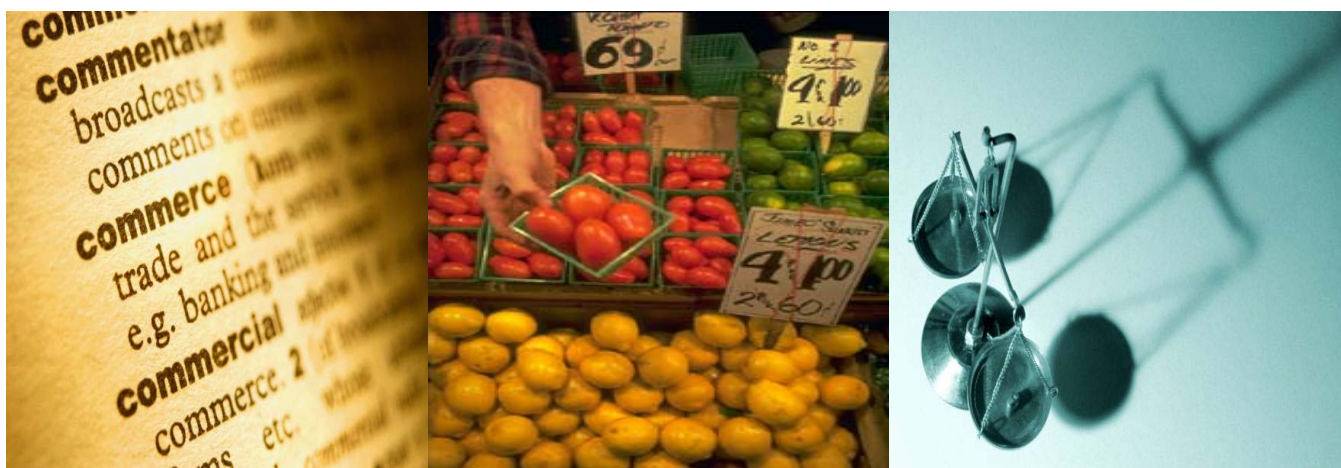


# Scrutiny Report



## Trading Standards – Local Business Partnerships and Business Advice

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Report of the Cultural and Community Services Panel

June 2003

## **Members of Cultural and Community Services Panel**

**Mr C T Wareing (Chairman from 8 May 2003), Mr J M Cairns,  
Mrs B I Hickling, Mrs P M Norton, Mr M M G Oborski, Mr R C Peachey,  
Mrs D Rayner**

Mrs P E Davey was the Panel's Chairman prior to 8 May 2003

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## Cultural and Community Services Panel – June 2003

### Scrutiny Exercise – Final Report

#### TRADING STANDARDS SCRUTINY EXERCISE – LOCAL BUSINESS PARTNERSHIPS AND BUSINESS ADVICE

##### 1. Introduction

1.1 The Panel identified Trading Standards as an area for scrutiny in October 2002. The terms of reference for the exercise were agreed as follows, “to examine the extent to which the Trading Standards Service achieves its corporate aims and objectives”.

1.2 In view of the proposed changes to scrutiny arrangements following the Steven Leach report, and the limited time for further scrutiny work, this report is based on the Panel’s activity to date.

1.3 The relevant service aims were to:

- Protect consumers and business from illegal or unfair trading practices and unsafe products.
- Provide citizens with the skills and information they need to become confident and knowledgeable consumers.
- Encourage a strong local economy by support to business, enabling compliance with the law and good practice.
- Respond to the needs of vulnerable citizens.
- Enforce animal health legislation and promote high standards of animal health and welfare.
- Provide an efficient, effective and accessible Trading Standards Service which addresses the needs of its customers.

##### 2. Background

2.1 In December 2002, the Panel agreed it wished to consider service objectives prioritised in the following order:

- Provide citizens with the skills and information they need to become confident and knowledgeable consumers
- Encourage a strong local economy by support to business, enabling compliance with the law and good practice
- Respond to the needs of vulnerable citizens
- Enforce animal health legislation and promote high standards of animal health
- Provide an efficient, effective and accessible Trading Standards Service which addresses the needs of its customers

2.2 The Panel was provided with background information showing how the work of Trading Standards related to each of the service aims. The Regional Director of the Citizens Advice Bureaux (CAB), Ken Clarke was invited to the Panel’s meeting in December 2002 and outlined examples of how the Bureaux assisted Trading Standards in implementing the service objectives ie *providing citizens with the*

*skills and information they needed to become confident and knowledgeable consumers, and enabling compliance with the law and good practice.*

## **Legislation**

2.3 Details of the legislation, which formed the basis of the work of the Trading Standards Service, was provided to the Panel as requested. A list of documents made available to the Panel during this exercise is attached at Appendix 1.

