Communications**

21. In line with annual conference, we have already sent out press releases about the 'Vision for local regulation' and continue to keep pressure on the Government to move forward with locally set fees for alcohol licences. We have also actively circulated the Vision to heads of service, officer networks, professional bodies and relevant Government agencies and departments.
22. We propose to maintain this momentum, with future press coverage planned on an updated licensing regime, the future of local licensing committees and promotion of case studies. We are also looking to secure speaking platforms at the party conferences by working with relevant stakeholders.



**Safer and Stronger  
Communities Board Meeting**  
8 July 2013

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