## **3. Key Issues**

3.1 It emerged that a key issue for Trading Standards was the work of the Business Advice Service and in particular the development of the Local Business Partnership (LBP). A Government initiative was encouraging local authorities to form Local Business Partnerships (LBPs) and Worcestershire had recently obtained funding for development. A summary of the role and activities of a LBP are attached at Appendix 2.

## **Business Advice**

3.2 The Business Advice Divisions provide an alternative non-confrontational approach to seeking compliance with legislation. It does so by providing information and advice to businesses so they can “get it right first time” in complying with legal requirements.

## **Local Business Partnerships**

3.3 Local Business Partnerships take this principle a stage further by providing a “joined up” approach by all regulators to providing advice and information to businesses.

3.4 Both Business Advice / Local Business Partnerships were encouraged and supported by the Department of Trade and Industry. The current initiative is a joint development being undertaken by the Crossing the Boundaries (CtB) group of authorities and funded by the Department of Trade and Industry.

3.5 The Panel met with the following local business and regulatory advice representatives on 7 April 2003 to examine the workings of the Business Advice Service and the development of the LBP.

- David Smith, Head of Quality and Product Division, Halfords
- Sandra Pomeroy, Business Advisor, Inland Revenue
- Simone Conrad, Lead Client Account Manager, Chamber of Commerce and Business Link
- Neville Gwillam, Gwillam Farm Shops
- David Hood, Local Business Partnership (LBP) Co-ordinator
- Angela Smith, Regional Organiser, Federation of Small Businesses

## **Outcome of Panel’s Meeting on 7 April 2003**

3.6 We asked the business and regulatory advice representatives their views on the LBP and Business Advice Service and found they were in general very supportive of its aims and objectives. They did, however, highlight some areas where further action could be taken:

- The Business Advice Unit had been operational in Worcestershire for about 15 years. Other authorities also had similar units, yet other authorities were more focussed on enforcement and this had led to inconsistencies involving how regulations were enforced, between local authorities nationally. Greater consistency in decision making nationally, between Trading Standards Services was therefore needed.
- Many small businesses were not aware they could get free advice and / or were nervous about contacting Trading Standards and other regulators.
- The possibility of 'separate branding' for business advice using experience from other partner regulators should be considered.
- There was a need to expand businesses knowledge about the help that Local Business Partnerships' could provide including to the next generation, through schools and colleges.
- Better links needed to be developed between regulators.
- The Trading Standards website could be made more user friendly and be developed to enable businessmen to voice their opinions and include frequently asked questions.
- Planning authorities should be included in the LBP.
- Market the LBP to increase awareness and use, include "a frequently asked questions", sections and consider a chat page.
- Consider information links with Chamber of Commerce, and Federation of Small Businesses to enable improved contacts with businesses.
- Develop Performance Indicators to reflect outcomes.
- The Trading Standards Service should look for more ways in which it can become proactive.

3.7 These specific points can be categorised into a number themes for which we make the following recommendations.

## **4. Recommendations**

### **4.1 Greater Consistency in Decision making between Local Authorities**

**We recommend** that representations be made by Trading Standards to LACORS (the Local Authority Co-ordinating body on Regulatory Services) and the Trading Standards Institute, to develop and implement an action plan to improve consistency.

The expected **outcome** would be the Implementation of a strategy to achieve consistency. **Performance Measures** should be developed through discussion with stakeholders. A 6 monthly review of progress (fixed date) should be arranged.

## **4.2 Improve Access, Awareness and Overcome Barriers to Communication between Business Advice Divisions and Local Business Partnerships.**

### **We recommend that:**

- a) awareness of the business advice service, particularly for small businesses be improved by reducing the fear of red tape and bureaucracy and improving the marketing of the business advice service and local Business Partnerships, having particular regard to the next generation of business people through schools and colleges.

This **outcome** would be achieved through consultation and the development of a brand / advertising which:

- will give businesses the confidence to approach business advisors and
- ensure that the service is well-known, particularly in schools and colleges.

**Performance measures** should show improved service usage by **30 October 2004**

- b) two way communications between business and advisors be improved by developing the Trading Standards website to include frequently asked questions and enabling business to voice their opinion about the service and legislation.

The expected **outcome** would be a website which was easier and more attractive to use by 31 March 2004, and the dedicated phone line should be maintained.

**Performance measures** should show more 'hits' on the website.

## **4.3 Improve links with the Chamber of Commerce, Federation of Small Businesses and other Regulators.**

### **We recommend:**

- a) that links with the Chamber of Commerce, Federation of Small Businesses, and other business representatives be improved to achieve better co-ordination of regulatory services to businesses by 31 March 2004. This would be achieved through the continued development of Local Business Partnerships which should include planning authorities. Benchmarking with partners should continue to ensure a 'best practice' approach to the delivery of business advice.

The expected **outcome** would be the implementation of formal protocols to exchange information and to deliver joint initiation by 31 March 2004.

**Performance measures** should include comparisons with business advice and Local Business Partnerships in the region by 31 March 2005 .

#### 4.4 Develop Performance Measures

We recommend that the following data should be collected and monitored by 31 March 2004:

- Number of businesses signed up to LACORS 'home authority' principle
- Effects on compliance levels (i.e. reduction in levels of complaints against a trade sector, reduction in the rate of identified breaches etc) with increasing / decreasing 'home authority' activity.
- Number of people receiving business advice or training.
- Number of 'home authority' referrals received.

This would result in **performance measures** which would reflect best practice and achieve top quartile performance by 31 March 2005

## APPENDIX 1

### LIST OF DOCUMENTS AND INFORMATION CONSIDERED BY THE PANEL DURING THE TRADING STANDARDS SCRUTINY EXERCISE

#### LOCAL BUSINESS PARTNERSHIPS AND BUSINESS ADVICE

##### Document

- 1 The Audit Commissions report "Measure for Measure"
- 2 The Department of Trade and Consumer Strategy White Paper entitled "Modern Markets: Confident Consumers"
- 3 The Department of Trade and Industry's "National Performance Framework" for Trading Standards
- 4 The Enforcement Concordat for Regulatory Services developed by the Cabinet Office
- 5 Summary of 'The food Standards Agency Framework Agreement as local Authority Food Law Enforcement'
- 6 The 'Home Authority Principle' produced by Local Authority Co-ordinating Body on Regulatory Services (LACORS) and Department of Trade and Industry (DTI)
- 7 Agenda and Minutes of the Cultural and Community Services Panel on 3 October 2002
- 8 Agenda and Minutes of the Cultural and Community Services Panel on 9 December 2002
- 9 Agenda and Minutes of the Cultural and Community Services Panel on 7 April 2003

## APPENDIX 2

### ROLE AND ACTIVITY OF LOCAL BUSINESS PARTNERSHIPS

#### Aims and Objectives of LBPs:

A LBP is a forum to encourage businesses and the whole range of bodies that have some form of regulatory control over businesses, to work together more closely.

Its objectives are:

- To help businesses to understand which regulations affect them and how to comply
- To encourage each party to appreciate the other's view
- To reduce red tape in the way that regulations are applied
- To enable regulators to target enforcement on those who flout the law
- By doing all of the above, to help businesses to compete on equal terms

#### What will the partnership do?

The LBP will not duplicate existing activity but will aim to join with and enhance it for example:

- One-to-one assistance in finding the right person to contact
- Real consultation with small groups of businesses sharing common issues
- Feedback to local and central Government
- Participation in Business Advice events

#### Current Position:

There is still much work to be done in relationship building but the commitment of a large number of organisations in Worcestershire has been gained, of which some of the more significant are:

Chamber of Commerce	Fire & Rescue Service
Business Link	Inland Revenue
Federation of Small Businesses	HM Customs & Excise
Trading Standards	Health & Safety Executive
Environmental Health	Environment Agency

At present over 50 businesses have registered as members of the Worcestershire Business Partnership.

A small Steering Group is active, with members drawn from Business Link, Trading Standards, Environmental Health, HM Customs & Excise and, crucially, people running businesses, both large and small.